As filed with the Securities and Exchange Commission on November 6, 2023.

Registration No. 333-275113

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

Amendment No. 2
to
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CARGO THERAPEUTICS, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	**2836**	**84-4080422**
(State or Other Jurisdiction of Incorporation or Organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

1900 Alameda De Las Pulgas, Suite 350
San Mateo, California 94403
(650) 379-6143
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Gina Chapman
Chief Executive Officer
CARGO Therapeutics, Inc.
1900 Alameda De Las Pulgas, Suite 350
San Mateo, California 94403
(650) 379-6143
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

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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, 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 7(a)(2)(B) of the Securities Act. ☐

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file 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, 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.

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

Subject to Completion, dated November 6, 2023

Preliminary prospectus

18,750,000 shares

CARGO THERAPEUTICS

Common stock

This is an initial public offering of shares of common stock of CARGO Therapeutics, Inc. We are offering 18,750,000 shares of our common stock to be sold in this offering. The initial public offering price is expected to be between $15.00 and $17.00 per share.

Prior to this offering, there has been no public market for our common stock. We have applied to list our common stock on the Nasdaq Global Select Market under the symbol “CRGX,” and this offering is contingent upon obtaining such approval.

We are an “emerging growth company” and a “smaller reporting company” as defined under the federal securities laws and, as such, have elected to comply with certain reduced public company reporting requirements.

	Per share	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds to CARGO Therapeutics, Inc. before expenses	$	$

(1) See the section titled “Underwriting” for a description of the compensation payable to the underwriters.

We have granted the underwriters an option for a period of 30 days to purchase up to an additional 2,812,500 shares of our common stock.

Investing in our common stock involves a high degree of risk. See the section titled “Risk factors” beginning on page 16.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares to purchasers on or about , 2023.

J.P. Morgan **Jefferies** **TD Cowen** **Truist Securities**

, 2023

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We have not, and the underwriters have not, authorized anyone to provide you any information or to make any representations other than those contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. Neither we nor the underwriters take responsibility for, or provide any assurance as to the reliability of, any other information others may give you. This prospectus is an offer to sell only the shares offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside the United States: We have not, and the underwriters have not, done anything that would permit this offering or the possession or distribution of this prospectus or any free writing prospectus in connection with this offering in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside the United States. See the section titled "Underwriting."

In this prospectus, "CARGO Therapeutics," "CARGO," the "company," "we," "us" and "our" refer to CARGO Therapeutics, Inc. and, where appropriate, our subsidiaries.

"CARGO," the CARGO logos and other trade names, trademarks or service marks of CARGO appearing in this prospectus are the property of CARGO. Other trade names, trademarks or service marks appearing in this prospectus are the property of their respective holders. Solely for convenience, trade names, trademarks and service marks referred to in this prospectus appear without the ®, ™ and SM symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or that the applicable owner will not assert its rights, to these trade names, trademarks and service marks.

Through and including , 2023 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade shares of 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 elsewhere in this prospectus. This summary may not contain all of the information that you should consider before deciding to invest in our common stock. You should read this entire prospectus carefully, including the sections titled "Risk factors," "Special note regarding forward-looking statements," "Management's discussion and analysis of financial condition and results of operations" and "Business," and our financial statements and related notes included elsewhere in this prospectus before making an investment decision. Unless the context requires otherwise, references in this prospectus to "we," "us," "our," "our company" and "CARGO" refer to CARGO Therapeutics, Inc.

Overview

We are a clinical-stage biotechnology company uniquely positioned to advance next generation, potentially curative cell therapies for cancer patients. Our programs, platform technologies, and manufacturing strategy are designed to directly address the limitations of approved chimeric antigen receptor (CAR) T-cell therapies. A CAR is a protein that has been engineered to modify T cells so they can recognize and destroy cancer cells. We believe the limitations of approved therapies include limited durability of effect, safety concerns and unreliable supply. Our lead program, CRG-022, an autologous (derived from a patient's cells) CD22 CAR T-cell product candidate, the underlying CAR of which we exclusively licensed from the National Cancer Institute (NCI), is being studied by Stanford University (Stanford) in a Phase 1 clinical trial in patients with large B-cell lymphoma (LBCL) whose disease relapsed or was refractory (R/R) to CD19 CAR T-cell therapy. On the basis of the results from the clinical trial, we are evaluating CRG-022 in a potentially pivotal Phase 2 clinical trial in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. We also plan to evaluate CRG-022 in patients at earlier stages of disease, including LBCL and other hematologic malignancies. Beyond our lead program, we are leveraging our proprietary cell engineering platform technologies to develop a pipeline of programs that incorporate multiple transgene therapeutic "cargo" designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as to help safeguard against tumor resistance and T-cell exhaustion. Our founders are pioneers and world-class experts in CAR T-cell therapy. Together, we are united in our mission to outsmart cancer and deliver more cures for patients.

Transformative advances have been made by commercially available CAR T-cell therapies; however, resistance mechanisms in hematologic malignancies can limit the strength and quality of T-cell response and contribute to disease progression, including loss or down-regulation of target antigen expression, loss of costimulation and limited CAR T-cell persistence. For example, as shown in the ZUMA-1 clinical trial for Yescarta in LBCL patients with two or more prior lines of therapy, approximately 60% of LBCL patients treated with Yescarta had their disease relapse or progress within 24 months. As CD19 CAR T-cell therapies continue to expand into earlier lines of therapy and additional geographies, there is a large growing unmet need for the majority of patients who do not experience a durable response. According to our estimates, we expect by 2030 approximately 7,600 patients annually may need treatment post CD19 CAR T-cell therapy within the United States as well as France, Germany, Italy, Spain and the United Kingdom (EU4/UK).

Our lead program, CRG-022, is a novel CAR T-cell product candidate designed to address resistance mechanisms by targeting CD22, an alternate tumor antigen that is expressed in a vast majority of B-cell malignancies. We exclusively licensed the underlying autologously derived CAR for CRG-022 from the NCI. Prior to our licensing the underlying CAR from NCI, Stanford had begun a Phase 1 clinical trial of CRG-022 that is being conducted for research purposes, and which has enrolled 41 patients with R/R LBCL, 38 of whom received CRG-022. As of the most recent data cutoff date (May 3, 2023), the following results were reported:

- CR rate of 53% (20 of 38 patients);

- responses were durable with 85% of patients (17 of 20 patients) that achieved a CR maintained their response with a median follow up time of 23 months and a maximum of 43 months;
- only 3 of the 20 patients who achieved a CR have relapsed;
- overall response rate (ORR) of 68% (26 of 38 patients), which was statistically significant;
- median overall survival (OS) of 14.1 months;
- only 1 patient experienced Grade 3 or higher cytokine release syndrome (CRS), which happens when a patient's immune system responds to an infection or immunotherapy more aggressively than it should;
- no patients experienced Grade 3 or higher immune effector cell-associated neuropathy (ICANS), which is a neurological toxicity that can occur following immunotherapy; and
- reliable supply with 95% successful manufacturing rate and median turnaround time of 18 days.

There have been 32 serious adverse events reported from 23 subjects on this study. There were four reports of Grade 3 sepsis/infection and two reports of cardiac disorders, which included grade 3 ejection fraction decreased and grade 2 heart failure. The largest category of reported SAEs (n = 14 events, 44%) have been hospitalizations for closer monitoring during a second peak of CRS that occurs between Day 11 and Day 14 post-CAR infusion. In addition, the most common adverse events of Grade 3 or higher during treatment were neutropenia, which occurs when patients have lower-than-normal levels of a type of white blood cell and is especially common among people receiving cancer treatments, that was observed in all treated patients, anemia that was observed in 63% of treated patients, and thrombocytopenia, which occurs when bone marrow does not make enough platelets, that was observed in 63% of treated patients. All of these adverse events are commonly observed in other therapeutics in this class. Three deaths in the trial were deemed by investigators to be possibly related to study drug at the highest dose level, which is not being used in our ongoing Phase 2 clinical trial.

We understand that Stanford may pursue additional clinical trials of a similar CAR T therapy to CRG-022 in other B-cell malignancies for research purposes. Our and Stanford's clinical trials have been, and will be, conducted independently from each other, with the exception that we anticipate Stanford will be a clinical trial site for our ongoing Phase 2 clinical trial of CRG-022 in R/R LBCL post CD19 CAR T-cell therapy. In September 2023, we dosed the first patient in a potentially pivotal multi-center Phase 2 clinical trial to evaluate the safety and efficacy of CRG-022 in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. In this growing patient population with significant unmet need, CRG-022 may provide another option and opportunity to achieve a complete and durable response. We expect interim results from this Phase 2 clinical trial in 2025. Beyond our initial focus on R/R LBCL post CD19 CAR T-cell therapy, we plan to evaluate CRG-022 in additional indications, including patients with LBCL who are CAR T naïve, as well as B-cell acute lymphocytic leukemia (B-ALL).

We are building upon the development of CRG-022 by leveraging our proprietary platform technologies, including our CD2 and STASH platforms, to enable the development of multi-specific and multi-functional cancer product candidates designed to improve outcomes and survival by addressing multiple mechanisms of resistance and other unmet needs. Our most advanced preclinical program, CRG-023, incorporates a tri-specific CAR to address either tumor antigen loss (e.g., CD19) or low-density antigen expression, loss of costimulation (e.g., CD58) and lack of T-cell persistence. CRG-023 is designed to target tumor cells with three B-cell antigen targets, CD19, CD20 and CD22. This product candidate also integrates a CD2 costimulatory domain into the tri-specific CAR T cell to counter a target-independent mechanism, the downregulation of CD58 (the ligand of the CD2 costimulatory receptor), that leads to resistance to CAR T cells and other immune therapies.

The strength and quality of a T-cell response is dependent not only on cognate antigen recognition, but also on costimulation, which involves interaction of one or more costimulatory receptors on T cells, such as CD2, with their cognate ligands (a molecule that typically interacts with that receptor) expressed on the surface of tumor cells, such as CD58. Tumor cells can escape CAR T-cell destruction by downregulating the expression of ligands

for the costimulatory receptors. Alteration of CD58 expression is associated with poor prognosis in patients with LBCL and leads to lack of response to CD19 CAR T cells. Approximately 25% of LBCL patients that are eligible for CAR T-cell therapy have mutated or absent CD58 and up to 67% have decreased expression of CD58. In addition, a study published in June 2023 demonstrated that aberrant CD58 expression can also occur in a wide range of hematologic malignancies including Hodgkin and non-Hodgkin lymphomas (both B-cell and T-cell), including de novo disease, suggesting a potential utility for our CD2 platform technology in future therapies to mitigate immune escape, which occurs when a tumor mutates to escape the patient's immune system. Our CD2 platform creates constructs that couple CD2 signaling directly to CAR activation, thereby engaging CD2 signaling even in the presence of tumor cells that have reduced aberrant CD58 expression. We leveraged this platform to uniquely differentiate CRG-023.

Our second platform technology, which we refer to as STASH, is designed to enable multiplex engineering of a variety of immune cell types. This platform allows us to incorporate multiple transgene therapeutic "cargo" designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as to help safeguard against tumor resistance and T-cell exhaustion. As is common among CAR T cell therapies, we use a virus, in the form of a lentiviral vector to deliver the genetic elements that modify the T cell. Engineering a multifunctional cell requires the introduction of additional genetic elements that often do not fit within a single lentiviral vector, requiring the use of multiple vectors. However, engineering cells with multiple vectors typically results in a heterogeneous cell product, and we are unaware of an efficient way to generate a homogenous CAR T-cell product using existing viral vector systems. Our STASH platform is designed to address this problem by employing a technology that selects only cells that possess all of the desired transgenes, which enables the production of a homogeneous population of CAR T cells produced using more than one delivery vector. We believe this technology will allow us to efficiently incorporate more genetic elements into our CAR T cells with the goal of enhancing the potential for efficacy, persistence and safety.

Despite the curative potential of cell therapies, we believe these treatments are not readily available to many of the patients who could benefit from them due to manufacturing challenges, supply constraints, unpredictable turnaround time and other logistical challenges. With the goal of addressing these issues, our team developed the intended commercial manufacturing process and analytical control strategy for CRG-022, while demonstrating comparability of the final drug product to that produced by the process used in the Stanford Phase 1 clinical trial. Specifically, our CRG-022 IND application included our comprehensive data supporting the comparability of our intended commercial manufacturing process to the process used in the Stanford Phase 1 clinical trial, as well as qualified testing methods for the lentiviral vector and cell product, including a potency assay. Notwithstanding the foregoing, we cannot assure you that the FDA will agree with our claim of comparability and the sufficiency of the data to support it or agree with our ability to reference the preclinical, manufacturing or clinical data generated by the Stanford clinical trial even if we receive a right of reference from Stanford. If the FDA disagrees, there may be limitations on the inclusion of Phase 1 clinical trial data in the product label. We developed the intended commercial process prior to initiating our potentially pivotal Phase 2 clinical trial in order to potentially minimize the need for process or analytical changes post-pivotal clinical trial. In addition, we believe our strategy reduces the need for additional complex comparability studies post-pivotal clinical trial. Our process is designed to be readily transferrable, which we believe positions us to scale capacity if demand increases. The transferability of the process is enabled by the use of a single-cell processing device coupled with automated unit operations and a comparability framework.

Our solution: next generation of CAR T-cell therapies

We are developing a portfolio of product candidates designed to expand the number of patients that can benefit from CAR T-cell therapies by addressing limitations of currently approved products. Our solution includes:

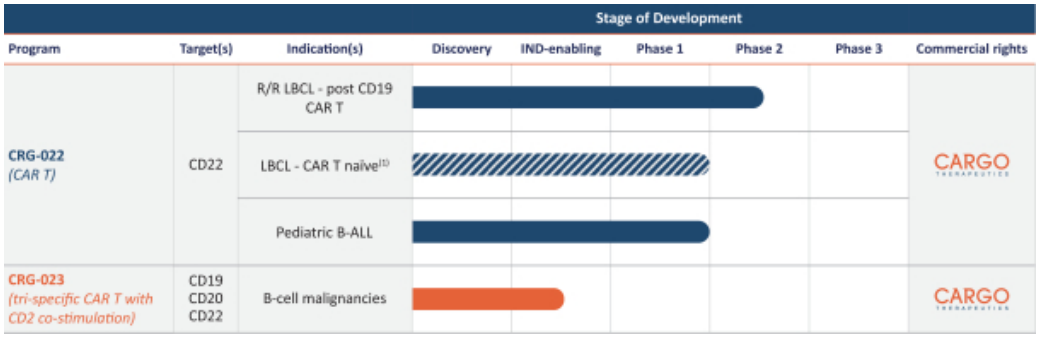
- ***Directing CAR T cells toward alternate targets***. Therapies that target single tumor antigens, such as CD19, can be rendered ineffective by genetic or non-genetic changes that diminish the expression of these targets. Our most advanced product candidate, CRG-022, is designed to address an alternate target, CD22, that is

nearly always expressed on cancerous B cells, to kill B-cell tumors including those that have become resistant to CD19-based therapies. We are also developing multi-specific CAR T-cell therapies, starting with CRG-023, that can recognize tumors that express any of the CD19, CD20 and CD22 antigens, thereby limiting potential antigen loss as a mechanism of resistance.

- ***Addressing common mechanism of non-target-based resistance***. In addition to antigen downregulation or loss, resistance to immune therapies, including CAR T cells, can develop through the loss of costimulatory signaling, such as tumor cells downregulating CD58. Because these mechanisms are not antigen-specific, loss of costimulation can lead to broad suppression of immune therapies. We are addressing loss of costimulatory ligands such as CD58, by creating CAR T cells that can induce CD2 costimulatory signaling by a tumor antigen irrespective of potential CD58 downregulation or loss on tumor cells.
- ***Reducing anti-CAR immunogenicity due to species differences***. Our CAR T-cell product candidates are all constructed with human binders, thereby reducing the risk for anti-CAR immune responses.
- ***Addressing manufacturing challenges***. Our team is applying its extensive experience in the field to implement manufacturing processes that are highly reliable and readily transferrable to expand capacity, reduce turnaround time and minimize costs of goods. While we are confident in our team's ability to address these manufacturing challenges, these are complex processes and there could be delays in developing a sustainable, reproducible and scalable manufacturing process or transferring that process to commercial partners. Further, while we believe it is more cost-efficient to outsource this manufacturing, it is possible that relying on third parties could result in increased costs that could delay, prevent or impair our commercialization efforts. We have also licensed and further developed technologies specifically designed towards the manufacturing and purification of CAR T cells containing multiple genetic inserts delivered by multiple vectors.

Our programs

Our initial focus is to treat patients with high unmet need and poor survival outcomes who develop resistance to current guideline recommended cancer therapies. In the future, we aim to treat patients at earlier stages of disease to help prevent resistance from emerging in order to extend the durability of response. The figure below summarizes our pipeline of wholly owned CAR T-cell product candidates designed to address key mechanisms of resistance for the treatment of a variety of cancers.



(1) Based on data from the Phase 1 clinical trial conducted by Stanford and pending data from our ongoing Phase 2 clinical trial in R/R LBCL – post CD19 CAR T, we intend to discuss with the FDA initiation of a Phase 2 program in LBCL – CAR T naïve without completing earlier clinical trials in LBCL – CAR T-naïve patients.

Our lead program, CRG-022

CRG-022 is an autologous CAR T-cell product candidate that targets CD22, a B-cell specific antigen that has been reported to be expressed in 81% to 100% of diffuse large B-cell lymphoma (DLBCL) patients. Importantly, CD22 expression is usually retained following loss of CD19 antigen expression in patients who become resistant to CD19 CAR T-cell therapy. Beyond targeting CD22, CRG-022 is also designed to incorporate several key features including its short linker, a single-chain variable fragment (scFv) targeting a membrane-proximal epitope on CD22 and its fully human composition, which, respectively, are designed to improve efficacy by increasing dimerization, minimizing resistance and reducing immunogenicity. Additionally, the CAR incorporates the 4-1BB costimulatory domain, which has been shown to improve long-term persistence.

We are initially focused on developing CRG-022 to treat patients with LBCL whose disease is R/R following CD19 CAR T-cell therapy. LBCL is a composite of different subtypes and includes DLBCL, high-grade B-cell lymphomas, primary mediastinal B-cell lymphoma (PMBCL) and grade 3B or transformed follicular lymphoma (FL). LBCL is the most common aggressive lymphoid malignancy in the United States and Europe, accounting for approximately 30% to 40% of all non-Hodgkin lymphomas (NHL), a disease with over 80,000 new diagnoses a year. Many DLBCL patients (approximately 30% to 50%) do not respond to or relapse after initial treatments, and then become eligible for CAR T-cell therapy targeting CD19.

Since 2017, the FDA has approved three autologous CD19 CAR T-cell products for the treatment of LBCL, which generated $1.3 billion in sales in DLBCL in 2022 in the United States/EU4/UK alone and are projected to grow to $2.6 billion and $3.3 billion sales annually by 2026 and 2030, respectively, according to data published by Clarivate Disease and Landscape Forecasting (NHL, CLL) 2023. CD19 CAR T-cell therapies can induce long-term remission in some patients, however, as shown in the ZUMA-1 clinical trial for Yescarta in LBCL patients with two or more prior lines of therapy, approximately 60% of LBCL patients treated with the CD19 CAR T-cell therapy had their disease relapse or progress within 24 months. As more patients receive these therapies, driven by recent approvals in earlier lines of therapy and geographic expansion, the unmet need for those who do not experience a durable response is growing. There is currently no broadly recognized standard of care for patients with LBCL whose disease does not respond to or relapses following treatment with CD19 CAR T-cell therapies. The prognosis for this patient population is poor with a median OS of approximately five to eight months.

To help address the significant unmet need in this patient population, we are developing CRG-022, of which the underlying autologously derived CAR we exclusively licensed from the NCI. This CAR has been included in CD22 CAR T-cell product candidates dosed in more than 120 patients in several clinical trials conducted by Stanford and the NCI. The Stanford Phase 1 clinical trial enrolled 41 patients with LBCL whose disease was R/R to CD19 CAR T-cell therapy, including one patient whose disease was CD19-negative and was CD19 CAR T naïve. One patient withdrew from the clinical trial prior to leukapheresis and two patients did not receive CRG-022 due to an inability to manufacture given limited patient T cells, resulting in a 95% successful manufacturing rate (38 of 40 patients) with a median turnaround time of 18 days. In the 38 LBCL patients who received CRG-022, an ORR and a CR rate of 68% and 53%, respectively, was achieved. The median OS was 14.1 months. As of the May 3, 2023 cutoff date, 17 of 20 patients that achieved a CR maintained their response with a median follow up time of 23 months and a maximum of 43 months, which we believe suggests favorable durability. CRG-022 was generally well-tolerated with only one patient experiencing Grade 3 or higher CRS and no patients experiencing Grade 3 or higher ICANS. Based on this data, we believe that CRG-022 may provide another option and opportunity to achieve a durable and complete response in the growing post CD19 CAR T-cell therapy patient population.

We have been actively engaged with the FDA in the design of our potentially pivotal multi-center Phase 2 clinical trial, which we initiated in August 2023, to evaluate the safety and efficacy of CRG-022 in patients with

LBCL whose disease is R/R to CD19 CAR T-cell therapy. We expect interim results from this Phase 2 clinical trial in 2025.

In addition to our initial focus on R/R LBCL, we are also evaluating the development of CRG-022 in additional indications, including LBCL in patients who are CAR T naïve, as well as B-ALL. In a Phase 1 clinical trial conducted by the NCI in children and young adults with R/R B-ALL with CD22 expression, treatment with CD22 CAR T-cell therapy using the same CAR as CRG-022 led to a 70% CR rate.

Our tri-specific program, CRG-023

Our most advanced preclinical program, CRG-023, incorporates a tri-specific CAR designed to address tumor antigen loss and our CD2 platform technology to address loss of costimulatory CD58. CRG-023 is designed to target tumor cells with three B-cell antigen targets, CD19, CD20 and CD22. Leveraging our CD2 platform, CRG-023 integrates a CD2 costimulatory domain into the tri-specific CAR T to counter a target-independent mechanism, the downregulation of CD58 (the ligand of the CD2 costimulatory receptor), that leads to resistance to CAR T cells and other immune therapies. CD58 alteration is associated with poor prognosis in LBCL and leads to lack of response to CD19 CAR T cells. Approximately 25% of LBCL patients that are eligible for CAR T-cell therapy have mutated or absent CD58 and up to 67% have decreased expression of CD58. In addition, a study published in June 2023 demonstrated that aberrant CD58 expression can also occur in a wide range of hematologic malignancies including Hodgkin and non-Hodgkin lymphomas (both B-cell and T-cell), including de novo disease, suggesting a potential utility for our CD2 platform technology to mitigate immune escape in future therapies. Our CD2 platform creates constructs that couple CD2 signaling directly to CAR activation, thereby engaging CD2 signaling even in the presence of tumor cells that have reduced or eliminated CD58 expression. We leveraged this platform to uniquely differentiate our CRG-023 program. We are preparing to conduct IND-enabling studies with CRG-023.

Our history, team and investors

We were founded by pioneers and world experts in CAR T-cell therapy, and we have built a seasoned leadership team with experience and success developing, manufacturing, launching and commercializing oncology and cell therapy products.

Our founders include internationally recognized experts from Stanford and an acclaimed cancer advocate. Crystal Mackall, MD, Professor of Pediatrics and Internal Medicine at Stanford serves as Founding Director of the Stanford Center for Cancer Cell Therapy, Associate Director of Stanford Cancer Institute, Leader of the Cancer Immunology and Immunotherapy Program, and Director of the Parker Institute for Cancer Immunotherapy at Stanford. Dr. Mackall previously served as Chief of the Pediatric Oncology Branch at the NCI. Robbie Majzner, MD, is the Director of the Pediatric and Young Adult Cancer Cell Therapy Program within the Departments of Pediatric Oncology and Medical Oncology at Dana Farber Cancer Institute and the Division of Hematology/Oncology at Boston Children's Hospital. Dr. Majzner's laboratory is working to develop novel cellular immunotherapies for children with incurable cancers. Louai Labanieh, PhD is a Parker Scholar at Stanford School of Medicine and is a leader in engineering CAR T cells using synthetic biology. Nancy Goodman, JD, is the CEO of Kids v Cancer, a nonprofit organization dedicated to policy reform to attract biotech and pharmaceutical companies to pediatric cancer drug development.

Our management team has significant experience in both cell therapy and oncology. We have progressed products from research to clinical trials, and ultimately to regulatory approval and commercialization. Gina Chapman, our President and Chief Executive Officer, brings over 30 years of biopharmaceutical commercial and operational experience. She most recently served as Senior Vice President and Business Unit Head at

Genentech, where she worked for more than 15 years. Michael Ports, PhD, our Chief Scientific Officer, has over 10 years of biopharmaceutical and cell-therapy drug development experience. He most recently served as Vice President and Head of Cell Therapy Discovery and Platforms at Janssen. Shishir Gadam, PhD, our Chief Technical Officer, most recently was Vice President of Global Cell Therapy Manufacturing Science and Technology at Bristol Myers Squibb (BMS). He played an instrumental role in the global licensure and launch of the CAR T-cell products Breyanzi and Abecma and built a global manufacturing science and technology organization responsible for product and process life-cycle management, technology transfers and manufacturing technology. Anup Radhakrishnan, our Chief Financial Officer and Chief Business Officer, brings over 20 years of experience in the biopharmaceutical sector providing strategic financial leadership across both clinical and commercial stage organizations. He previously served as CFO at Dascena and worked at Genentech for over 11 years. The regulatory approval process for novel product candidates such as ours can be more complex and consequently more expensive and take longer than for other, better known or extensively studied pharmaceutical or other product candidates. As a result, we believe having a management team with significant relevant experience positions us well to overcome these challenges.

We are also supported by our board of directors, scientific advisory board and a leading syndicate of investors.

Our strategy

Our mission is to outsmart cancer by developing the next generation of transformational CAR T-cell therapies to impact patients worldwide with the aim of becoming a fully integrated, leading cell therapy company. Our strategy to achieve this goal is as follows:

- ***Build a next generation CAR T-cell company focused on developing and delivering potentially curative therapies to more patients.***
- ***Advance CRG-022 through a potentially pivotal Phase 2 clinical trial for the treatment of patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy.***
- ***Expand development of CRG-022 to earlier lines of therapy and additional indications.***
- ***Leverage our intended commercial and readily transferable manufacturing process to help mitigate regulatory hurdles and facilitate predictable and reliable supply for future patients.***
- ***Continue to leverage our platform technologies to advance additional CAR T-cell programs into clinical development.***
- ***Opportunistically pursue strategic partnerships and collaborations to maximize the value of our pipeline and platform technologies.***

Certain Preliminary Financial Information (Unaudited)

As of September 30, 2023, we had approximately $60.3 million in cash and cash equivalents. This estimate of our cash and cash equivalents is preliminary and subject to completion, including the completion of interim review procedures as of and for the nine months ended September 30, 2023. As a result, the unaudited preliminary cash and cash equivalents set forth above reflects our preliminary estimate with respect to such information, based on information currently available to management, and may vary from our actual financial position as of September 30, 2023. Further, this preliminary estimate is not a comprehensive statement or estimate of our financial results or financial condition as of and for the nine months ended September 30, 2023. The unaudited preliminary cash and cash equivalents included herein has been prepared by, and is the

responsibility of, management. Our independent registered public accounting firm has not audited, reviewed, compiled or performed any procedures with respect to the unaudited preliminary cash and cash equivalents and, accordingly, our independent registered public accounting firm does not express an opinion or any other form of assurance with respect thereto. It is possible that we or our independent registered public accounting firm may identify items that require us to make adjustments to the financial information set forth above. This estimate should not be viewed as a substitute for financial statements prepared in accordance with accounting principles generally accepted in the United States and they are not necessarily indicative of the results to be achieved in any future period. Accordingly, you should not draw any conclusions based on the foregoing estimate and should not place undue reliance on this preliminary estimate. We assume no duty to update this preliminary estimate except as required by law.

Risk factors summary

Our business is subject to a number of risks of which you should be aware before making a decision to invest in our common stock. These risks are more fully described in the section titled “Risk factors” immediately following this prospectus summary. These risks include, among others, the following:

- We are a clinical-stage biotechnology company and have incurred significant losses since our inception, and we expect to incur losses for the foreseeable future. We have no products approved for commercial sale and may never achieve or maintain profitability.
- Our limited operating history may make it difficult to evaluate our prospects and likelihood of success.
- Even if this offering is successful, we will require additional funding in order to finance operations. If we are unable to raise capital when needed, or on acceptable terms, we could be forced to delay, reduce or eliminate our product development programs, commercialization efforts or other operations.
- The substantial obligations from our license agreements may result in dilution to our stockholders, may be a drain on our cash resources or may cause us to incur debt obligations to satisfy the payment obligations.
- If we are unable to successfully identify, develop, obtain regulatory approval and ultimately commercialize any of our current or future product candidates, or experience significant delays in doing so, our business, financial condition and results of operations will be materially adversely affected.
- We have experienced rapid operational growth since our inception in December 2019, and expect to continue to grow in the future as our clinical and preclinical trials progress, we begin to advance the development of new and current product candidates and our headcount increases. If we fail to effectively manage our growth, we may not be able to execute on our business objectives.
- Our ability to develop our product candidates and our platform technologies, as well as our future growth, depends on attracting, hiring and retaining our key personnel and recruiting additional qualified personnel.
- We operate in highly competitive and rapidly changing industries, which may result in others discovering, developing or commercializing competing products before or more successfully than we do.
- We rely on third parties to conduct our clinical trials and preclinical studies. If these third parties do not successfully carry out their contractual duties, comply with applicable regulatory requirements or meet expected deadlines, our development programs and our ability to seek or obtain regulatory approval for or commercialize our product candidates may be delayed.

- We have identified material weaknesses in our internal control over financial reporting. If our remediation of the material weaknesses is not effective, or if we experience additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls in the future, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our common stock.
- Our success depends on our ability to protect our intellectual property and our proprietary technologies.

Before you invest in our common stock, you should carefully consider all of the information in this prospectus, including matters set forth in the section titled “Risk factors.”

Corporate information

We were founded in December 2019 as a Delaware corporation under the name Syncopation Life Sciences, Inc. We changed our name to CARGO Therapeutics, Inc. in September 2022. Our principal executive offices are located at 1900 Alameda De Las Pulgas, Suite 350, San Mateo, California 94403, and our telephone number is (650) 379-6143.

Our website address is www.cargo-tx.com. The information on, or that can be accessed through, our website is not part of this prospectus and is not incorporated by reference herein. We have included our website address as an inactive textual reference only.

Implications of being an emerging growth company and a smaller reporting company

We are an “emerging growth company,” as defined in the Jumpstart Our Business Startups Act of 2012 (the JOBS Act). We will remain an emerging growth company until the earliest of: (i) the last day of the fiscal year following the fifth anniversary of the consummation of this offering; (ii) the last day of the fiscal year in which we have total annual gross revenue of at least $1.235 billion; (iii) the last day of the fiscal year in which we are deemed to be a “large accelerated filer” as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the Exchange Act), which would occur if the market value of our common stock held by non-affiliates exceeded $700.0 million as of the last business day of the second fiscal quarter of such year; or (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period. An emerging growth company may take advantage of specified reduced reporting requirements and is relieved of certain other significant requirements that are otherwise generally applicable to public companies. As an emerging growth company:

- we will present in this prospectus only two years of audited annual financial statements, plus any required unaudited interim condensed financial statements, and related management’s discussion and analysis of financial condition and results of operations;
- we will avail ourselves of the exemption from the requirement to obtain an attestation and report from our independent registered public accounting firm on the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002;
- we will provide less extensive disclosure about our executive compensation arrangements; and
- we will not require non-binding, advisory stockholder votes on executive compensation or golden parachute arrangements.

In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an emerging growth company to delay the adoption of some accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period for any other new or revised accounting standards during the period in which we remain an emerging growth company; however, we have and may adopt certain new or revised accounting standards early.

As a result, the information in this prospectus and that we provide to our investors in the future may be different than what you might receive from other public reporting companies.

We are also a “smaller reporting company,” as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as the market value of our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and the market value of our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

The offering

Common stock offered by us	18,750,000 shares.
Option to purchase additional shares	We have granted the underwriters an option to purchase up to 2,812,500 additional shares of common stock from us at any time within 30 days from the date of this prospectus.
Common stock to be outstanding immediately after this offering	38,672,544 shares (or 41,485,044 shares if the underwriters exercise their option to purchase additional shares in full).
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $273.7 million (or approximately $315.6 million if the underwriters exercise their option to purchase additional shares in full), assuming an initial public offering price of $16.00 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. We currently intend to use the net proceeds from this offering, together with our existing cash and cash equivalents, to fund the planned Phase 2 clinical trials of CRG-022, to fund our internal research and development capabilities to advance new product candidates, and the remainder for working capital and other general corporate purposes, including the additional costs associated with being a public company. We may also use a portion of the net proceeds to in-license, acquire, or invest in, complementary technologies, assets, or intellectual property. We regularly evaluate strategic opportunities; however, we have no current commitments to enter into any such license arrangements or acquisition agreements or to make any such investments. See the section titled “Use of Proceeds.”
Risk factors	See the section titled “Risk Factors” and other information included in this prospectus for a discussion of factors you should carefully consider before deciding whether to invest in our common stock.
Proposed Nasdaq Global Select Market trading symbol	“CRGX”

Unless we specifically state otherwise or the context otherwise requires, the number of shares of our common stock to be outstanding after this offering is based on 19,922,544 shares of common stock outstanding as of June 30, 2023 (after giving effect to the automatic conversion of (1) all of our shares of our convertible preferred stock outstanding as of June 30, 2023 and (2) the 3,381,941 and 6,341,148 shares of our Series A-1 redeemable convertible preferred stock issued in the second tranche closing in July 2023 and the third tranche

closing in October 2023, respectively, into an aggregate of 18,836,559 shares of our common stock immediately prior to the completion of this offering) and excludes:

- 2,147,565 shares of our common stock issuable upon the exercise of stock options outstanding under our 2021 Stock Option and Grant Plan (the 2021 Plan) as of June 30, 2023, with a weighted-average exercise price of $4.73 per share;
- 1,550,776 shares of our common stock issuable upon the exercise of stock options granted under the 2021 Plan subsequent to June 30, 2023, with a weighted-average exercise price of $9.50 per share;
- 502,192 shares of our common stock reserved for future issuance under the 2021 Plan as of June 30, 2023, which shares will cease to be available for issuance at the time our 2023 Incentive Award Plan (the 2023 Plan) becomes effective;
- a number of shares of our common stock equal to 10% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) reserved for future issuance under the 2023 Plan, which will become effective on the date immediately prior to the date our registration statement relating to this offering becomes effective, as well as any future increases in the number of shares of common stock reserved for issuance under the 2023 Plan; and
- a number of shares of our common stock equal to 1% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) reserved for future issuance under our Employee Stock Purchase Plan (the ESPP), which will become effective on the date immediately prior to the date our registration statement relating to this offering becomes effective, as well as any future increases in the number of shares of common stock reserved for issuance under the ESPP.

Unless we specifically state otherwise or the context otherwise requires, this prospectus reflects and assumes the following:

- the adoption, filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, which will occur immediately prior to the completion of this offering;
- the automatic conversion of (1) all outstanding shares of our convertible preferred stock outstanding as of June 30, 2023 and (2) the 3,381,941 and 6,341,148 shares of our Series A-1 redeemable convertible preferred stock issued in the second tranche closing in July 2023 and the third tranche closing in October 2023, respectively, into an aggregate of 18,836,559 shares of our common stock immediately prior to the completion of this offering;
- no exercise, settlement or termination of the outstanding stock options described above;
- a 13.5685-for-1 stock split of our capital stock, which we effected on November 3, 2023; and
- no exercise by the underwriters of their option to purchase up to 2,812,500 additional shares of our common stock in this offering.

Summary financial data

The following tables summarize our historical financial data for the periods and as of the dates indicated. We have derived the summary statements of operations and comprehensive loss data for the years ended December 31, 2021 and 2022, except for pro forma amounts, from our audited financial statements and related notes included elsewhere in this prospectus. We have derived the summary statements of operations and comprehensive loss data for the six months ended June 30, 2022 and 2023, except for pro forma amounts, and the summary balance sheet data as of June 30, 2023, except for pro forma and pro forma as adjusted amounts, from our unaudited interim condensed financial statements and related notes as of and for the six months ended June 30, 2022 and 2023 included elsewhere in this prospectus. Our unaudited interim condensed financial statements were prepared on a basis consistent with our audited financial statements and include, in our opinion, all adjustments of a normal and recurring nature that are necessary for the fair statement of the financial information set forth in those statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of results that may be expected in the future and our interim results are not necessarily indicative of results that may be expected for the full year. You should read the following summary financial data together with our audited financial statements, unaudited interim condensed financial statements and related notes included elsewhere in this prospectus and the information in the section titled “Management’s discussion and analysis of financial condition and results of operations.”

(in thousands, except per share and per share data)	Year ended December 31, 2021	Year ended December 31, 2022	Six months ended June 30, 2022	Six months ended June 30, 2023
			(unaudited)	
Statements of operations and comprehensive loss data:				
Operating expenses:				
Research and development	$ 4,461	$ 29,373	$ 11,673	$ 26,491
General and administrative	1,516	5,398	2,044	6,552
Total operating expenses	5,977	34,771	13,717	33,043
Loss from operations	(5,977)	(34,771)	(13,717)	(33,043)
Interest expense	—	(4,942)	(776)	(1,604)
Net change in fair value of redeemable convertible preferred stock tranche obligations	—	—	—	(692)
Change in fair value of derivative liabilities	—	(1,216)	(407)	6,453
Loss on extinguishment of convertible notes	—	—	—	(2,316)
Other income (expense), net	127	(22)	(17)	603
Net loss and comprehensive loss	$ (5,850)	$ (40,951)	$ (14,917)	$ (30,599)
Net loss per share attributable to common stockholders, basic and diluted[1]	$ (38.38)	$ (104.40)	$ (50.01)	$ (48.21)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted[1]	152,422	392,268	298,296	634,704
Pro forma net loss per share of common stock, basic and diluted (unaudited)[2]		$ (1.81)		$ (1.67)
Pro forma weighted-average shares of common stock outstanding, basic and diluted (unaudited)[2]		19,228,827		19,471,265

(1) See Note 14 to our audited financial statements and Note 12 to our unaudited interim condensed financial statements included elsewhere in this prospectus for details on the calculations of historical basic and diluted net loss per share and the weighted-average number of shares attributable to common stockholders used in computation of these per share amounts.

(2) The unaudited pro forma basic and diluted net loss per share for the year ended December 31, 2022 and for the six months ended June 30, 2023 have been prepared to give effect to the assumed conversion of outstanding shares of convertible preferred stock to common stock at December 31, 2022 and June 30, 2023, respectively, as if the convertible preferred stock was outstanding as of January 1, 2022 or January 1, 2023, respectively, irrespective of when the convertible preferred stock was issued.

(in thousands)	Actual	Pro forma[1]	June 30, 2023 Pro forma as adjusted[2][3]
		(unaudited)	
Balance sheet data:			
Cash and cash equivalents	$ 42,371	$ 174,299	$ 447,999
Working capital[4]	18,631	158,568	432,486
Total assets	60,497	190,409	463,891
Convertible preferred stock	106,166	—	—
Additional paid-in capital	2,618	248,702	522,383
Accumulated deficit	(77,598)	(77,598)	(77,598)
Total stockholders' (deficit) equity	(74,979)	171,124	444,824

(1) The pro forma balance sheet data gives effect to the (i) automatic conversion of all of our outstanding shares of our convertible preferred stock into an aggregate of 18,836,559 shares of our common stock (including 3,381,941 and 6,341,148 shares of Series A-1 redeemable convertible preferred stock issued in the second tranche closing in July 2023 and the third tranche closing in October 2023, respectively), and the related reclassification of the carrying value of the convertible preferred stock to permanent equity immediately prior to the completion of this offering and (ii) the filing and effectiveness of our amended and restated certificate of incorporation, which will be effective immediately prior to the completion of this offering.

(2) The pro forma as adjusted column in the balance sheet data table above gives effect to (i) the pro forma adjustments described in footnote (1) above and (ii) the sale and issuance of 18,750,000 shares of common stock by us in this offering at the assumed initial public offering price of $16.00 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.

(3) Each $1.00 increase or decrease in the assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the pro forma as adjusted amount of each of our cash and cash equivalents, working capital, total assets, additional paid-in capital and total stockholders' equity by $17.4 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of common stock offered would increase or decrease, as applicable, each of our cash and cash equivalents, working capital, total assets, additional paid-in capital and total stockholders' equity by $14.9 million, assuming the initial public offering price remains the same, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma as adjusted balance sheet data discussed above is illustrative only and will depend on the actual initial public offering price and other terms of this offering determined at pricing.

(4) We define working capital as current assets less current liabilities. See our audited financial statements and unaudited interim condensed financial statements and related notes thereto included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

Risk factors

Investing in shares of our common stock involves a high degree of risk. You should carefully consider the following risks and uncertainties, together with all of the other information contained in this prospectus, including the section titled "Management's discussion and analysis of financial condition and results of operations" and our audited financial statements and unaudited interim condensed financial statements and related notes included elsewhere in this prospectus, before making an investment decision. The risks described below are not the only ones facing us. The occurrence of any of the following risks, or of additional risks and uncertainties not presently known to us or that we currently believe to be immaterial, could materially and adversely affect our business, financial condition, reputation or results of operations. In such case, the trading price of shares of our common stock could decline, and you may lose all or part of your investment.

Risks related to our limited operating history, financial condition and need for additional capital

We are a clinical-stage biotechnology company and have incurred significant losses since our inception, and we expect to incur losses for the foreseeable future. We have no products approved for commercial sale and may never achieve or maintain profitability.

We are a clinical-stage biotechnology company with a limited operating history. Biotechnology product development is a highly speculative undertaking and involves a substantial degree of risk. We have incurred significant losses since our inception in December 2019, have no products approved for commercial sale, have not generated any revenue from product sales, have financed our operations principally through private placements of convertible preferred stock and convertible promissory notes and expect to incur significant losses for the foreseeable future. We expect that it will be several years, if ever, before we have a commercialized product and generate revenue from product sales. Our net loss was $41.0 million for the year ended December 31, 2022 and $30.6 million for the six months ended June 30, 2023. As of June 30, 2023, we had an accumulated deficit of $77.6 million. Our losses have resulted principally from expenses incurred in connection with our research and development activities, including our clinical and preclinical development activities, as well as the buildout of our platform technologies such as our CD2 and STASH platforms, and from general and administrative costs associated with our operations.

We have devoted a significant portion of our financial resources and efforts to building our organization, conducting research and development, identifying and developing potential product candidates, executing preclinical studies and clinical trials, building and enhancing our platform technologies, organizing and staffing our company, business planning, establishing, maintaining and protecting our intellectual property portfolio, raising capital and providing general and administrative support for these operations. We are in the early stages of clinical development and have not completed development and commercialization of any of our product candidates.

We expect our expenses and operating losses will continue to increase substantially for the foreseeable future as we expand our research and development efforts, expand the capabilities of our platform technologies, conduct clinical trials and preclinical studies, seek regulatory approval and commercialization of our product candidates and operate as a public company. We anticipate that our expenses will continue to increase substantially as we:

- continue clinical and preclinical development of our current and future product candidates and initiate additional clinical trials and preclinical studies;
- continue to build out and enhance our platform technologies;
- seek regulatory approval of our current and future product candidates;

- expand our operational, financial and management systems and increase personnel, including personnel to support our clinical and preclinical development, manufacturing and commercialization efforts;
- to the extent we acquire or in-license additional product candidates, technologies and other assets for our business;
- continue to develop, perfect, maintain and protect our intellectual property portfolio; and
- incur additional legal, accounting or other expenses in operating our business, including the additional costs associated with operating as a public company.

To become and remain profitable, we must succeed in identifying, developing, conducting successful clinical trials, obtaining regulatory approval for and eventually commercializing, manufacturing and supplying products that generate significant revenue. This will require us to be successful in a range of challenging activities, including completing clinical trials and preclinical studies of our product candidates, continuing to discover and develop additional product candidates, obtaining regulatory approval for any product candidates that successfully complete clinical trials, developing manufacturing processes and methods, devising and implementing processes for transferring technology and manufacturing processes to a network of third-party manufacturing sites, establishing necessary quality control, ensuring GMP readiness, establishing marketing capabilities, commercializing and ultimately selling any products. We may never succeed in any or all of these activities and, even if we do, we may never generate revenue that is sufficient to achieve profitability. Even if we do achieve profitability, we may not be able to sustain profitability or meet outside expectations for our profitability. If we are unable to achieve or sustain profitability or to meet outside expectations for our profitability, the price of our common stock could be materially adversely affected.

Because of the numerous risks and uncertainties associated with pharmaceutical and biotechnology products and drug development, including the development of cell therapy product candidates, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to achieve profitability. If we are required by the U.S. Food and Drug Administration (FDA) or comparable foreign regulatory authorities to perform studies in addition to those we currently anticipate, or if there are any delays in commencing or completing our clinical trials or the development of any of our product candidates, our expenses could increase and commercial revenue could be further delayed and become more uncertain, which will have a material adverse impact on our business.

Our limited operating history may make it difficult to evaluate our prospects and likelihood of success.

We are a clinical-stage biotechnology company with a limited operating history upon which you can evaluate our business and prospects. Since our inception in December 2019, we have devoted substantially all of our resources and efforts to building our organization, in-licensing technologies, building our platform technologies, identifying and developing potential product candidates, preparing for, and as the case may be, initiating clinical trials and preclinical studies, developing manufacturing processes and methods, devising and implementing processes for transferring technology and manufacturing processes to a network of third-party manufacturing sites, ensuring supply of critical reagents and final products to support the clinical trials and eventually commercialization, organizing and staffing our company, business planning, establishing, maintaining and protecting our intellectual property portfolio, raising capital and providing general and administrative support for these operations. All of our product candidates are in either clinical development or in preclinical stages of development, and we have not yet demonstrated our ability to successfully complete any late-stage or registration clinical trials, obtain regulatory approvals, manufacture a commercial scale product or arrange for a third party to do so on our behalf or conduct sales and marketing activities necessary for successful product commercialization. Additionally, we expect our financial condition and operating results to

continue to fluctuate significantly from period to period due to a variety of factors, many of which are beyond our control. Consequently, any predictions you may make about our future success or viability may not be as accurate as they could be if we had a longer operating history.

In addition, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors and risks frequently experienced by clinical-stage companies in rapidly evolving fields. We also may need to transition from a company with a research focus to a company capable of supporting commercial activities. If we do not adequately address these risks and difficulties or successfully make such a transition, it could have a material adverse effect on our business.

Even if this offering is successful, we will require additional funding in order to finance operations. If we are unable to raise capital when needed, or on acceptable terms, we could be forced to delay, reduce or eliminate our product development programs, commercialization efforts or other operations.

Developing biotechnology products, including conducting clinical trials and preclinical studies, is a very time-consuming, expensive and uncertain process that takes years to complete. Our operations have consumed substantial amounts of cash since inception, and our expenses will continue to increase in connection with our ongoing activities, particularly as we conduct our ongoing and planned preclinical studies and clinical trials of, and seek regulatory approval for, our current product candidates and future product candidates we may develop or otherwise acquire. In addition, as our product candidates progress through development and toward commercialization, we will need to make milestone payments to the licensors and other third parties from whom we have in-licensed our product candidates or certain proprietary products used in the manufacturing of our clinical products, including The Board of Trustees of the Leland Stanford Junior University (Stanford University), The National Cancer Institute (NCI) and Oxford BioMedica (UK) Limited (Oxford). Even if one or more of our product candidates is approved for commercial sale, we anticipate incurring significant costs associated with commercializing any approved product candidate, including manufacturing and supply costs, as well as costs associated with establishing a sales and end-to-end supply chain management infrastructure. To date, we have funded our operations principally through private financings. We expect our expenses to increase in connection with our ongoing activities, particularly as we continue the clinical and preclinical development and manufacturing of our product candidates, continuing to develop and enhance our platform technologies, commence additional clinical trials and preclinical studies and continue to identify and develop additional product candidates.

In addition, if we obtain regulatory approval for any of our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and end-to-end supply chain management between the treatment sites and manufacturing sites. Furthermore, upon the completion 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 could be forced to delay, reduce or eliminate our research and development programs or any future regulatory approval or commercialization efforts.

As of June 30, 2023, we had $42.4 million of cash and cash equivalents. Without giving effect to the anticipated net proceeds from this offering, based on our current operating plan we expect that our existing cash and cash equivalents will not be sufficient to fund our planned operating expenses and capital expenditures beyond one year from the issuance date of our financial statements. We believe that the estimated 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 2025.

We have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. Our operating plans and other demands on our cash resources may change as a result of many factors currently unknown to us, and we may need to seek additional funds sooner

than planned, through public or private equity or debt financings or other capital sources, including potential collaborations, licenses and other similar arrangements. We may also raise additional financing on an opportunistic basis in the future. We expect to continue to expend significant resources for the foreseeable future. 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. Attempting to secure additional financing may divert our management from our day-to-day activities, which may adversely affect our ability to develop our product candidates. Our future capital requirements will depend on many factors, including but not limited to:

- the scope, timing, progress, costs and results of discovery, preclinical development and clinical trials for our current or future product candidates;
- the number of clinical trials required for regulatory approval of our current or future product candidates;
- the costs, timing and outcome of regulatory review of any of our current or future product candidates;
- the costs associated with developing and enhancing our platform technologies, including our current CD2 and STASH platforms;
- the costs associated with acquiring or licensing additional product candidates, technologies or assets, including the timing and amount of any future milestone, royalty or other payments due in connection with such acquisition or license;
- the cost of manufacturing clinical and commercial supplies of our current or future product candidates, including the costs associated with end-to-end supply chain management between the treatment sites and manufacturing sites;
- 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, including any claims by third parties that we are infringing upon their intellectual property rights;
- our ability to maintain existing, and establish new, strategic collaborations or other arrangements and the financial terms of any such agreements, including the timing and amount of any future milestone, royalty or other payments due under any such agreement;
- the costs and timing of future commercialization activities, including manufacturing, marketing, sales and end-to-end supply chain management, for any of our product candidates for which we receive regulatory approval;
- the revenue, if any, received from commercial sales of our product candidates for which we receive regulatory approval;
- expenses to attract, hire and retain skilled personnel;
- the costs of operating as a public company;
- our ability to establish a commercially viable pricing structure and obtain approval for coverage and adequate reimbursement from third-party and government payors;
- addressing any potential interruptions or delays resulting from factors related to the COVID-19 pandemic;
- the effect of competing technological and market developments; and
- the extent to which we acquire or invest in business, products and technologies.

Our ability to raise additional funds will depend on financial, economic, political and market conditions and other factors, over which we may have no or limited control. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, the credit and financial markets in the United States and worldwide. Additional funds may not be available when we need them, on terms that are acceptable to us, or at all. If we fail to obtain necessary capital when needed on acceptable terms, or at all, it could force us to delay, limit, reduce or terminate our product development programs, future commercialization efforts or other operations. Because of the numerous risks and uncertainties associated with research, product development and commercialization of product candidates, we are unable to predict the timing or amount of our working capital requirements or when or if we will be able to achieve or maintain profitability.

Accordingly, we will need to continue to rely on additional financing to achieve our business objectives and adequate additional financing may not be available to us on acceptable terms, or at all.

Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our technologies or product candidates.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our operations with our existing cash and cash equivalents, the net proceeds from this offering, any future equity or debt financings and upfront and milestone and royalty payments, if any, received under any future licenses or collaborations. We do not have any committed external source of funds. If we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a holder of our common stock. In addition, the possibility of such issuance may cause the trading price of our common stock to decline. Debt financing and preferred equity financing, if available, may result in increased fixed payment obligations and involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, declaring dividends or acquiring, selling or licensing intellectual property rights or assets, which could adversely impact our ability to conduct our business.

If we raise additional funds through collaborations, strategic alliances or marketing, supply or licensing arrangements with third parties, we may have to relinquish valuable rights to our intellectual property, technologies, future revenue streams or product candidates or grant licenses on terms that may not be favorable to us and/or that may reduce the value of common stock. We could also be required to seek funds through arrangements with collaborators or others at an earlier stage than otherwise would be desirable. Any of these occurrences may have a material adverse effect on our business, operating results and prospects.

There is substantial doubt about our ability to continue as a going concern.

We have prepared cash flow forecasts which indicate that, based on our expected operating losses and negative cash flows, there is substantial doubt about our ability to continue as a going concern for the twelve months after the respective dates our financial statements for the year ended December 31, 2022 and the six months ended June 30, 2023 were issued. As a result, management has included disclosures in Note 1 of the financial statements and our independent registered public accounting firm has included an explanatory paragraph in its report on our financial statements for the fiscal year ended December 31, 2022 with respect to this uncertainty. Our future viability as an ongoing business is dependent on our ability to generate cash from our operating activities and to raise additional capital to finance our operations.

There is no assurance that we will succeed in obtaining sufficient funding on terms acceptable to us to fund continuing operations, if at all. The perception that we might be unable to continue as a going concern may also make it more difficult to obtain financing for the continuation of our operations on terms that are favorable to

us, or at all, and could result in the loss of confidence by investors and employees. Our financial statements do not include any adjustments that might result from the outcome of this uncertainty. If we are unable to continue as a going concern, we may have to liquidate our assets and may receive less than the value at which those assets are carried on our financial statements, and it is likely that our investors will lose all or a part of their investment.

The substantial obligations from our license agreements may result in dilution to our stockholders, may be a drain on our cash resources or may cause us to incur debt obligations to satisfy the payment obligations.

In connection with our recent license agreements, we entered into arrangements whereby the counterparties to such agreements are entitled to substantial contingent consideration payments upon the occurrence of certain events. For example, under the terms of our license agreement with Stanford University, in addition to the annual license maintenance fees of up to $0.1 million per year, we may also be required to pay up to $12.0 million in milestone payments upon achievement of specific intellectual property, clinical, regulatory and commercial milestone events. In addition, under this license agreement we will be obligated to pay low single-digit percentage royalties on net sales. We are also obligated to pay Stanford University a percentage of non-royalty revenue received by us from our right to sublicense at defined percentages.

In addition, under the terms of our license agreement with Oxford Biomedica (UK) Limited (Oxford Agreement) for the manufacture and supply of lentiviral vectors for clinical and potentially commercial purposes, we may also be required to pay up to $9.3 million if certain development, regulatory and commercial milestones are achieved. Additionally, we are obligated to pay low single-digit percentage royalties on net sales of products generated under the Oxford Agreement. Further, under the terms of our license agreement with the NCI, pursuant to which we obtained a worldwide, royalty-bearing, exclusive license under certain patent rights to research, develop and commercialize products covered by such licensed patents, we may be required to pay up to $18.0 million in milestone payments upon achievement of specific intellectual property, clinical and commercial milestone events and low single-digit percentage royalties on net sales of products incorporating the licensed patent rights from the NCI. Additionally, in the event we are granted a priority review voucher (PRV), we would be obligated to pay the NCI a minimum of $5.0 million upon the sale, transfer or lease of the PRV or $0.5 million upon submission of the PRV for use by the FDA.

In order to satisfy our obligations to make these payments, if and when they are triggered, we may need to issue equity or convertible debt securities that may cause dilution to our stockholders, or we may use our existing cash and cash equivalents or incur debt obligations to satisfy the payment obligations in cash, which may adversely affect our financial position. In addition, these obligations may impede our ability to raise money in future public offerings of debt or equity securities or to obtain a third-party line of credit.

See the section titled “Management’s discussion and analysis of financial condition and results of operations—License agreements” elsewhere in this prospectus for additional information regarding these agreements.

Risks related to our business

If we are unable to successfully identify, develop, obtain regulatory approval and ultimately commercialize any of our current or future product candidates, or experience significant delays in doing so, our business, financial condition and results of operations will be materially adversely affected.

Our ability to generate revenue from sales of any of our approved product candidates, which we do not expect will occur for at least the next several years, if ever, depends heavily on the successful identification, development, regulatory approval and eventual commercialization of any product candidates, which may never occur. We have invested substantially all of our efforts and financial resources in acquiring or in-licensing our

current product candidates and conducting clinical trials and preclinical studies. We have never generated revenue from sales of any products, and we may never be able to develop, obtain regulatory approval for or commercialize, a marketable product. All of our product candidates will require significant clinical development, regulatory approval, establishment of sufficient manufacturing supply, including commercial manufacturing supply, and may require us to build a commercial organization and make substantial investment and significant marketing efforts before we generate any revenue from product sales. We are not permitted to market or promote any of our product candidates before we receive regulatory approval from the FDA or comparable foreign regulatory authorities, and we may never receive such regulatory approval for any of our product candidates.

The successful development of our product candidates will depend on several factors, including, but not limited to, the following:

- successful and timely completion of clinical trials and preclinical studies for which the FDA, or any comparable foreign regulatory authority, agree with the design, endpoints or implementation;
- sufficiency of our financial and other resources to complete the necessary clinical trials and preclinical studies;
- receiving regulatory allowances or authorizations for conducting future clinical trials;
- initiation and successful patient enrollment in, and successful and timely completion of, clinical trials on a timely basis;
- if we are required to supplement our clinical development plans to include additional clinical trials or studies, such as the addition of a double-blind, placebo-controlled, randomized study of CRG-022 as part of the potentially pivotal Phase 2 clinical trial;
- the frequency and severity of adverse events in clinical trials;
- maintaining and establishing relationships with contract development and manufacturing organizations (CDMOs), contract research organizations (CROs) and clinical sites for the clinical development of our product candidates both in the United States and internationally;
- our ability to demonstrate to the satisfaction of the FDA or any comparable foreign regulatory authority that the applicable product candidate is safe, pure and potent, or effective as for its intended uses;
- our ability to demonstrate to the satisfaction of the FDA or any comparable foreign regulatory authority that the applicable product candidate’s risk-benefit ratio for its proposed indication is acceptable;
- timely receipt of regulatory approvals for our product candidates from applicable regulatory authorities;
- addressing any potential interruptions or delays resulting from factors related to the COVID-19 pandemic;
- the extent of any post-marketing commitments or requirements agreed to with applicable regulatory authorities;
- establishing, scaling up and scaling out, either alone or with third-party manufacturers, manufacturing capabilities of clinical supply for our clinical trials and commercial manufacturing, if any of our product candidates are approved, including ability to produce final product using our intended commercial manufacturing process when applied to using patient cells as starting material;
- the protection of our rights in our intellectual property portfolio; and
- our ability to compete with other therapies.

If we do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully develop and commercialize our product candidates, which would materially adversely affect our business, financial condition and results of operations.

Additionally, clinical or regulatory setbacks to other companies developing similar products or within adjacent fields, including those in gene editing and gene therapy and allogenic cell-based therapies, may impact the clinical development of and regulatory pathway for our current or future product candidates, or may negatively impact the perceptions of value or risk of our technologies.

We have experienced rapid operational growth since our inception in December 2019, and expect to continue to grow in the future as our clinical trials progress, we begin to advance the development of new product candidates and as our headcount increases. If we fail to effectively manage our growth, we may not be able to execute on our business objectives.

We have experienced rapid growth since our inception in December 2019, and expect to continue to grow in the future. For example, as of December 31, 2019, we had no full-time employees and, as of June 30, 2023, we had grown to 74 full-time employees. In addition, we have developed a broad portfolio of product candidates and discovery programs that includes one product candidate in a potentially pivotal Phase 2 clinical trial. We expect continued growth in the number of our employees and the scope of our operations, particularly as we continue our current and future clinical trials and preclinical studies, initiate and conduct IND-enabling studies and build out our clinical operations, as well as our platform technologies.

To manage our anticipated future growth, we will continue to implement and improve our managerial, operational and financial systems, expand our facilities and recruit and train additional qualified personnel. Due to the complexity in managing a company that has scaled very quickly and anticipates continued growth, we may not be able to scale our headcount and operations effectively to manage the expansion of our product pipeline or recruit and train the necessary additional personnel. As our operations expand, we also expect that we will need to manage additional relationships with various strategic partners, suppliers and other third parties. 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.

In addition, future growth imposes 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 development and FDA review processes for our product candidates, while complying with our contractual obligations to contractors and other third parties; and improving our operational, financial and management controls, reporting systems and procedures.

We currently rely on certain independent organizations, advisors and consultants to provide certain services, including strategic, financial, business development and research and development services, as well as certain aspects of regulatory approval and manufacturing. There can be no assurance that the services of independent organizations, advisors and consultants will continue to be available to us on a timely basis when needed, or that we can find qualified replacements. In addition, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided by consultants or contract manufacturing organizations is compromised for any reason, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval of our product candidates or otherwise advance our business. There can be no assurance that we will be able to manage our existing consultants or find other competent outside contractors and consultants on reasonable terms, or at all.

If our product candidates do not achieve projected development milestones or commercialization in the announced or expected timeframes, the further development or commercialization of such product candidates may be delayed, and our business will be harmed.

We have estimated and may in the future estimate, the timing of the accomplishment of various scientific, clinical, manufacturing, regulatory and other product development objectives. These milestones have and may include our expectations regarding the commencement or completion of clinical trials and preclinical studies, data readouts, the submission of regulatory filings, the receipt of regulatory approval or the realization of other commercialization objectives. The achievement of many of these milestones may be outside of our control. All of these milestones are based on a variety of assumptions, including assumptions regarding capital resources, constraints and priorities, progress of and results from development activities and the receipt of key regulatory approvals or actions, any of which may cause the timing of achievement of the milestones to vary considerably from our estimates. If we fail to achieve announced milestones in the expected timeframes, the commercialization of the product candidates may be delayed, our credibility may be undermined, our business and results of operations may be harmed and the trading price of our common stock may decline.

Our ability to develop our product candidates and our platform technologies, as well as our future growth, depends on attracting, hiring and retaining our key personnel and recruiting additional qualified personnel.

Our success depends upon the continued contributions of our key management, scientific and clinical personnel, many of whom have been instrumental for us and have substantial experience with our product candidates and platform technologies. Given the specialized nature of our product candidates and our platform technologies there is an inherent scarcity of experienced personnel in these fields. As we continue developing our product candidates in our pipeline, we will require personnel with medical, scientific or technical qualifications specific to each program. The loss of key personnel, in particular our senior leadership team, would delay our research and development activities. Despite our efforts to retain valuable employees, members of our team may terminate their employment with us on short notice. The competition for qualified personnel in the biotechnology and pharmaceutical industries is intense, and our future success depends upon our ability to attract, retain and motivate highly skilled scientific, technical and managerial employees. We face competition for personnel from other companies, universities, public and private research institutions and other organizations. If our recruitment and retention efforts are unsuccessful in the future, it may be difficult for us to implement our business strategy, which would have a material adverse effect on our business.

In addition, our research and development programs, as well as the development and enhancement of our platform technologies depend on our ability to attract and retain highly skilled scientists, particularly in California. There is powerful competition for skilled personnel in these geographical markets, and we have from time to time experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications on acceptable terms, or at all. Many of the companies with which we compete for experienced personnel have greater resources than we do, and any of our employees may terminate their employment with us at any time. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or we have breached legal obligations, resulting in a diversion of our time and resources and, potentially, damages. In addition, job candidates and existing employees often consider the value of the stock awards they receive in connection with their employment. If the perceived benefits of our stock awards decline, it may harm our ability to recruit and retain highly skilled employees. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business and future growth prospects would be harmed.

We operate in highly competitive and rapidly changing industries, which may result in others discovering, developing or commercializing competing products before or more successfully than we do.

The biotechnology and pharmaceutical industries are highly competitive and subject to significant and rapid technological change. Our success is highly dependent on our ability to discover, develop and obtain regulatory approval for new and innovative products on a cost-effective basis and to market them successfully. In doing so, we face and will continue to face intense competition from a variety of businesses, including large pharmaceutical and biotechnology companies, academic institutions, government agencies and other public and private research organizations. These organizations may have significantly greater resources than we do and conduct similar research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and marketing of products that compete with our product candidates. Mergers and acquisitions in the biotechnology and pharmaceutical industries may result in even more resources being concentrated in our competitors. Competition may increase further as a result of advances in the commercial applicability of technologies and greater availability of capital for investment in these industries.

With the proliferation of new drugs and therapies for our target indications, we expect to face increasingly intense competition as new technologies become available. If we fail to stay at the forefront of technological change, we may be unable to compete effectively. Any product candidates that we successfully develop and commercialize will compete with existing therapies and new therapies that may become available in the future. The highly competitive nature of and rapid technological changes in the biotechnology and pharmaceutical industries could render our product candidates or our technology obsolete, less competitive or uneconomical. Our competitors may, among other things:

- have significantly greater financial, manufacturing, marketing, drug development, technical and human resources than we do;
- develop and commercialize products that are safer, more effective, less expensive, more convenient or easier to administer or have fewer or less severe side effects;
- obtain quicker regulatory approval;
- establish superior proprietary positions covering our products and technologies;
- implement more effective approaches to sales and marketing; or
- form more advantageous strategic alliances.

Should any of these factors occur, our business, financial condition and results of operations could be materially adversely affected. Competing products could present superior treatment alternatives, including by being more effective, safer, more convenient, less expensive or marketed and sold more effectively than any products we may develop. Competitive products approaches may make any products we develop obsolete or noncompetitive before we recover the expense of developing and commercializing our product candidates.

In addition, any collaborators may decide to market and sell products that compete with the product candidates that we have agreed to license to them, and any competition by our collaborators could also have a material adverse effect on our future business, financial condition and results of operations.

Smaller and other early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

We may expend our limited resources to pursue a particular product candidate, indication or platform technology and fail to capitalize on product candidates, indications or platform technologies 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 product candidates, research programs and platform technologies that we identify for specific indications. As a result, we may forego or delay pursuit of opportunities with other platform technologies or 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 product candidates, research programs and platform technologies 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.

Our product candidates and platform technologies are based on novel technologies, which makes it difficult to predict the time and cost of product candidate development and obtaining regulatory approval.

We have concentrated our research and development efforts on our engineered T cell therapy, including related product candidates and platform technologies, and our future success depends on the successful development of this therapeutic approach. We are in the early stages of developing our pipeline and platforms and there can be no assurance that any development problems we experience in the future will not cause significant delays or unanticipated costs, or that such development problems can be overcome. We may also experience delays in developing a sustainable, reproducible and scalable manufacturing process or transferring that process to commercial partners, which may prevent us from completing our clinical studies or commercializing our products on a timely or profitable basis, if at all. In addition, our expectations with regard to our scalability and costs of manufacturing may vary significantly as we develop our product candidates and understand these critical factors.

In addition, the clinical study requirements of the FDA, EMA and other regulatory agencies and the criteria these regulators use to determine the safety and efficacy of a product candidate are determined according to the type, complexity, novelty and intended use and market of the potential products. The regulatory approval process for novel product candidates such as ours can be more complex and consequently more expensive and take longer than for other, better known or extensively studied pharmaceutical or other product candidates. Approvals by the EMA and FDA for existing CAR T therapies may not be indicative of what these regulators may require for approval of our product candidates. More generally, approvals by any regulatory agency may not be indicative of what any other regulatory agency may require for approval or what such regulatory agencies may require for approval in connection with new product candidates. Moreover, our product candidates may not perform successfully in clinical trials or may be associated with adverse events that distinguish them from other CAR T therapies that have previously been approved. Unexpected clinical outcomes would significantly impact our business.

Any product candidates that we may develop will be novel and may be complex and difficult to manufacture, and if we experience manufacturing problems, it could result in delays in development and commercialization of such product candidates or otherwise harm our business.

Our product candidates involve or will involve novel technology and will require processing steps that are more complex than those required for most small molecule drugs, resulting in a relatively higher manufacturing cost. Moreover, unlike small molecules, the physical and chemical properties of biologics generally cannot be fully characterized. As a result, assays of the finished product may not be sufficient to ensure that such product will

perform in the intended manner. Although we intend to employ multiple steps to control the manufacturing processes for our product candidates, we may experience manufacturing issues with any of our product candidates that could cause production interruptions, including contamination, equipment or reagent failure, improper installation or operation of equipment, facility contamination, raw material shortages or contamination, natural disasters, disruption in utility services, human error, disruptions in the operations of our suppliers, inconsistency in cell growth and variability in product characteristics. We may encounter problems achieving adequate quantities and quality of clinical-grade materials that meet FDA or other comparable applicable standards or specifications with consistent and acceptable production yields and costs. Even minor deviations from normal manufacturing processes could result in reduced production yields, product defects and other supply disruptions. If microbial, viral or other contaminations are discovered in our product candidates or in the manufacturing facilities in which such product candidates are made, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination. Our manufacturing process for any CAR T cell therapy product candidate that we develop will be susceptible to product loss or failure due to the quality of the raw materials, failure of the products to meet specifications, logistical issues associated shipping such material to the manufacturing site, freezing the manufactured product, shipping the final product globally, thawing and infusing patients with such product. Problems with the manufacturing process, even minor deviations from the normal process, could result in product defects or manufacturing failures that result in lot failures, delays in initiating or completing clinical trials, product recalls, product liability claims or insufficient inventory.

As product candidates are developed through preclinical studies to late-stage clinical trials towards potential approval and commercialization, it is possible that various aspects of the development program, such as manufacturing process and methods, may be altered along the way in an effort to help optimize processes and results. Such changes carry the risk that they will not achieve the intended objectives, and any of these changes could cause our product candidates to perform differently from the previous Phase 1 clinical trials and affect the results of future clinical trials or our reliance on results of trials that have previously been conducted using the product candidate in its previous form. If the manufacturing process is changed during the course of product development, we may be required to repeat some or all of the previously conducted trials or conduct additional bridging trials or alternatively, we may need to re-develop the manufacturing process and methods, which could increase our costs and delay or impede our ability to obtain regulatory approval.

In addition, the facilities used by us and our contract manufacturers to manufacture our product candidates must be evaluated for the manufacture of our product candidates by the FDA or foreign regulatory authorities pursuant to inspections that will be conducted after we submit a Biologics License Application (BLA) to the FDA, or similar foreign applications to foreign regulatory authorities. We do not control the manufacturing process of our contract manufacturers and are dependent on their compliance with current Good Manufacturing Practice (cGMP) or similar foreign requirements for their manufacture of our product candidates.

The FDA and other foreign regulatory authorities may require us to submit samples of any lot of any product that may receive approval together with the protocols showing the results of applicable tests at any time. Under some circumstances, the FDA or other foreign regulatory authorities may require that we not distribute a lot until the relevant agency authorizes its release. Slight deviations in the manufacturing process, including those affecting quality attributes and stability, may result in unacceptable changes in the product that could result in lot failures or product recalls. Lot failures or product recalls could cause us to delay product launches or clinical trials, which could be costly to us and otherwise harm our business.

We may be unable to secure permission to use data from the previous clinical trials conducted by certain of our license agreement counterparties.

We are pursuing entering into agreements with certain of our license agreement counterparties whereby we would be able to use clinical data such counterparties had already generated from clinical trials or preclinical studies. We would utilize this data, if procured, as part of the approval process for our product candidates and for other purposes. If we are unable to secure such agreements at a reasonable price, or at all, we may not be able to pool the data with data generated from our clinical trials, utilize such data for demonstrating durability and safety or otherwise leverage the data to support our regulatory filings. If we cannot utilize the data for the aforementioned purposes, we may need to conduct additional clinical trials and could be limited in the scope of the labels we pursue, among other adverse consequences. The consequences of any of the foregoing could be costly to us and otherwise harm our business.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be smaller than we believe, and even if the markets in which we compete achieve the forecasted growth, our business may not grow at similar rates, or at all.

We intend to initially focus our product candidate development on treatments for various lymphomas. Our projections of addressable patient populations within any particular disease state that may benefit from treatment with our product candidates are based on our estimates. Market opportunity estimates and growth forecasts included in this prospectus are subject to significant uncertainty and are based on assumptions and estimates. These estimates, which have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations and market research, may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these diseases. For example, the observed persistence of CD22 expression following patients becoming relapsed or refractory to CD19 CAR T-cell therapy may not be as high as we expect. Similarly, the percent of the population with CD22 expression could be lower than we anticipate. In both instances, the pool of potential patients that our CD22 product candidates could address could be substantially smaller than we anticipate. Additionally, the potentially addressable patient population for our product candidates may not ultimately be amenable to treatment with our product candidates. Our market opportunity may also be limited by future competitor treatments that enter the market with such patients, for example, being too sick to receive treatment. If any of our estimates prove to be inaccurate, the market opportunity for any product candidate that we or our strategic partners develop could be significantly diminished and have an adverse material impact on our business.

Our business is subject to risks arising from epidemic diseases, such as the COVID-19 pandemic.

The COVID-19 pandemic continues to impact worldwide economic activity. A pandemic, including COVID-19 or other public health epidemic, poses the risk that we or our employees, contractors, including our CROs, CDMOs, suppliers and other partners may be prevented from conducting business activities for an indefinite period of time, including due to spread of the disease within these groups or due to shutdowns that may be requested or mandated by governmental authorities. While it is not possible at this time to estimate the full impact that COVID-19 could have on our business, the continued spread of new variants of COVID-19 and the measures taken by the governments of countries affected could, in addition to disrupting our clinical trials, adversely impact other aspects of our business and operations. The COVID-19 pandemic and mitigation measures have also had an adverse impact on global economic conditions which could have an adverse effect on our business and financial condition, including impairing our ability to raise capital when needed. The extent to which the COVID-19 pandemic, or any other pandemic, impacts our results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact.

Even if approved, our products may not gain market acceptance, in which case we may not be able to generate product revenues, which will materially adversely affect our business, financial condition and results of operations.

Even if the FDA or any comparable foreign regulatory authority approves the marketing of any product candidates that we develop, physicians, healthcare providers, patients or the medical community may not accept or use them. Additionally, the product candidates that we are developing are based on our proprietary platforms, which are new technologies. If these products do not achieve an adequate level of acceptance, we may not generate significant product revenues or any profits from operations. The degree of market acceptance of any of our product candidates will depend on a variety of factors, including:

- the timing of market introduction of the product candidate, as well as competitive products;
- the clinical indications for which a product candidate is approved;
- the limitation of our targeted patient population and other limitations or warnings contained in any FDA-approved labeling;
- the terms of any approvals and the countries in which approvals are obtained;
- the number and clinical profile of competing products;
- the potential and perceived advantages of our product candidates over alternative treatments;
- our ability to provide acceptable evidence of safety and efficacy;
- the prevalence and severity of any side effects;
- the availability of an approved product candidate for use as a combination therapy;
- relative convenience and ease of administration;
- cost-effectiveness;
- patient diagnostics and screening infrastructure in each market;
- the effectiveness of sales and marketing efforts;
- approval of other new therapies for the same indications;
- marketing, manufacturing and supply support;
- adverse publicity about our product candidates;
- potential product liability claims;
- availability of coverage, adequate reimbursement and sufficient payment from health maintenance organizations and other insurers, both public and private, for our product candidates, or the procedures utilizing our product candidates, if approved;
- the willingness of patients to pay out-of-pocket in the absence of coverage by third-party payors and government authorities; and
- other potential advantages over alternative treatment methods.

If our product candidates are approved but fail to gain market acceptance, this will have a material adverse impact on our ability to generate revenues to provide a satisfactory, or any, return on our investments. Our efforts to educate the medical community and third-party payors regarding the benefits of our products may require significant resources and may never be successful. Even if some products achieve market acceptance, the market may prove not to be large enough to allow us to generate significant revenues.

We currently have no marketing, sales or supply chain infrastructure and we intend to either establish a sales and marketing infrastructure or outsource this function to a third party. Either of these commercialization strategies carries substantial risks to us.

Given our stage of development, we currently have no marketing, sales and end-to-end supply chain management capabilities. If any of our product candidates complete clinical development and are approved, we intend to either establish a sales and marketing organization with technical expertise and supporting end-to-end supply chain management capabilities to commercialize our product candidates in a legally compliant manner, or to outsource this function to a third party. There are risks involved if we decide to establish our own sales and marketing capabilities or enter into arrangements with third parties to perform these services. We have no prior experience as a company in the marketing, sale and end-to-end supply chain management of biopharmaceutical products, and there are significant risks involved in building and managing a sales organization, including our ability to hire, retain and incentivize qualified individuals, generate sufficient sales leads, provide adequate training to sales and marketing personnel and effectively manage a geographically dispersed sales and marketing team. Any failure or delay in the development of our internal sales, marketing and distribution capabilities would adversely impact the commercialization of these products.

To the extent that we enter into collaboration agreements with respect to marketing, sales or end-to-end supply chain management, our product revenue may be lower than if we directly marketed or sold any approved products. Such collaborative arrangements with partners may place the commercialization of our products outside of our control and would make us subject to a number of risks, including that we may not be able to control the amount or timing of resources that our collaborative partner devotes to our products or that our collaborator's willingness or ability to complete its obligations, and our obligations under our arrangements may be adversely affected by business combinations or significant changes in our collaborator's business strategy.

If we are unable to enter into these arrangements on acceptable terms or at all, we may not be able to successfully commercialize any approved products. If we are not successful in commercializing any approved products, either on our own or through collaborations with one or more third parties, our future product revenue will suffer and we may incur significant additional losses, which would have a material adverse effect on our business, financial condition and results of operations.

We may become exposed to costly and damaging liability claims, either when testing our product candidates in the clinic or at the commercial stage, and our product liability insurance may not cover all damages from such claims.

We are exposed to potential product liability and professional indemnity risks that are inherent in the research, development, manufacturing, marketing and use of pharmaceutical products. While we currently have no products that have commenced clinical trials or been approved for commercial sale, the future use of product candidates by us in clinical trials, and the sale of any approved products in the future, may expose us to liability claims. These claims might be made by patients that use the product, healthcare providers, pharmaceutical companies or others selling such products. Any claims against us, regardless of their merit, could be difficult and costly to defend and could materially adversely affect the market for our product candidates or any prospects for commercialization of our product candidates.

Although the clinical trial process is designed to identify and assess potential side effects, it is always possible that a drug, even after regulatory approval, may exhibit unforeseen side effects. If any of our product candidates were to cause adverse side effects during clinical trials or after approval of the product candidate, we may be exposed to substantial liabilities. Physicians and patients may not comply with any warnings that identify known potential adverse effects and patients who should not use our product candidates.

Even successful defense against product liability claims would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in: decreased demand for our product candidates; injury to our reputation; withdrawal of clinical trial participants; initiation of investigations by regulators; costs to defend the related litigation; a diversion of management's time and our resources; substantial monetary awards to trial participants or patients; product recalls, withdrawals or labeling, marketing or promotional restrictions; loss of revenue; exhaustion of any available insurance and our capital resources; the inability to commercialize any product candidate; and a decline in our share price.

Although we maintain adequate product liability insurance for our product candidates, it is possible that our liabilities could exceed our insurance coverage. We intend to expand our insurance coverage to include the sale of commercial products if we obtain regulatory approval for any of our product candidates. However, we may be unable to maintain insurance coverage at a reasonable cost or obtain insurance coverage that will be adequate to satisfy any liability that may arise. If a successful product liability claim or series of claims is brought against us for uninsured liabilities or in excess of insured liabilities, our assets may not be sufficient to cover such claims, and our business operations could be impaired.

We may not realize the benefits of technologies that we have acquired, or will acquire in the future, or other strategic transactions that we have or will consummate.

Our platform represents an aggregation of innovation and technology from multiple companies and academic institutions, including the NCI, Oxford and Stanford University. Further, a key component of our strategy is to acquire and in-license technologies to support the growth of our product pipeline, as well as to build upon and enhance our platform technologies. As such, we actively evaluate various strategic transactions on an ongoing basis. We may acquire other assets, businesses, products or technologies, as well as pursue joint ventures or investments in complementary businesses. The success of our strategic transactions and any future strategic transactions depends on the risks and uncertainties involved including:

- unanticipated liabilities related to acquired companies or joint ventures;
- difficulties integrating acquired personnel, technologies and operations into our existing business;
- retention of key employees;
- diversion of management time and focus from operating our business to management of acquisition and integration efforts, strategic alliances or joint ventures challenges;
- increases in our expenses and reductions in our cash available for operations and other uses;
- disruption in our relationships with collaborators or suppliers;
- possible write-offs or impairment charges relating to acquired businesses or joint ventures; and
- challenges resulting from the COVID-19 pandemic making it more difficult to integrate acquisitions into our business.

If any of these risks or uncertainties occur, we may not realize the anticipated benefit of any acquisition or strategic transaction. Additionally, foreign acquisitions and joint ventures are subject to additional risks, including those related to integration of operations across different cultures and languages, currency risks, potentially adverse tax consequences of overseas operations and the particular economic, political and regulatory risks associated with specific countries.

Future acquisitions or dispositions could result in potentially dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities or amortization expenses, impairments or write-offs of goodwill or impairments and write-offs of in-process research and development assets, any of which could harm our financial condition.

Our information technology systems, or those used by our third-party contract research organizations or other contractors or consultants, may fail or suffer security breaches.

We are increasingly dependent upon information technology systems, infrastructure and data to operate our business. In the ordinary course of business, we collect, store and transmit confidential information (including but not limited to intellectual property, proprietary business information and personal information). It is critical that we do so in a secure manner to maintain the confidentiality and integrity of such confidential information. We also have outsourced elements of our operations to third parties, and as a result we rely on the information technology systems of and manage a number of third-party contractors who have access to our confidential information.

Despite the implementation of security measures, our information technology systems and those of our CROs, CDMOs and other contractors and consultants are vulnerable to attack and damage or interruption from a variety of threats, including computer viruses and malware (e.g., ransomware), malicious code, natural disasters, terrorism, war, telecommunications and electrical failures, hacking, cyberattacks, phishing attacks and other social engineering schemes, employee theft or misuse, human error, fraud, denial or degradation of service attacks, sophisticated national-state and nation-state-supported actors or unauthorized access or use by persons inside our organization, or persons with access to systems inside our organization.

We and certain of our service providers are from time to time subject to cyberattacks and security incidents. Although to our knowledge we have not experienced any such material system failure, accident or security breach to date, if such an event were to occur and negatively affect our operations, it could result in a material disruption of our development programs and our business operations. Further, we cannot assure that our data protection efforts and our investment in information technology will prevent significant breakdowns, data leakages, breaches in our systems or other cyber incidents that could have a material adverse effect upon our reputation, business, operations or financial condition. The risk of a security breach or disruption, particularly through cyberattacks or cyber intrusion, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity, and sophistication of attempted attacks and intrusions from around the world have increased. Furthermore, because the techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. We may also experience security breaches that may remain undetected for an extended period. Even if identified, we may be unable to adequately investigate or remediate incidents or breaches due to attackers increasingly using tools and techniques that are designed to circumvent controls, to avoid detection, and to remove or obfuscate forensic evidence. For example, the loss of clinical trial data from completed or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we rely on third parties for the manufacture of our product candidates and to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any disruption or security incident were to result in an actual

or perceived loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information or patient information, we could incur liability and the further development and commercialization of our product candidates could be delayed.

We and the third parties upon which we rely are subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through deep fakes, which may be increasingly more difficult to identify as fake, and phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial-of-service attacks (such as credential stuffing), credential harvesting, personnel misconduct or error, ransomware attacks, supply-chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, telecommunications failures, earthquakes, fires, floods, and other similar threats.

Furthermore, significant disruptions of our internal information technology systems or those of our third-party service providers, or security breaches could result in the loss, corruption, misappropriation, and/or unauthorized access, use, or disclosure of, or the prevention of access to, confidential information (including trade secrets or other intellectual property, proprietary business information, and personal information), which could result in financial, legal, business, and reputational harm to us. For example, any such event that leads to actual or suspected, or is alleged to lead to, unauthorized access, use, or disclosure of personal information, including personal information regarding our clinical trial subjects or employees, could harm our reputation directly, compel us to comply with federal and/or state breach notification laws and foreign law equivalents, subject us to mandatory corrective action, and otherwise subject us to liability under laws and regulations that protect the privacy and security of personal information, which could result in significant legal and financial exposure and reputational damages that could potentially have an adverse effect on our business. Further, our insurance coverage may not be sufficient to cover the financial, legal, business or reputational losses that may result from an interruption or breach of our systems.

We rely on third-party service providers and technologies to operate critical business systems to process sensitive information in a variety of contexts, including, without limitation, cloud-based infrastructure, data center facilities, encryption and authentication technology, employee email, content delivery to customers and other functions. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If our third-party service providers experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if our third-party service providers fail to satisfy their privacy or security-related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award.

In addition, supply-chain attacks have increased in frequency and severity, and we cannot guarantee that third parties' infrastructure in our supply chain or our third-party partners' supply chains have not been compromised. We have and will enter into collaboration, license, contract research and/or manufacturing relationships with organizations that operate in certain countries that are at heightened risk of theft of technology, data and intellectual property through direct intrusion by private parties or foreign actors, including those affiliated with or controlled by state actors. Accordingly, our efforts to protect and 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, and we may be at heightened risk of losing our proprietary intellectual property rights around the world, including outside of such countries, to the extent such theft or intrusion destroy the proprietary nature of our intellectual property.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. We cannot be sure that our insurance coverage will be adequate or

sufficient to protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

We are subject to stringent and evolving U.S. and foreign laws, regulations, rules, contractual obligations, policies and other obligations related to data privacy and security. Our actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation (including class claims) and mass arbitration demands; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; and other adverse business consequences.

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit and share (collectively, processing) personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, data we collect about trial participants in connection with clinical trials and sensitive third-party data. Our data processing activities subject us to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements and other obligations relating to data privacy and security.

In the United States, federal, state and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, consumer protection laws (e.g., Section 5 of the Federal Trade Commission Act) and other similar laws. For example, the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH), imposes specific requirements relating to the privacy, security and transmission of individually identifiable protected health information. The California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (CPRA), (collectively, CCPA) applies to personal information of consumers, business representatives and employees who are California residents, and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights. The CCPA provides for administrative fines of up to $7,500 per violation and allows private litigants affected by certain data breaches to recover significant statutory damages. Although the CCPA exempts some data processed in the context of clinical trials, the CCPA increases compliance costs and potential liability with respect to other personal data we maintain about California residents. In addition, the CPRA expanded the CCPA's requirements, including by adding a new right for individuals to correct their personal information and establishing a new regulatory agency to implement and enforce the law. Other states, such as Virginia and Colorado, have also passed comprehensive privacy laws, and similar laws are being considered in several other states, as well as at the federal and local levels. While these states, like the CCPA, also exempt some data processed in the context of clinical trials, these developments further complicate compliance efforts, and increase legal risk and compliance costs for us, and the third parties upon whom we rely.

Outside the United States, an increasing number of laws, regulations and industry standards govern data privacy and security. For example, the European Union's General Data Protection Regulation (EU GDPR), the United Kingdom's GDPR (UK GDPR), Brazil's General Data Protection Law (Lei Geral de Proteção de Dados Pessoais (LGPD)) (Law No. 13,709/2018) and China's Personal Information Protection Law (PIPL) impose strict requirements for processing personal data. For example, under the GDPR, companies may face temporary or definitive bans on data processing and other corrective actions; fines of up to 20 million Euros under the EU GDPR, 17.5 million pounds sterling under the UK GDPR or, in each case, 4% of annual global revenue, whichever is greater; or private litigation related to processing of personal data brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests.

In the ordinary course of business, we may transfer personal data from Europe and other jurisdictions to the United States or other countries. Europe and other jurisdictions have enacted laws requiring data to be localized or limiting the transfer of personal data to other countries. In particular, the European Economic Area (EEA) and the United Kingdom (UK) have significantly restricted the transfer of personal data to the United States and other countries whose privacy laws it generally believes are inadequate. Other jurisdictions may adopt similarly stringent interpretations of their data localization and cross-border data transfer laws.

Although there are currently various mechanisms that may be used to transfer personal data from the EEA and UK to the United States in compliance with law, such as the EEA and UK's standard contractual clauses, the UK's International Data Transfer Agreement / Addendum, and the EU-U.S. Data Privacy Framework (which allows for transfers for relevant U.S.-based organizations who self-certify compliance and participate in the Framework), these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States.

If there is no lawful manner for us to transfer personal data from the EEA, the UK or other jurisdictions to the United States, or if the requirements for a legally-compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions (such as Europe) at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups.

Our employees and personnel may use generative artificial intelligence (AI) technologies to perform their work, and the disclosure and use of personal information in generative AI technologies is subject to various privacy laws and other privacy obligations. Governments have passed and are likely to pass additional laws regulating generative AI. Our use of this technology could result in additional compliance costs, regulatory investigations and actions, and consumer lawsuits. If we are unable to use generative AI, it could make our business less efficient and result in competitive disadvantages.

Negative public opinion and increased regulatory scrutiny of research and therapies involving gene editing may damage public perception of our product candidates or adversely affect our ability to conduct our business or obtain regulatory approvals for our product candidates.

The gene-editing technologies that we use are novel. Public perception may be influenced by claims that gene editing is unsafe, and products incorporating gene editing may not gain the acceptance of the public or the medical community. In particular, our success will depend upon physicians specializing in our targeted diseases prescribing our product candidates as treatments in lieu of, or in addition to, existing, more familiar, treatments for which greater clinical data may be available. Any increase in negative perceptions of gene editing may result in fewer physicians prescribing our treatments or may reduce the willingness of patients to utilize our treatments or participate in clinical trials for our product candidates. In addition, given the novel nature of gene engineering technologies, governments may place import, export or other restrictions in order to retain control or limit the use of the technologies. Increased negative public opinion or more restrictive government regulations either in the United States or internationally, would have a negative effect on our business or financial condition and may delay or impair the development and commercialization of our product candidates or demand for such product candidates.

Risks related to the regulatory environment for the development and commercialization of our product candidates

The regulatory landscape that will apply to development of our product candidates is rigorous, complex, uncertain and subject to change, which could result in delays or termination of development of such product candidates or unexpected costs in obtaining regulatory approvals.

All of our product candidates are based on cell therapy technology, and our future success depends on the successful development of product candidates utilizing our novel approach. We cannot assure you that any development problems we or other cell therapy companies experience in the future related to such technology will not cause significant delays or unanticipated costs in the development of our product candidates, or that such development problems can be solved. In addition, the clinical study requirements of the FDA, and other regulatory agencies, as well as the criteria these regulators use to determine the safety, purity, potency or efficacy of a product candidate, vary substantially according to the type, complexity, novelty and intended use and market of the product candidate. 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 therapeutic modalities. Further, as we are developing novel treatments for diseases in which there may be limited clinical experience, there is heightened risk that the FDA or comparable foreign regulatory bodies may not consider the clinical trial endpoints to provide clinically meaningful results, and the resulting clinical data and results may be more difficult to analyze. To date, relatively few cell therapy products have been approved by the FDA or comparable foreign regulatory authorities, which makes it difficult to determine how long it will take or how much it will cost to obtain regulatory approvals for our product candidates in the United States or other jurisdictions. Further, approvals by one regulatory agency may not be indicative of what other regulatory agencies may require for approval in their respective jurisdictions.

Regulatory requirements governing cell therapy products have evolved and may continue to change in the future. For example, the FDA has established the Office of Therapeutic Products within its Center for Biologics Evaluation and Research (CBER), to consolidate the review of cell therapy and comparable products, as well as the Cellular, Tissue and Gene Therapies Advisory Committee to advise CBER on its review. These and other regulatory review agencies, committees and advisory groups and the requirements and guidelines they promulgate may lengthen the regulatory review process, require us to perform additional preclinical studies or clinical trials, increase our development costs, lead to changes in regulatory positions and interpretations, delay or prevent approval and commercialization of our product candidates or lead to significant post-approval limitations or restrictions.

For example, the National Institutes of Health (NIH) Guidelines for Research Involving Recombinant DNA Molecules (NIH Guidelines) require supervision of human gene transfer trials, including evaluation and assessment by an Institutional Biosafety Committee (IBC), a local institutional committee that reviews and oversees research utilizing recombinant or synthetic nucleic acid molecules at that institution. The IBC assesses the safety of the research and identifies any potential risk to the public health or the environment, and such review may result in some delay before initiation of a clinical trial. While the NIH Guidelines are not mandatory unless the research in question is being conducted at or sponsored by institutions receiving NIH funding of recombinant or synthetic nucleic acid molecule research, many companies and other institutions not otherwise subject to the NIH Guidelines voluntarily follow them.

We are subject to significant regulatory oversight by the FDA in connection with our clinical trials, and in addition, the applicable IBC and Institutional Review Board (IRB) of each institution at which we conduct clinical trials of our product candidates, or a central IRB if appropriate, may need to review and approve the proposed clinical trial prior to initiation.

Changes in applicable regulatory guidelines for product candidates such as ours may lengthen the regulatory review process, require us to perform additional studies or trials beyond those we contemplate, increase our development costs, delay or prevent approval and commercialization of our product candidates or lead to significant post-approval limitations or restrictions. As we advance our product candidates, we will be required to consult with these regulatory and advisory groups and comply with evolving regulations and guidelines. If we fail to do so, we may be required to delay or discontinue development of such product candidates. These additional processes may result in a review and approval process that is longer than we may anticipate. Delays as a result of an increased or lengthier regulatory approval process or further restrictions on the development of our product candidates can be costly and could negatively impact our ability to complete clinical trials and commercialize our current and future product candidates in a timely manner, if at all, and could seriously harm our business.

Clinical and preclinical development involves a lengthy and expensive process with an uncertain outcome. Any difficulties or delays in the commencement or completion, or the termination or suspension, of our current or planned clinical trials could result in increased costs to us, delay or limit our ability to generate revenue or adversely affect our commercial prospects.

Preclinical and clinical drug development is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the preclinical study or clinical trial process, including due to factors that are beyond our control. The historical failure rate for product candidates in our industry is high. It is not uncommon to observe results in clinical trials that are unexpected based on preclinical studies and early clinical trials, and many product candidates fail in clinical trials despite very promising early results. For example, although we believe the results from Stanford University's Phase 1 clinical trial of its CD22 CAR T-cell therapy under its own IND support further development of this product candidate, there is no guarantee we will observe similar results in our Phase 2 clinical trial of CRG-022 being conducted under our own IND due to a variety of factors which we do not have control over. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and regulatory authorities may not agree with the conclusions we draw from our clinical trials and preclinical studies. A number of companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in clinical development even after achieving promising results in earlier studies.

Before obtaining approval from regulatory authorities for the commercialization of any of our product candidates, we must conduct extensive clinical trials to demonstrate the safety purity, potency or efficacy of the product candidate in humans. We have limited experience in conducting clinical trials, and as an organization, have not yet completed a clinical for any of our product candidates.

Prior to initiating clinical trials for any product candidates, we must submit the results of preclinical studies to the FDA or comparable foreign regulatory authorities along with other information, including information about product candidate chemistry, manufacturing and controls and our proposed clinical trial protocol, as part of an IND or similar regulatory submission. The FDA or comparable foreign regulatory authorities may require us to conduct additional preclinical or non-clinical studies, or complete additional activities relating to chemistry, manufacturing and controls (CMC) for any product candidate before such authorities allow us to initiate clinical trials under any IND or similar regulatory submission, which may lead to delays and increase the costs of our preclinical development programs. In particular, the manufacturing of autologous CAR T-cell therapies remains an emerging and evolving field. Accordingly, we expect CMC-related topics, including product specifications, will be a remain a focus for such regulatory authorities during their reviews of our applications. Moreover, even if we commence clinical trials, issues may arise that could cause regulatory authorities to suspend or terminate such clinical trials. Any such delays in the commencement or completion of our ongoing and planned clinical trials for our product candidates could significantly affect our product development timelines and product development costs and harm our financial position.

We do not know whether our planned clinical trials will begin on time or be completed on schedule, if at all. The timing for commencement, data readouts and completion of clinical trials can be delayed for a number of reasons, including delays related to:

- inability to generate sufficient preclinical, toxicology or other in vivo or in vitro data to support the initiation or continuation of clinical trials;
- obtaining allowance or approval from regulatory authorities to commence a trial or reaching a consensus with regulatory authorities on trial design;
- the FDA or comparable foreign regulatory authorities disagreeing as to the design or implementation of our clinical trials;
- if we are required to supplement our clinical development plans to include additional clinical trials or studies, such as the addition of a double-blind, placebo-controlled, randomized study of CRG-022 as part of the potentially pivotal Phase 2 clinical trial;
- any failure or delay in reaching an agreement with CROs, CDMOs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs, CDMOs and trial sites;
- the level of CD22 expression in the patient population in the trial not aligning with our expectations;
- delays in identifying, recruiting and training suitable clinical investigators;
- obtaining approval from one or more IRBs or ethics committees at clinical trial sites;
- IRBs refusing to approve, suspending or terminating the trial at an investigational site, precluding enrollment of additional subjects, or withdrawing their approval of the trial;
- changes or amendments to the clinical trial protocol;
- clinical sites deviating from the trial protocol or dropping out of a trial;
- failure by our CROs or CDMOs to perform in accordance with Good Clinical Practice (GCP) requirements or applicable regulatory rules and guidelines in other countries;
- manufacturing sufficient quantities of our product candidates for use in our clinical trials;
- subjects failing to enroll or remain in our trials at the rate we expect, or failing to return for post-treatment follow-up, including subjects failing to remain in our trials;
- patients choosing an alternative product for the indications for which we are developing our product candidates, or participating in competing clinical trials;
- lack of adequate funding to continue a clinical trial, or costs being greater than we anticipate;
- subjects experiencing severe or serious unexpected treatment-related adverse effects;
- occurrence of serious adverse events in trials of the same class of agents conducted by other companies that could be considered similar to our product candidates;
- selection of clinical endpoints that require prolonged periods of clinical observation or extended analysis of the resulting data;

- transfer of manufacturing processes to larger-scale facilities operated by a CMO delays or failure by our CMOs or us to make any necessary changes to such manufacturing process, or failure of our CMOs to produce clinical trial materials in accordance with cGMP regulations or other applicable requirements; and
- third parties being unwilling or unable to satisfy their contractual obligations to us in a timely manner.

Clinical trials must be conducted in accordance with the FDA and other applicable regulatory authorities' legal requirements, regulations and guidelines, and remain subject to oversight by these governmental agencies and ethics committees or IRBs at the medical institutions where such clinical trials are conducted. We could also encounter delays if a clinical trial is suspended or terminated by us, by the IRBs of the institutions in which such trials are being conducted, by a Data Safety Monitoring Board for such trial or by the FDA or comparable foreign regulatory authorities. Such authorities may impose such a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or applicable clinical trial protocols, adverse findings from inspections of clinical trial sites by the FDA or comparable foreign regulatory authorities, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a product candidate, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. In addition, changes in regulatory requirements and policies may occur, and we may need to amend clinical trial protocols to comply with these changes. Amendments may require us to resubmit our clinical trial protocols to regulators or to IRBs for reexamination, which may impact the costs, timing or successful completion of a clinical trial.

Further, conducting clinical trials in foreign countries, as we may do for our future product candidates, presents additional risks that may delay completion of our clinical trials. These risks include the failure of enrolled subjects in foreign countries to adhere to clinical protocols as a result of differences in healthcare services or cultural customs, managing additional administrative burdens associated with foreign regulatory schemes and political and economic risks, including war, relevant to such foreign countries.

Moreover, principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive compensation in connection with such services. Under certain circumstances, we may be required to report some of these relationships to the FDA or comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authority may conclude that a financial relationship between us and a principal investigator has created a conflict of interest or otherwise affected interpretation of the study. The FDA or comparable foreign regulatory authority may therefore question the integrity of the data generated at the applicable clinical trial site and the utility of the clinical trial itself may be jeopardized. This could result in a delay in approval, or rejection, of our marketing applications by the FDA or comparable foreign regulatory authority, as the case may be, and may ultimately lead to the denial of regulatory approval of one or more of our product candidates.

In addition, many of the factors that cause, or lead to, the termination suspension of, or a delay in the commencement or completion of, clinical trials may also ultimately lead to the denial of regulatory approval of a product candidate. Any resulting delays to our clinical trials could shorten any period during which we may have the exclusive right to commercialize our product candidates. In such cases, our competitors may be able to bring products to market before we do, and the commercial viability of our product candidates could be significantly reduced. Any of these occurrences may harm our business, financial condition and prospects.

We may find it difficult to enroll patients in our clinical trials. If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

Patient enrollment is a significant factor in the timing of clinical trials, and the timing of our clinical trials will depend, in part, on the speed at which we can recruit patients to participate in our trials, as well as completion of required follow-up periods. We may not be able to initiate or continue 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 to such trial's conclusion as required by the FDA or other comparable regulatory authorities. The conditions for which we currently plan to evaluate our product candidates are orphan or rare diseases with limited patient pools from which to draw for clinical trials. The eligibility criteria of our clinical trials, once established, may further limit the pool of available trial participants.

Patient enrollment in clinical trials may be affected by other factors, including:

- size and nature of the targeted patient population;
- severity of the disease or condition under investigation;
- availability and efficacy of approved therapies for the disease or condition under investigation;
- patient eligibility criteria for the trial in question as defined in the protocol;
- perceived risks and benefits of the product candidate under study;
- clinicians' and patients' perceptions as to the potential advantages of the product candidate being studied in relation to other available therapies, including any products that may be approved for, or any product candidates under investigation for, the indications we are investigating;
- efforts to facilitate timely enrollment in clinical trials;
- patient referral practices of physicians;
- the ability to monitor patients adequately during and after treatment;
- proximity and availability of clinical trial sites for prospective patients;
- difficulty identifying and enrolling patients for clinical trials to expand into earlier lines of LBCL;
- continued enrollment of prospective patients by clinical trial sites; and
- the risk that patients enrolled in clinical trials will drop out of such trials before completion.

Additionally, other pharmaceutical companies targeting these same diseases are recruiting clinical trial patients from these patient populations, which may make it more difficult to fully enroll any clinical trials. We also rely on, and will continue to rely on, CROs, CDMOs and clinical trial sites to ensure proper and timely conduct of our clinical trials and preclinical studies. Though we have entered into agreements governing their services, we will have limited influence over their actual performance. Our inability to enroll a sufficient number of patients for our clinical trials would result in significant delays, may lead us to abandon one or more clinical trials altogether, or may lead the FDA and other regulatory authorities to require us to conduct additional clinical trials before we are able to seek regulatory approvals for our product candidates, if ever. Any enrollment issues in our clinical trials may therefore result in increased development costs for our product candidates and jeopardize our ability to obtain regulatory approval for the sale of our product candidates, which would adversely affect our business and financial condition.

Use of our product candidates could be associated with adverse side effects, adverse events or other properties or safety risks, which could delay or preclude approval, cause us to suspend or discontinue clinical trials, abandon a product candidate, limit the commercial profile of an approved product or result in other significant negative consequences that could severely harm our business, prospects, operating results and financial condition.

Results of our clinical trials could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. Undesirable side effects caused by our product candidates, whether used alone on in combination with other therapies, could cause us or regulatory authorities to interrupt, delay or halt clinical trials or the delay or denial of regulatory approval by the FDA or comparable foreign regulatory authorities, or, if such product candidates are approved, result in a more restrictive label and other post-approval requirements. Any treatment-related side effects could also affect patient recruitment or the ability of enrolled patients to complete the trial, or could result in potential product liability claims. Any of these occurrences may harm our business, financial condition and prospects significantly.

If our product candidates are associated with undesirable side effects or have unexpected characteristics in preclinical studies or clinical trials, when used alone or in combination with other approved product, we may need to interrupt, delay or 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.

Patients in our ongoing and planned clinical trials may suffer significant adverse events or other side effects, including adverse events not observed in our preclinical studies or in previous clinical trials evaluating our product candidates. Patients treated with our product candidates may also be undergoing surgical, radiation or chemotherapy treatments, which can cause side effects or adverse events that are unrelated to our product candidate, but may still impact the success of our clinical trials. The inclusion of critically ill patients in our clinical trials may result in deaths or other adverse medical events due to other therapies or medications that such patients may be using or due to the gravity of such patients' illnesses. If such significant adverse events or other side effects are observed in any of our ongoing or planned clinical trials, we may have difficulty recruiting patients to the clinical trials, or we may be required to abandon the trials or our development efforts of that product candidate altogether. We, the FDA, other comparable regulatory authorities or an IRB may suspend clinical trials of a product candidate at any time for various reasons, including a belief that subjects in such trials are being exposed to unacceptable health risks or adverse side effects. Even if the side effects do not preclude the product candidate from obtaining or maintaining regulatory approval, undesirable side effects may inhibit market acceptance due to tolerability concerns as compared to other available therapies. Any of these developments could materially harm our business, financial condition and prospects.

Additionally, if any of our product candidates receives regulatory approval, and we or others later identify undesirable side effects caused by such product, a number of potentially significant negative consequences could result. For example, the FDA could require us to adopt a Risk Evaluation and Mitigation Strategy (REMs) to ensure that the benefits of treatment with such product candidate outweigh the risks for each potential patient, which may include, among other things, a communication plan to health care practitioners, patient education, extensive patient monitoring or end-to-end supply chain management systems and processes that are highly controlled, restrictive and more costly than what is typical for the industry. We may also be required to adopt a REMS or engage in similar actions, such as patient education, certification of health care professionals or specific monitoring, if we or others later identify undesirable side effects caused by any product that we develop. Other potentially significant negative consequences associated with adverse events include:

- we may be required to suspend marketing of a product, or we may decide to remove such product from the marketplace;
- regulatory authorities may withdraw or change their approvals of a product;

- regulatory authorities may require additional warnings on the label or limit access of a product to selective specialized centers with additional safety reporting and with requirements that patients be geographically close to these centers for all or part of their treatment;
- we may be required to create a medication guide outlining the risks of a product for patients, or to conduct post-marketing studies;
- we may be required to change the way a product is administered;
- we could be subject to fines, injunctions, or the imposition of criminal or civil penalties, or be sued and held liable for harm caused to subjects or patients; and
- a product may become less competitive, and our reputation may suffer.

Any of these events could diminish the usage or otherwise limit the commercial success of our product candidates and prevent us from achieving or maintaining market acceptance of our product candidates, if approved by the FDA or other regulatory authorities.

Interim, "topline" and preliminary data from our clinical trials and preclinical studies that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we may publicly disclose interim, topline or preliminary data from our clinical trials and preclinical studies, which is based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the interim, topline or preliminary results that we report may differ from future results of the same studies or trials, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Topline and preliminary data also remain subject to audit and verification procedures that may result in the final data being materially different from the topline or preliminary data we previously published. As a result, topline and preliminary data should be viewed with caution until the final data are available.

Interim data from clinical trials that we may complete are further 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. Adverse differences between interim, topline or preliminary data and final data could significantly harm our business prospects. Further, disclosure of such data by us or by our competitors could result in volatility in the price of our common stock.

Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular product candidate or product and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product candidate or our business. If the interim, topline or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition.

We have not successfully tested our product candidates in clinical trials and any favorable data from trials conducted by Stanford University or NCI may not be replicated in our clinical trials.

We have not successfully tested our product candidates in clinical trials, including our lead program CRG-022. Specifically, while the CRG-022 CAR has been included in CD22 CAR T-cell products dosed in more than 120 patients in separate clinical trials conducted by Stanford University and the NCI, these trials were designed and conducted by third parties. Further, we also did not control the preclinical development of CRG-022, which was conducted by Stanford University and NCI. As a result of the foregoing, there are certain aspects of these clinical trials which could lead to our Phase 2 clinical trial producing different results. For example, it is possible that the selection of patients dosed in the Phase 1 clinical trial conducted by Stanford being different than the selection criteria we utilize in our Phase 2 clinical trial. If that were to occur, the results we receive in our Phase 2 clinical trial may be different, such as a lower complete response rate and overall response rate, as well as a shorter median survival, than what was observed in the Phase 1 clinical trial conducted by Stanford University. Different results may require us to augment our clinical development plans, which could be costly, or could result in us abandoning the development of CRG-022. The occurrence of either event would harm our business.

In addition, we have changed the manufacturing process of CRG-022 in an effort to improve manufacturing yields and efficiency. These improvements are reflected in the CRG-022 being used in our potentially pivotal Phase 2 clinical trial. While we have conducted comparability analysis of our CRG-022 to the CAR T therapy used in the Stanford study and concluded that the two are comparable, we cannot assure you that the outcome in our Phase 2 clinical trial will be consistent with the outcome observed in the Stanford University conducted Phase 1 clinical trial.

If our Phase 2 clinical trial results are not consistent with the results from the Phase 1 clinical trial conducted by Stanford University, the development of CRG-022 may be adversely impacted, which could harm our business, operating results, prospects or financial condition.

Further, while we received clearance from the FDA in connection with our IND for CRG-022, which included our comprehensive package to establish the comparability of our intended commercial process to the process used for the Stanford clinical trial, we cannot assure you going forward that the FDA will agree with our claim of comparability and the sufficiency of the data to support it, or agree with our ability to reference the preclinical, manufacturing or clinical data generated by the Stanford clinical trial even if we receive a right of reference from Stanford. If so, the FDA may require us to obtain and submit additional preclinical, manufacturing or clinical data before we may initiate further clinical trials and/or obtain any regulatory approvals. Any of these occurrences may harm our business, financial condition and prospects.

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

The clinical development, manufacturing, labeling, storage, record-keeping, advertising, promotion, import, export, marketing and end-to-end supply chain management of our product candidates are subject to extensive regulation by the FDA in the U.S. and by comparable foreign regulatory authorities in foreign markets. In the U.S., we are not permitted to market our product candidates in the U.S. until we receive regulatory approval of a BLA from the FDA. The process of obtaining such regulatory approval is expensive, often takes many years following the commencement of clinical trials and can vary substantially based upon the type, complexity and novelty of the product candidates involved, as well as the target indications and patient population. Approval policies or regulations may change, and the FDA and comparable regulatory have substantial discretion in the approval process, including the ability to delay, limit or deny approval of a product candidate for many reasons. Despite the time and expense invested in clinical development of product candidates, regulatory approval of a

product candidate is never guaranteed. Of the large number of biologics in development, only a small percentage successfully complete the FDA or foreign regulatory approval processes and are commercialized.

Prior to obtaining approval to commercialize a product candidate in the U.S. or abroad, we must demonstrate with substantial evidence from adequate and well-controlled clinical trials, and to the satisfaction of the FDA or comparable foreign regulatory authorities, that such product candidates are safe, pure and potent or efficacious with for their intended uses. Results from nonclinical studies and clinical trials can be interpreted in different ways. Even if we believe available nonclinical or clinical data support the safety, purity, potency or efficacy of our product candidates, such data may not be sufficient to obtain approval from the FDA and comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authorities, as the case may be, may also require us to conduct additional preclinical studies or clinical trials for our product candidates either prior to or post-approval, or may object to elements of our clinical development program.

The FDA or comparable foreign regulatory authorities can delay, limit or deny approval of a product candidate for many reasons, including:

- such authorities may disagree with the design or execution of our clinical trials;
- negative or ambiguous results from our clinical trials or results may not meet the level of statistical significance required by the FDA or comparable foreign regulatory agencies for approval;
- serious and unexpected treatment-related side effects may be experienced by participants in our clinical trials or by individuals using therapies similar to our product candidates;
- the population studied in the clinical trial may not be sufficiently broad or representative to assure safety in the full population for which we seek approval;
- such authorities may not accept clinical data from trials that are conducted at clinical facilities or in countries where the standard of care is potentially different from that of their own country;
- we may be unable to demonstrate that a product candidate’s clinical and other benefits outweigh its safety risks;
- such authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- such authorities may not agree that the data collected from clinical trials of our product candidates are acceptable or sufficient to support the submission of a BLA or other submission or to obtain regulatory approval in the U.S. or elsewhere, and such authorities may impose requirements for additional preclinical studies or clinical trials;
- such authorities may disagree with us regarding the formulation, labeling and/or the product specifications of our product candidates;
- approval may be granted only for indications that are significantly more limited than those sought by us, and/or may include significant restrictions on end-to-end supply chain management and use;
- such authorities may find deficiencies in the manufacturing processes or facilities of the third-party manufacturers with which we contract for clinical and commercial supplies;
- such authorities may not accept a submission due to, among other reasons, the content or formatting of the submission; or
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

With respect to foreign markets, approval procedures vary among countries and, in addition to the foregoing risks, may involve additional product testing, administrative review periods and agreements with pricing authorities.

Even if we eventually complete clinical trials and receive approval of a BLA or comparable foreign marketing application for our product candidates, the FDA or comparable foreign regulatory authority may grant approval contingent on the performance of costly additional clinical trials and/or the implementation of a REMS, which may be required because the FDA believes it is necessary to ensure safe use of the product after approval. Any delay in obtaining, or inability to obtain, applicable regulatory approval would delay or prevent commercialization of that product candidate and would materially adversely impact our business and prospects.

If we are required by the FDA to obtain approval of a companion diagnostic in connection with approval of any of our product candidates or a companion diagnostic we contemplate developing with collaborators in connection with our CD22 CAR T-cell therapy, and we do not obtain, or face delays in obtaining, FDA approval of such companion diagnostic, we will not be able to commercialize such product candidate and our ability to generate revenue will be materially impaired.

If the FDA believes that the safe and effective use of any of our product candidates depends on an *in vitro* diagnostic, then it may require approval or clearance of that diagnostic as a companion diagnostic at the same time that the FDA approves our product candidates, if at all. According to FDA guidance, if the FDA determines that a companion diagnostic device is essential to the safe and effective use of a novel therapeutic product or indication, the FDA generally will not approve the therapeutic product or new therapeutic product indication if the companion diagnostic is not also approved or cleared for that indication. Depending on the data from our clinical trials, we may decide to collaborate with diagnostic companies during our clinical trial enrollment process to help identify patients with characteristics that we believe will be most likely to respond to our product candidates. If a satisfactory companion diagnostic is not commercially available in this situation, we may be required to develop or obtain such test, which would be subject regulatory approval requirements. The process of obtaining or creating such diagnostic is time consuming and costly.

Companion diagnostics are developed in conjunction with clinical programs for the associated product and are subject to regulation as medical devices by the FDA and comparable foreign regulatory authorities, and the FDA has generally required premarket approval of companion diagnostics for cancer therapies. The approval or clearance of a companion diagnostic as part of the therapeutic product's further labeling limits the use of the therapeutic product to only those patients who express the specific characteristic that the companion diagnostic was developed to detect.

If the FDA or a comparable foreign regulatory authority requires approval or clearance of a companion diagnostic for any of our product candidates, whether before or after the product candidate obtains regulatory approval, we and/or third-party collaborators may encounter difficulties in developing and obtaining approval or clearance for these companion diagnostics. Any delay or failure by us or third-party collaborators to develop or obtain regulatory approval or clearance of a companion diagnostic could delay or prevent approval or continued marketing of the relevant product. We or our collaborators may also experience delays in developing a sustainable, reproducible and scalable manufacturing process for the companion diagnostic or in transferring that process to commercial partners or negotiating insurance reimbursement plans, all of which may prevent us from completing our clinical trials or commercializing our product candidates, if approved, on a timely or profitable basis, if at all.

We may attempt to secure approval from the FDA through the use of the accelerated approval pathway. If we are unable to obtain such approval, we may be required to conduct additional preclinical studies or clinical trials beyond those that we contemplate, which could increase the expense of obtaining, and delay the receipt of, necessary regulatory approvals. Even if we receive accelerated approval from the FDA, if our confirmatory trials do not verify clinical benefit, or if we do not comply with rigorous post-marketing requirements, the FDA may seek to withdraw any accelerated approval we have obtained.

We may in the future seek accelerated approval for one or more of our product candidates. Under the accelerated approval program, the FDA may grant accelerated approval to a product candidate designed to treat a serious or life-threatening condition that provides meaningful therapeutic benefit over available therapies upon a determination that the product candidate has an effect on a surrogate endpoint or intermediate clinical endpoint that is reasonably likely to predict clinical benefit. The FDA considers a clinical benefit to be a positive therapeutic effect that is clinically meaningful in the context of a given disease, such as irreversible morbidity or mortality. For the purposes of accelerated approval, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign or other measure that is thought to predict clinical benefit, but is not itself a measure of clinical benefit. An intermediate clinical endpoint is a clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit.

The accelerated approval pathway may be used in cases in which the advantage of a new biologic over available therapy may not be a direct therapeutic advantage, but is a clinically important improvement from a patient and public health perspective. If granted, accelerated approval is usually contingent on the sponsor’s agreement to conduct, in a diligent manner, additional confirmatory studies to verify and describe the biologic’s clinical benefit. If such post-approval studies fail to confirm the biologic’s clinical benefit or are not completed in a timely manner, the FDA may withdraw its approval of the biologic on an expedited basis. In addition, in December 2022, President Biden signed an omnibus appropriations bill to fund the U.S. government through fiscal year 2023. Included in the omnibus bill is the Food and Drug Omnibus Reform Act of 2022, which among other things, provided FDA new statutory authority to mitigate potential risks to patients from continued marketing of ineffective drugs previously granted accelerated approval. Under these provisions, the FDA may require a sponsor of a product seeking accelerated approval to have a confirmatory trial underway prior to such approval being granted.

Prior to seeking accelerated approval for any of our product candidates, we intend to seek feedback from the FDA and will otherwise evaluate our ability to seek and receive accelerated approval. There can be no assurance that after our evaluation of the feedback and other factors we will decide to pursue or submit a BLA seeking accelerated approval or any other form of expedited development, review or approval. Furthermore, if we decide to submit an application for accelerated approval for our product candidates, there can be no assurance that such application will be accepted or that any expedited development, review or approval will be granted on a timely basis, or at all. The FDA or other comparable foreign regulatory authorities could also require us to conduct further studies prior to considering our application or granting approval of any type. A failure to obtain accelerated approval or any other form of expedited development, review or approval for our product candidate would result in a longer time period to commercialization of such product candidate, if any, could increase the cost of development of such product candidate and could harm our competitive position in the marketplace.

A Breakthrough Therapy designation from 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 does not increase the likelihood that our product candidates will receive FDA approval.

We may seek Breakthrough Therapy designations for CRG-022 and our product candidates where we believe the clinical data support such designation. A "Breakthrough Therapy" is defined as a drug or biologic that is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening disease or condition, where preliminary clinical evidence indicates that the drug or biologic 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, increased 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. Biologics designated as Breakthrough Therapies also receive the same benefits associated with the FDA's Fast Track designation program, including eligibility for rolling review of a submitted BLA, if the relevant criteria are met.

Although we have not applied for or received Breakthrough Therapy Designation in connection with our IND for CRG-022, Stanford University has received Breakthrough Therapy designation from the FDA for its CD22 CAR T-cell therapy candidate for, following fludarabine and cyclophosphamide, the treatment of adult patients with relapsed or refractory large B cell lymphoma after CD19-directed CAR T-cell therapy. Although Stanford University's CD22 CAR T is an earlier version of CRG-022, our CRG-022 program will not receive the benefits of this designation until and unless we obtain the rights to Stanford University's IND for the program and the FDA agrees to transfer the designation to our IND for CRG-022, or until we otherwise request and obtain such designation from the FDA with respect to our IND for CRG-022. We cannot assure you that the FDA will agree with our claim of comparability and the sufficiency of the data to support it, or agree with our ability to reference the preclinical, manufacturing or clinical data generated by the Stanford clinical trial even if we obtain a right of reference from Stanford. If the FDA disagrees, there may be limitations on the inclusion of Phase 1 data in the product label.

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 drugs considered for approval under standard 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 candidate no longer meets the conditions for qualification and rescind the designation, or otherwise decide that the time period required for FDA review or approval will not be reduced.

Disruptions at the FDA and other government agencies caused by funding shortages or global health concerns could hinder their ability to hire, retain or deploy key leadership and other personnel, prevent new or modified products from being developed, review, approved or commercialized in a timely manner or at all, which could negatively impact our business.

The ability of the FDA and foreign regulatory authorities to review and approve new products can be affected by a variety of factors, including government budget and funding levels, statutory, regulatory and policy changes, the FDA's or foreign regulatory authorities' ability to hire and retain key personnel and accept the payment of user fees, and other events that may otherwise affect the FDA's or foreign regulatory authorities' ability to perform routine functions. Average review times at the FDA and foreign regulatory authorities have fluctuated in recent years as a result. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable. Disruptions at the FDA and other agencies, such as the EMA following its relocation to Amsterdam and resulting

staff changes, may also slow the time necessary for new biologics or modifications to approved biologics to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. For example, over the last several years, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical FDA employees and stop critical activities. In addition, during the COVID-19 pandemic, the FDA postponed most inspections of domestic and foreign manufacturing facilities at various points. Even though the FDA has resumed standard inspection operations of domestic facilities where feasible, the FDA has continued to monitor and implement changes to its inspectional activities to ensure the safety of its employees and those of the firms it regulates, and any resurgence of COVID-19 or emergence of new variants may lead to further inspectional delays. If a prolonged government shutdown occurs, or if global health concerns continue to prevent the FDA or other regulatory authorities from conducting their regular activities, it could significantly impact the ability of the FDA or other regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Even if we obtain FDA approval for any of our product candidates in the United States, we may never obtain approval for or commercialize such candidates 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, as well as 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 for any product candidate, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense.

For any regulatory approvals that we may receive for our product candidates, the manufacturing processes, labeling, packaging, end-to-end supply chain management, adverse event reporting, storage, advertising, promotion, import, export and recordkeeping for our product candidates will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as ongoing compliance with cGMPs for manufacturing, as well as GCPs for any clinical trials that we may conduct. In addition, manufacturers of biological products and their facilities are subject to continual review and periodic, unannounced inspections by the FDA and other regulatory authorities for compliance with cGMP regulations and other applicable standards. In addition, any regulatory approvals we may receive will require the submission of reports to regulatory authorities and surveillance to monitor the safety and efficacy of the product candidate, and such approvals may contain

significant limitations related to use restrictions for specified age groups, warnings, precautions or contraindications, and may include burdensome post-approval study or risk management requirements. For example, the FDA may require a REMS as a condition of approval of our product candidates, which could include requirements for a medication guide, physician training and communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools.

If we or a regulatory agency discover previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facilities where the product is manufactured, such regulatory agency may impose restrictions on that product, the manufacturing facility or us, including requiring recall or withdrawal of the product from the market or suspension of manufacturing. In addition, failure to comply with FDA and other comparable foreign regulatory requirements may subject our company to administrative or judicially imposed sanctions, including:

- restrictions on the marketing or manufacturing of our products, withdrawal of the product from the market or voluntary or mandatory product recalls;
- restrictions on end-to-end supply chain management or use of product, or requirements to conduct post-marketing studies or clinical trials;
- fines, restitutions, disgorgement of profits or revenues, warning letters, untitled letters or holds on clinical trials;
- refusal by the FDA to approve pending applications or supplements to approved applications submitted by us or suspension or revocation of approvals;
- product seizure or detention, or refusal to permit the import or export of our products; and
- injunctions or the imposition of civil or criminal penalties.

The occurrence of any event or penalty described above may inhibit our ability to commercialize our product candidates and generate revenue and could require us to expend significant time and resources in response and could generate negative publicity.

The FDA's and other regulatory authorities' policies may change, and additional government regulations may be promulgated that could prevent, limit or delay marketing authorization of any product candidates we develop. We also 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 be subject to enforcement action and we may not achieve or sustain profitability.

The FDA and other regulatory agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses.

The FDA strictly regulates marketing, labeling, advertising and promotion of prescription drugs and biologics. These regulations include standards and restrictions for direct-to-consumer advertising, industry-sponsored scientific and educational activities, promotional activities involving the internet and off-label promotion. Any regulatory approval that the FDA grants is limited to those specific diseases and indications for which a product is deemed to be safe, pure and potent or effective, by FDA. While physicians in the United States may choose, and are generally permitted, to prescribe drugs and biologics for uses that are not described in the product's labeling and for uses that differ from those tested in clinical trials and approved by the regulatory authorities, our ability to promote any products will be narrowly limited to those indications that are specifically approved by the FDA.

If we are found to have promoted such off-label uses, we may become subject to significant liability. The U.S. federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined several companies from engaging in off-label promotion. The FDA has also requested that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed. If we cannot successfully manage the promotion any product candidates, if approved, we could become subject to significant liability, which would materially adversely affect our business and financial condition.

Any product candidates for which we intend to seek approval as biologic products may face competition sooner than anticipated.

The Patient Protection and Affordable Care Act, signed into law on March 23, 2010, includes a subtitle called the Biologics Price Competition and Innovation Act of 2009 (BPCIA), which created an abbreviated approval pathway for biological products that are biosimilar to or interchangeable with an FDA-licensed reference biological product. Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date that the reference product was first licensed by the FDA. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a full BLA for the competing product containing the sponsor's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of its product.

We believe that any of our future product candidates approved as a biological product under a BLA should qualify for the 12-year period of exclusivity. However, there is a risk that this exclusivity could be shortened due to Congressional action or otherwise, or that the FDA will not consider our product candidates to be reference products for competing products, potentially creating the opportunity for generic competition sooner than anticipated. Moreover, the extent to which a biosimilar, once approved, could be substituted for any one of our reference products in a way that is similar to traditional generic substitution for non-biological products will depend on a number of marketplace and regulatory factors that are still developing.

The successful commercialization of our product candidates, if approved, will depend in part on the extent to which governmental authorities and health insurers establish coverage, adequate reimbursement levels and favorable pricing policies. Failure to obtain or maintain coverage and adequate reimbursement for our products could limit our ability to market those products and decrease our ability to generate revenue.

The availability of coverage and the adequacy of reimbursement by governmental healthcare programs such as Medicare and Medicaid, private health insurers and other third-party payors are essential for most patients to be able to afford prescription medications such as our product candidates, if approved. Our ability to achieve coverage and acceptable levels of reimbursement for our products by third-party payors will have an effect on our ability to successfully commercialize those products. Accordingly, we will need to successfully implement a coverage and reimbursement strategy for any approved product candidate. Even if we obtain coverage for a given product by a third-party payor, the resulting reimbursement payment rates may not be adequate or may require co-payments that patients find unacceptably high.

If we participate in the Medicaid Drug Rebate Program or other governmental pricing programs, in certain circumstances, our products would be subject to ceiling prices set by such programs, which could reduce the revenue we may generate from any such products. Participation in such programs would also expose us to the risk of significant civil monetary penalties, sanctions and fines should we be found to be in violation of any applicable obligations thereunder.

Third-party payors increasingly are challenging prices charged for biopharmaceutical products and services, and many third-party payors may refuse to provide coverage and reimbursement for particular drugs when an equivalent generic drug or a less expensive therapy is available. It is possible that a third-party payor may consider our products as substitutable and only offer to reimburse patients for the less expensive product. Even if we are successful in demonstrating improved efficacy or improved convenience of administration with our products, pricing of existing drugs may limit the amount we will be able to charge for our products. These payors may deny or revoke the reimbursement status of a given product or establish prices for new or existing marketed products at levels that are too low to enable us to realize an appropriate return on our investment in product development. For products administered under the supervision of a physician, obtaining coverage and adequate reimbursement may be particularly difficult because of the higher prices often associated with such drugs. Additionally, separate reimbursement for the product itself or the treatment or procedure in which the product is used may not be available, which may impact physician utilization. If reimbursement is not available or is available only at limited levels, we may not be able to successfully commercialize our products and may not be able to obtain a satisfactory financial return on products that we may develop. In addition, in the event that we develop companion diagnostic tests for use with our products, once approved, such companion diagnostic tests will require coverage and reimbursement separate and apart from the coverage and reimbursement for their companion pharmaceutical product. Similar challenges to obtaining coverage and reimbursement applicable to pharmaceutical products will apply to companion diagnostics tests.

There is significant uncertainty related to third-party payor coverage and reimbursement of newly approved products. In the United States, third-party payors, including private and governmental payors, such as the Medicare and Medicaid programs, play an important role in determining the extent to which new drugs will be covered. Some third-party payors may require pre-approval of coverage for new or innovative devices or drug therapies before they will reimburse healthcare providers who use such therapies. It is difficult to predict at this time what third-party payors will decide with respect to the coverage and reimbursement for our products.

Obtaining and maintaining reimbursement status is time-consuming, costly and uncertain. The Medicare and Medicaid programs increasingly are used as models for how private payors and other governmental payors develop their coverage and reimbursement policies for drugs. However, no uniform policy for coverage and reimbursement for products exists among third-party payors in the United States. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time consuming and costly process that will require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance. Furthermore, rules and regulations regarding reimbursement change frequently, and, in some cases, at short notice, and we believe that changes in these rules and regulations are likely.

Outside the United States, international operations are generally subject to extensive governmental price controls and other market regulations, and we believe the increasing emphasis on cost-containment initiatives in Europe and other countries has and will continue to put pressure on the pricing and usage of our product candidates, if approved in these jurisdictions. In many countries, the prices of medical products are subject to varying price control mechanisms as part of national health systems. Other countries allow companies to fix their own prices for medical products but monitor and control company profits. Additional foreign price controls or other changes in pricing regulation could restrict the amount that we are able to charge for our products. Accordingly, in markets outside the United States, the reimbursement for our products may be reduced compared with the United States and may be insufficient to generate commercially reasonable revenue and profits.

Moreover, increasing efforts by governmental and third-party payors in the United States and abroad to cap or reduce healthcare costs may cause such 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 products. We expect to experience pricing pressures in connection with the sale of any of our products due to the trend toward managed healthcare, the increasing influence of health maintenance organizations and additional legislative changes. The downward pressure on healthcare costs in general, and prescription drugs has become very intense. As a result, increasingly high barriers are being erected to the entry of new products.

Recently enacted legislation, future legislation and healthcare reform measures may increase the difficulty and cost for us to obtain regulatory approval for and commercialize our product candidates and may affect the prices we may set.

In the United States and some foreign jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system, including cost-containment measures that may reduce or limit coverage and reimbursement for newly approved drugs and affect our ability to profitably sell any product candidates for which we obtain regulatory approval. 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 ACA was enacted in the United States. The ACA established an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic agents; extended manufacturers' Medicaid rebate liability to covered drugs dispensed to individuals who are enrolled in Medicaid managed care organizations; expanded eligibility criteria for Medicaid programs; expanded the entities eligible for discounts under the 340B drug pricing program; increased the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program; established a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in and conduct comparative clinical effectiveness research, along with funding for such research; and establishes a Center for Medicare & Medicaid Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending. Since its enactment, there have been executive, judicial and Congressional challenges to certain aspects of the ACA, and on June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law, which eliminates the statutory cap on the Medicaid drug rebate, currently set at 100% of a drug's AMP, beginning January 1, 2024. Further, there has been heightened governmental scrutiny in the United States of pharmaceutical pricing practices in light of the rising cost of prescription drugs. Such scrutiny has resulted in several recent congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient assistance programs and reform government program reimbursement methodologies for products. Most recently, the Inflation Reduction Act of 2022 (IRA), included a number of significant drug pricing reforms, which include the establishment of a drug price negotiation program within the U.S. Department of Health and Human Services (HHS) (beginning in 2023) that requires manufacturers to negotiate with HHS and (beginning in 2026) charge a negotiated "maximum fair price" for certain selected drugs or pay an excise tax for noncompliance, the establishment of rebate payment requirements on manufacturers under Medicare Parts B and D to penalize price increases that outpace inflation (first due in 2023), and a redesign of the Part D benefit, as part of which manufacturers are required to provide discounts on Part D drugs (beginning in 2025). The IRA permits the HHS Secretary to implement many of these provisions through guidance, as opposed to regulation, for the initial years. HHS has and will continue to issue and update guidance as these programs are implemented. On August 29, 2023, HHS announced the list of the first ten drugs that will be subject to price negotiations. However, the Medicare drug

price negotiation program is currently subject to legal challenges. It is currently unclear how the IRA will be implemented but it is likely to have a significant effect on the pharmaceutical industry. Additional drug pricing proposals could appear in future legislation. Further, in response to the Biden administration's October 2022 executive order, on February 14, 2023, HHS released a report outlining three new models for testing by the CMS Innovation Center which will be evaluated on their ability to lower the cost of drugs, promote accessibility and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future.

At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or 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 harm our business, results of operations, financial condition and prospects. 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, if approved, or put pressure on our product pricing, which could negatively affect our business, results of operations, financial condition and prospects.

We expect that these new laws and other healthcare reform measures that may be adopted in the future may result in additional reductions in Medicare and other healthcare funding, more rigorous coverage criteria, new payment methodologies and additional downward pressure on the price that we receive for any approved product. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize our product candidates, if approved.

We are subject to various U.S. federal, state and foreign healthcare laws and regulations, which could increase compliance costs, and our failure to comply with these laws and regulations could harm our reputation, subject us to significant fines and liability or otherwise adversely affect our business.

Our business operations and current and future arrangements with investigators, healthcare professionals, consultants, third-party payors, patient organizations and customers expose us to broadly applicable foreign, federal and state fraud and abuse and other healthcare laws and regulations. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell and distribute any products for which we obtain regulatory approval. Such laws include:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons or entities from knowingly and willfully soliciting, offering, receiving or providing any remuneration (including any kickback, bribe or certain rebates), directly or indirectly, overtly or covertly, in cash or in kind, in return for, either the referral of an individual or the purchase, lease or order, or arranging for or recommending the purchase, lease or order of any good, facility, item 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 does not need to have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it in order to have committed a violation;
- the federal false claims laws, including the civil False Claims Act, and civil monetary penalties laws, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, to the federal government, claims for payment or approval that are false or fraudulent, knowingly making, using or causing to be made or used, a false record or statement material to a false or fraudulent claim, or

from knowingly making or causing to be made a false statement to avoid, decrease or conceal an obligation to pay money to the federal government. In addition, the government may assert that a claim including 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 federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), which imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement, 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 does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- the federal Physician Payments Sunshine Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to the Centers for Medicare & Medicaid Services (CMS), information related to payments and other "transfers of value" made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, anesthesiology assistants and certified nurse-midwives), and teaching hospitals and other healthcare providers, as well as ownership and investment interests held by such healthcare professionals and their immediate family members; 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; some state laws require biotechnology companies to comply with the biotechnology industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government and may require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; some state laws that require biotechnology companies to report information on the pricing of certain drug products; and some state and local laws that require the registration or pharmaceutical sales representatives.

Efforts to ensure that our current and future business arrangements with third parties will comply with applicable healthcare and privacy laws and regulations will involve ongoing substantial costs. It is possible that governmental authorities will conclude that our business practices, including certain advisory board agreements we have entered into with physicians who are paid, in part, in the form of stock or stock options, may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. Due to the breadth of these laws, the narrowness of statutory exceptions and regulatory safe harbors available and the range of interpretations to which they are subject, it is possible that some of our current or future practices might be challenged under one or more of these laws. 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 penalties, including civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government-funded healthcare programs, such as Medicare and Medicaid, integrity oversight and reporting obligations, contractual damages, reputational harm, diminished profits and future earnings and the curtailment or restructuring of our operations. Defending against any such actions can be costly and time-consuming and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. Further, if any of the physicians or other

healthcare providers or entities with whom we expect to do business are found not to be in compliance with applicable laws or regulations, they may be subject to significant criminal, civil or administrative sanctions, including exclusions from government-funded healthcare programs.

Our employees, independent contractors, principal investigators, consultants, commercial partners and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of employee fraud or other misconduct. We cannot ensure that our compliance controls, policies and procedures will in every instance protect us from acts committed by our employees, agents, contractors or collaborators that would violate the laws or regulations of the jurisdictions in which we operate, including, without limitation, employment, foreign corrupt practices, trade restrictions and sanctions, environmental, competition and patient privacy and other privacy laws and regulations. Misconduct by employees could include failures to comply with FDA regulations, provide accurate information to the FDA, comply with manufacturing standards we may establish, comply with federal and state healthcare fraud and abuse laws and regulations, report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, labeling, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent this 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 be in compliance with such laws or regulations.

If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a material and adverse effect on our business, financial condition, results of operations and prospects, including the imposition of significant civil, criminal and administrative penalties, damages, monetary fines, individual imprisonment, disgorgement of profits, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, additional reporting or oversight obligations if we become subject to a corporate integrity agreement or other agreement to resolve allegations of noncompliance with the law and curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and pursue our strategy.

Risks related to our dependence on third parties

We rely on third parties to conduct our clinical trials and preclinical studies. If these third parties do not successfully carry out their contractual duties, comply with applicable regulatory requirements or meet expected deadlines, our development programs and our ability to seek or obtain regulatory approval for or commercialize our product candidates may be delayed.

We are dependent on third parties to conduct our clinical trials and preclinical studies. Specifically, we rely on, and will continue to rely on, medical institutions, clinical investigators, CROs, CDMOs and consultants to conduct clinical trials and preclinical studies, in each case in accordance with trial protocols and regulatory requirements. These CROs, CDMOs, investigators and other third parties play a significant role in the conduct and timing of these trials and subsequent collection and analysis of data. Though we expect to carefully manage

our relationships with such CROs, CDMOs, investigators and other third parties, there can be no assurance that we will not encounter challenges or delays in the future, or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects. Further, while we have and will have agreements governing the activities of our third-party contractors, we have limited influence over their actual performance. Nevertheless, we are responsible for ensuring that each of our clinical trials is conducted in accordance with the applicable protocol and legal, regulatory and scientific standards and requirements, and our reliance on our CROs, CDMOs and other third parties does not relieve us of our regulatory responsibilities.

In addition, we and our CROs and CDMOs are required to comply with Good Laboratory Practice (GLP) and GCP requirements, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities. Regulatory authorities enforce GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of our CROs, CDMOs or trial sites fail to comply with applicable GLP, GCP or other requirements, the data generated in our preclinical studies or clinical trials may be deemed unreliable, and the FDA or comparable foreign regulatory authorities may require us to perform additional studies or trials before approving our marketing applications, if ever. Furthermore, our clinical trials must be conducted with materials manufactured in accordance with cGMP regulations. Failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process.

There is no guarantee that any of our CROs, CDMOs, investigators or other third parties will devote adequate time and resources to such trials or studies or perform as contractually required. If any of these third parties fails to meet expected deadlines, adhere to our clinical protocols or meet regulatory requirements or otherwise perform in a substandard manner, our clinical trials may be extended, delayed or terminated. In addition, many of the third parties with whom we contract may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials or other activities that could harm our competitive position.

In addition, our CROs and CDMOs have the right to terminate their agreements with us in the event of an uncured material breach and under other specified circumstances. If any of our relationships with these third parties terminate, we may not be able to enter into arrangements with alternative third parties on commercially reasonable terms or at all. Switching or adding additional CROs, CDMOs, investigators and other third parties involves additional cost and requires our management's time and focus. In addition, there is a natural transition period when a new CRO or CDMO commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines. Though we work to carefully manage our relationships with our CROs and CDMOs, investigators and other third parties, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects.

We currently rely on third parties for the manufacture of our product candidates during clinical development, and expect to continue to rely on third parties for the foreseeable future. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates, or such quantities at an acceptable cost, which could delay, prevent or impair our development or potential commercialization efforts.

We do not own or operate manufacturing facilities at this time. We rely, and expect to continue to rely, on third parties for the manufacture of our product candidates, and related raw materials for clinical development, as well as for commercial manufacture if any of our product candidates receives regulatory approval. The facilities used by our third-party manufacturers must be approved for the manufacture of our product candidates by the FDA, or any comparable foreign regulatory authority, pursuant to inspections that will be conducted after we submit a BLA to the FDA, or submit a comparable marketing application to a foreign regulatory authority. We do not control the manufacturing process of, and are completely dependent on, third-party manufacturers for compliance with cGMP requirements for manufacture of our product candidates. If these third-party

manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or any comparable foreign regulatory authority, they will not be able to secure and/or maintain regulatory approval for the use of their manufacturing facilities.

In addition, we have no control over the ability of third-party manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or any comparable foreign regulatory authority does not approve these facilities for the manufacture our product candidates, or if such authorities withdraw any such approval in the future, we may be required to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market our product candidates, if approved. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, seizures or recalls, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect our financial position.

Our or a third party's failure to execute on our manufacturing requirements on commercially reasonable terms and in compliance with cGMP or other regulatory requirements could adversely affect our business in a number of ways, including:

- an inability to initiate or complete clinical trials of our product candidates in a timely manner;
- delay in submitting regulatory applications, or receiving regulatory approvals, for our product candidates;
- additional inspections by regulatory authorities of third-party manufacturing facilities or our manufacturing facilities;
- requirements to cease development or to recall batches of our product candidates; and
- in the event of approval to market and commercialize any product candidate, an inability to meet commercial demands.

In addition, we do not have any long-term commitments or supply agreements with any third-party manufacturers. We may be unable to establish any long-term supply agreements with third-party manufacturers or to do so on acceptable terms, which increases the risk of failing to timely obtain sufficient quantities of our product candidates or such quantities at an acceptable cost. Even if we are able to establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- failure of third-party manufacturers to comply with regulatory requirements and maintain quality assurance;
- breach of the manufacturing agreement by the third party;
- failure to manufacture our product candidates according to our specifications;
- failure to manufacture our product according to our schedule or at all;
- misappropriation of our proprietary information, including our trade secrets and know-how; and
- termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us.

Further, while we do not have any long-term commitments or supply agreements with third-party manufacturers, many of our agreements with such parties have liquidated damage provisions in them which require us to pay cancellation fees for any manufacturing work that we cancel but had already been scheduled or otherwise committed to by us, as well as certain out-of-pocket expenses. Such cancellation fees could be significant and if we are required to pay them, our operational results and business may be harmed.

In addition, certain of the third parties we use for our manufacturing processes provide services that would be difficult to replace. As a result, if such parties were to increase the cost of their services, we may be required to either pay higher amounts or alternatively develop and or procure an alternative solution. If either were to occur, our results of operations and business may be harmed.

Any performance failure on the part of our existing or future manufacturers could delay clinical development or regulatory approval, and any related remedial measures may be costly or time consuming to implement. If our existing or future third-party manufacturers cannot perform as agreed, we may be required to replace such manufacturers and we may be unable to replace them on a timely basis or at all, which would have a material adverse impact on our financial position. In particular, any replacement of our manufacturers could require significant effort and expertise because there may be a limited number of qualified replacements. In some cases, the technical skills or technology required to manufacture our product candidates may be unique or proprietary to the original manufacturer and we may have difficulty transferring such skills or technology to another third-party and a feasible alternative may not exist. In addition, certain of our product candidates and our own proprietary methods have never been produced or implemented outside of our company, and we may therefore experience delays to our development programs if and when we attempt to establish new third-party manufacturing arrangements for these product candidates or methods.

Supply sources could be interrupted from time to time and, if interrupted, there is no guarantee that supplies could be resumed within a reasonable time frame and at an acceptable cost or at all.

We rely on our manufacturers to purchase from third-party suppliers the materials necessary to produce our product candidates for our current clinical trials and preclinical studies and intend to continue to rely on these third parties for any future clinical trials that we undertake. There are a limited number of suppliers for raw materials that we use to manufacture our product candidates and there may be a need to assess alternate suppliers to prevent a possible disruption of the manufacture of the materials necessary to produce our product candidates for our preclinical studies, clinical trials and, if approved, ultimately for commercial sale. We do not have any control over the process or timing of the acquisition of these raw materials by our manufacturers. Moreover, we currently do not have any agreements for the commercial production of these raw materials. We cannot be sure that these suppliers will remain in business, or that they will not be purchased by one of our competitors or another company that is not interested in continuing to produce these materials for our intended purpose. In addition, the lead time needed to establish a relationship with a new supplier can be lengthy, and we may experience delays in meeting demand in the event a new supplier must be used. The time and effort to qualify a new supplier could result in additional costs, diversion of resources or reduced manufacturing yields, any of which would negatively impact our operating results. Any significant delay in the supply of a product candidate, or the raw material components thereof, for an ongoing clinical trial due to the need to replace a third-party manufacturer could considerably delay completion of our clinical trials, product testing and potential regulatory approval of our product candidates. If our manufacturers or we are unable to purchase these raw materials after regulatory approval has been obtained for our product candidates, the commercial launch of our product candidates would be delayed or there would be a shortage in supply, which would impair our ability to generate revenues from the sale of our product candidates.

We may not realize the benefits of any licensing arrangement, and if we fail to enter into new strategic relationships our business, financial condition, commercialization prospects and results of operations may be materially adversely affected.

Our product development programs and the potential commercialization of our product candidates will require substantial additional cash to fund expenses. Therefore, for some of our product candidates we may enter into collaborations with pharmaceutical or biotechnology companies for the development and potential commercialization of those product candidates.

We face significant competition in seeking appropriate collaborators. Collaborations are complex and time-consuming to negotiate and document. We may also be restricted under existing and future collaboration agreements from entering into agreements on certain terms with other potential collaborators. We may not be able to negotiate collaborations on acceptable terms, or at all. If our strategic collaborations do not result in the successful development and commercialization of product candidates, or if one of our collaborators terminates its agreement with us, we may not receive any future research funding or milestone or royalty payments under the collaboration. Moreover, our estimates of the potential revenue we are eligible to receive under any strategic collaborations we may enter into may include potential payments related to therapeutic programs for which our collaborators may discontinue development in the future. If that were to occur, we may have to curtail the development of a particular product candidate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of our sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to increase our expenditures to fund development or commercialization activities on our own, we may need to obtain additional capital, which may not be available to us on acceptable terms or at all. If we do not have sufficient funds, we will not be able to bring our product candidates to market and generate product revenue.

In instances where we do enter into collaborations, we could be subject to the following risks, each of which may materially harm our business, commercialization prospects and financial condition:

- we may not be able to control the amount and timing of resources that is required of us to complete our development obligations or that the collaboration partner devotes to the product development or marketing programs;
- the collaboration partner may experience financial difficulties;
- 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;
- we may be required to relinquish important rights such as marketing, end-to-end supply chain management and intellectual property rights;
- collaborators may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability;
- a collaborator could move forward with a competing product developed either independently or in collaboration with third parties, including our competitors;
- we and our collaboration partner may disagree regarding the development plan for product candidates on which we are collaborating (for example, we may disagree with a collaboration partner regarding target indications or inclusion or exclusion criteria for a clinical trial); or
- business combinations or significant changes in a collaborator’s business strategy may adversely affect our willingness to complete our obligations under any arrangement.

If we license products or businesses, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture. We cannot be certain that, following a strategic transaction or license, we will achieve the results, revenue or specific net income that justifies such transaction.

Risks related to intellectual property

We depend on intellectual property licensed from third parties and we are currently party to in-license agreements under which we acquired rights to use, develop, manufacture and/or commercialize certain of our proprietary technologies and product candidates. If we breach our obligations under these agreements or if any of these agreements is terminated, or otherwise experience disruptions to our business relationships with our licensors, we may be required to pay damages, lose our rights to such intellectual property and technology, or both, which would harm our business.

We are dependent on patents, know-how, and proprietary technology, both our own and licensed from others. We are a party to intellectual property license agreements and in the future, we may enter into additional license agreements. For example, with respect to developing our product candidates, we have licensed certain intellectual property from the NCI, Oxford and Stanford University. These license agreements impose, and we expect that future license and acquisition agreements will impose, various diligence, milestone payment, royalty and other obligations on us. If we fail to comply with our obligations under current or future intellectual property license agreements, we may be required to pay damages and the licensor may have the right to terminate the license. Any termination of these licenses could result in the loss of significant rights and could harm our ability to develop, manufacture and/or commercialize our product candidates. See the section titled “Business—Intellectual property—License agreements” for additional information regarding these key agreements.

In addition, the agreements under which we license intellectual property or technology to or from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates. Our business also would suffer if any current or future licensors fail to abide by the terms of the license, if the licensors fail to enforce licensed patents against infringing third parties, if the licensed patents or other rights are found to be invalid or unenforceable or if we are unable to enter into necessary licenses on acceptable terms. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor’s rights.

In addition, while we cannot currently determine the amount of the royalty obligations we would be required to pay on sales of future products, if any, the amounts may be significant. The amount of our future royalty obligations will depend on the technology and intellectual property we use in products that we successfully develop and commercialize, if any. Therefore, even if we successfully develop and commercialize products, we may be unable to achieve or maintain profitability.

If we are unable to successfully obtain rights to required third-party intellectual property rights or maintain the existing intellectual property rights we have, we may have to abandon development of the relevant research programs or product candidates and our business, financial condition, results of operations and prospects could suffer.

Licensing of intellectual property is of critical importance to our business and involves complex legal, business and scientific issues and is complicated by the rapid pace of scientific discovery in our industry. Disputes may also arise between us and our current and future licensors regarding intellectual property subject to a license agreement, including those relating to:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the license agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;
- whether we are complying with our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our product candidates, and what activities satisfy those diligence obligations;
- the priority of invention of patented technology;
- rights upon termination of the license agreements;
- the scope and duration of exclusivity obligations of each party to the license agreements;
- the amount and timing of payments owed under license agreements; and
- the allocation of ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and by us and our partners.

The resolution of any contractual interpretation dispute that may arise, if unfavorable to us, could have a material adverse effect on our business, financial condition, results of operations and prospects. Such resolution could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, increase what we believe to be our financial or other obligations under the relevant agreement or decrease the third party's financial or other obligations under the relevant agreement. Furthermore, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates. We are generally also subject to all of the same risks with respect to protection of intellectual property that we license as we are for intellectual property that we own, which are described below. If we or our licensors fail to adequately protect this intellectual property, our ability to commercialize our products could suffer.

We depend, in part, on our licensors to file, prosecute, maintain, defend and enforce certain patents and patent applications that are material to our business.

Certain patents and patent applications relating to our product candidates or certain products used in the manufacturing of our clinical products are owned or controlled by certain of our licensors, including Stanford University, the NCI and Oxford. In some circumstances, we may not have the right to control the preparation, filing, prosecution, maintenance and defense of patent applications or patents covering technology that we license from third parties. In such circumstances, our licensors generally have rights to file, prosecute, maintain and defend the licensed patents in their name, generally with our right to comment on such filing, prosecution, maintenance and defense, with some obligation for the licensor to consider or incorporate our comments. We generally have the first right to enforce our exclusively licensed patent rights against third parties, although our ability to settle such claims often requires the consent of the licensor. If our licensors or any future licensees

having rights to file, prosecute, maintain and defend our patent rights fail to conduct these activities for patents or patent applications covering any of our product candidates, including due to the impact of the COVID-19 pandemic on our licensors' business operations, our ability to develop and commercialize those product candidates may be adversely affected and we may not be able to prevent competitors from making, using or selling competing products. We cannot be certain that such activities by our licensors have been or will be conducted in compliance with applicable laws and regulations or will result in valid and enforceable patents or other intellectual property rights. Pursuant to the terms of the license agreements with some of our licensors, the licensors may have the right to control enforcement of our licensed patents or defense of any claims asserting the invalidity of these patents and, even in the circumstances where we have the right to pursue such enforcement or defense, we cannot ensure the cooperation of our licensors. We cannot be certain that our licensors will allocate sufficient resources or prioritize their or our enforcement of such patents or defense of such claims to protect our interests in the licensed patents. Even if we are not a party to these legal actions, an adverse outcome could harm our business because it might prevent us from continuing to license intellectual property that we may need to operate our business. In addition, even when we have the right to control patent prosecution of licensed patents and patent applications, enforcement of licensed patents or defense of claims asserting the invalidity of those patents, we may still be adversely affected or prejudiced by actions or inactions of our licensors and their counsel that took place prior to or after our assuming control. This could cause us to lose rights in any applicable intellectual property that we in-license, and as a result our ability to develop and commercialize product candidates may be adversely affected and we may be unable to prevent competitors from making, using and selling competing products.

Furthermore, the U.S. government and/or government agencies have provided, and in the future may provide, funding or other assistance in connection with the development of the intellectual property rights owned by or licensed to us. We rely on our licensors to ensure compliance with applicable obligations arising from such funding or assistance, such as timely reporting, an obligation associated with in-licensed patents and patent applications. The failure of our licensors to meet their obligations may lead to a loss of rights or the unenforceability of relevant patents.

We may not be successful in obtaining or maintaining necessary rights for our product pipeline which may cause us to operate our business in a more costly or otherwise adverse manner that was not anticipated.

We own or license from third parties certain intellectual property rights necessary to develop our product candidates. The growth of our business will likely depend in part on our ability to acquire or in-license additional proprietary rights, including to expand our product pipeline. In that event, we may be required to expend considerable time and resources to develop or license replacement technology. For example, our programs may involve additional technologies or product candidates that may require the use of additional proprietary rights held by third parties. Furthermore, other pharmaceutical companies and academic institutions may also have filed or are planning to file patent applications potentially relevant to our business. Our product candidates may also require specific formulations or other technology to work effectively and efficiently. These formulations or technology may be covered by intellectual property rights held by others. From time to time, in order to avoid infringing these third-party rights, we may be required to license technology from additional third parties to further develop or commercialize our product candidates. We may be unable to acquire or in-license any relevant third-party intellectual property rights, including any such intellectual property rights required to manufacture, use or sell our product candidates, that we identify as necessary or important to our business operations. We may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all, and as a result we may be unable to develop or commercialize the affected product candidates, which would harm our business. We may need to cease use of the compositions or methods covered by such third-party intellectual property rights and may need to seek to develop alternative approaches that do not infringe on such intellectual property rights which may entail additional costs and

development delays, even if we were able to develop such alternatives, which may not be feasible. Even if we are able to obtain a license under such intellectual property rights, any such license may be non-exclusive, which may allow our competitors' access to the same technologies licensed to us.

The licensing and acquisition of third-party intellectual property rights is a competitive practice, and 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. There can be no assurance that we will 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.

We may be dependent on intellectual property for which development was funded or otherwise assisted by, the U.S. government and/or government agencies, such as The National Cancer Institute, for development of our technology and product candidates. Failure to meet our own obligations to such government agencies, may result in the loss of our rights to such intellectual property, which could harm our business.

The U.S. government and/or government agencies have provided, and in the future may provide, funding, facilities, personnel or other assistance in connection with the development of the intellectual property rights owned by or licensed to us. The U.S. government and/or government agencies may have retained rights in such intellectual property, including the right to grant or require us to grant mandatory licenses or sublicenses to such intellectual property to third parties under certain specified circumstances, including if it is necessary to meet health and safety needs that we are not reasonably satisfying or if it is necessary to meet requirements for public use specified by federal regulations, or to manufacture products in the United States. Any exercise of such rights, including with respect to any such required sublicense of these licenses, could result in the loss of significant rights and could harm our ability to commercialize licensed products and harm our competitive position, business, financial condition, results of operations and prospects. For example, the research resulting in certain of our in-licensed patent rights and technology was funded in part by the U.S. government. As a result, the government may have certain rights, or march-in rights, to such patent rights and technology. These rights may permit the government to disclose our confidential information to third parties and to exercise march-in rights to use or allow third parties to use our licensed technology.

Our proprietary position may depend upon patents that are manufacturing, formulation or method-of-use patents, which may not prevent a competitor or other third party from using the same product candidate for another use.

Composition-of-matter patents on the active pharmaceutical ingredient (API) in prescription drug products are generally considered to be the strongest form of intellectual property protection for drug products because such patents provide protection without regard to any particular method of use or manufacture or formulation of the API used. We currently have claims in our in-licensed issued U.S. patents that cover the composition-of-matter of our product candidates that expire in 2033 without taking into account any possible patent term adjustments or extensions. We are pursuing claims in our pending owned or in-licensed patent applications that cover the manufacturing, formulation or method-of-use of our product candidates. Our proprietary patent position of our product candidates after 2033 may depend upon issuance of patents from such patent applications. The claims in such patents may not prevent a competitor or other third party from using the same product candidate for a noncovered use, from using a noncovered formulation or from making the same product candidate by a noncovered process.

If we are unable to obtain and maintain sufficient intellectual property protection for our platform technologies and product candidates, or if the scope of the intellectual property protection is not sufficiently broad, our competitors could develop and commercialize products similar or identical to ours, and our ability to successfully commercialize our products may be adversely affected. We cannot ensure that patent rights relating to inventions described and claimed in our pending patent applications will issue or that patents based on our patent applications will not be challenged and rendered invalid and/or unenforceable.

We or our licensors have filed, and we anticipate that in the future we will file additional patent applications both in the United States and in other countries, as appropriate. However, we cannot predict:

- if and when any patents will issue;
- whether any of our patents that may be issued may be challenged, invalidated, modified, revoked, circumvented, found to be unenforceable or otherwise may not provide any competitive advantage, including the degree and range of protection our patents that may be issued will afford us against competitors, including whether third parties will find ways to invalidate or otherwise circumvent our patents;
- whether any of our intellectual property will provide any competitive advantage;
- whether others will apply for or obtain patents claiming aspects similar to those covered by our patents and patent applications;
- whether we will need to initiate litigation or administrative proceedings to defend our patent rights, which may be costly whether we win or lose; or
- whether the patent applications that we own or in-license will result in issued patents with claims that cover our product candidates or uses thereof in the United States or in other foreign countries.

Our success depends in large part on our ability to obtain and maintain patent protection in the United States and other countries with respect to our platform and product candidates. We seek to protect our proprietary position by filing patent applications in the United States and abroad related to our novel discoveries and technologies that are important to our business.

Obtaining and enforcing patents is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications or maintain and/or enforce patents that may issue based on our patent applications, at a reasonable cost or in a timely manner, including as a result of the COVID-19 pandemic impacting our or our licensors' operations. It is also possible that we will fail to identify patentable aspects of our research and development results before it is too late to obtain patent protection. Although we enter into non-disclosure and confidentiality agreements with parties who have access to patentable aspects of our research and development output, such as our employees, corporate collaborators, outside scientific collaborators, contract research organizations, contract manufacturers, consultants, advisors and other third parties, any of these parties may breach these agreements and disclose such results before a patent application is filed, thereby jeopardizing our ability to seek patent protection.

Our ability to enforce patent rights also depends on our ability to detect infringement. It may be difficult to detect infringers who do not advertise the components or methods that are used in connection with their products and services. Such proceedings could also provoke third parties to assert claims against us, including that some or all of the claims in one or more of our patents are invalid or otherwise unenforceable. Moreover, it may be difficult or impossible to obtain evidence of infringement in a competitor's or potential competitor's product or service. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded if we were to prevail may not be commercially meaningful. If we initiate lawsuits to protect or enforce our patents, or litigate against third-party claims, such proceedings would be expensive and would divert the attention of our management and technical personnel.

Composition of matter patents for biological and pharmaceutical products often provide a strong form of intellectual property protection for those types of products, as such patents provide protection without regard to any method of use. We cannot be certain, however, that the claims in our pending patent applications covering the composition of matter of our product candidates will be considered patentable by the United States Patent and Trademark Office (USPTO), or by patent offices in foreign countries, or that the claims in any of our issued patents will be considered valid and enforceable by courts in the United States or foreign countries. Method of use patents protect the use of a product for the specified method. This type of patent does not prevent a competitor from making and marketing a product that is identical to our product for an indication that is outside the scope of the patented method. Moreover, even if competitors do not actively promote their product for our targeted indications, physicians may prescribe these products “off-label” for those uses that are covered by our method of use patents. Although off-label prescriptions may infringe or contribute to the infringement of method of use patents, the practice is common and such infringement can be difficult to prevent or prosecute.

The strength of patents in the biotechnology and pharmaceutical fields can be uncertain, and evaluating the scope of such patents involves complex legal, factual and scientific analyses and has in recent years been the subject of much litigation, resulting in court decisions, including Supreme Court decisions, which have increased uncertainties as to the ability to enforce patent rights in the future. The patent applications that we own or in-license may fail to result in issued patents with claims that cover our product candidates or uses thereof in the United States or in other foreign countries. Even if the patents do successfully issue, third parties may challenge the validity, enforceability or scope thereof, which may result in such patents being narrowed, invalidated or held unenforceable. In the event of litigation or administrative proceedings, we cannot be certain that the claims in any of our issued patents will be considered valid by courts in the United States or foreign countries. Furthermore, even if they are unchallenged, our patents and patent applications may not adequately protect our intellectual property or prevent others from designing their products to avoid being covered by our claims. If the breadth or strength of protection provided by the patent applications we hold with respect to our product candidates is threatened, this could dissuade companies from collaborating with us to develop, and could threaten our ability to commercialize, our product candidates. In addition, the laws of foreign countries may not protect our rights to the same extent as the laws of the United States, or vice versa. Further, if we encounter delays in our clinical trials, the period of time during which we could market our product candidates under patent protection would be reduced.

Patent positions of life sciences companies can be uncertain and involve complex factual and legal questions. Recent years have witnessed constant changes in policy governing the scope of claims allowable in the field of antibodies and adoptive cell therapy in the United States. The scope of patent protection in jurisdictions outside of the United States is also uncertain. Changes in either the patent laws or their interpretation in any jurisdiction that we seek patent protection may diminish our ability to protect our inventions, maintain and enforce our intellectual property rights, and, more generally, may affect the value of our intellectual property, including the narrowing of the scope of our patents and any that we may license.

We may not identify relevant third-party patents or may incorrectly interpret the relevance, scope or expiration of a third-party patent, which might adversely affect our ability to develop and market our products.

We cannot guarantee that any of our patent searches or analyses, including the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third-party patent and pending application in the United States and abroad that is relevant to or necessary for the commercialization of our product candidates in any jurisdiction. The scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent’s prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect, which may negatively impact our ability to market our products. We may

incorrectly determine that our products are not covered by a third-party patent or may incorrectly predict whether a third-party's pending application will issue with claims of relevant scope. Our failure to identify and correctly interpret relevant patents may negatively impact our ability to develop and market our products.

One aspect of the determination of patentability of our inventions depends on the scope and content of the "prior art," information that was or is deemed available to a person of skill in the relevant art prior to the priority date of the claimed invention. There may be prior art of which we are not aware that may affect the patentability of our patent claims or, if issued, affect the validity or enforceability of a patent claim. Further, we may not be aware of all third-party intellectual property rights potentially relating to our product candidates or their intended uses, and as a result the impact of such third-party intellectual property rights upon the patentability of our own patents and patent applications, as well as the impact of such third-party intellectual property upon our freedom to operate, is highly uncertain. Because patent applications in the United States and most other countries are confidential for typically a period of 18 months after filing, or may not be published at all, we cannot be certain that we were the first to file any patent application related to our product candidates. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Furthermore, for U.S. applications in which all claims are entitled to a priority date before March 16, 2013, an interference proceeding can be provoked by a third party or instituted by the USPTO to determine who was the first to invent any of the subject matter covered by the patent claims of our applications. For U.S. applications containing a claim not entitled to priority before March 16, 2013, there is a greater level of uncertainty in the patent law in view of the passage of the America Invents Act, which brought into effect significant changes to the U.S. patent laws, including new procedures for challenging pending patent applications and issued patents.

Our patents or pending patent applications may be challenged in the courts or patent offices in the United States and abroad. For example, we may be subject to a third-party pre-issuance submission of prior art to the USPTO or become involved in post-grant review procedures, oppositions, derivations, reexaminations or *inter partes* review proceedings, in the United States or elsewhere, challenging our patent rights or the patent rights of others. An adverse determination in any such challenges may result in loss of exclusivity 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. In addition, given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. Any failure to obtain or maintain patent protection with respect to our product candidates could have a material adverse effect on our business, financial condition, results of operations and prospects.

Intellectual property rights do not necessarily address all potential threats to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. For example:

- others may be able to make product candidates that are similar to ours but that are not covered by the claims of the patents that we own or have exclusively licensed;
- we or our licensors or future collaborators might not have been the first to make the inventions covered by the issued patent or pending patent application that we own or have exclusively licensed;
- we or our licensors or future collaborators might not have been the first to file patent applications covering certain of our inventions;

- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights;
- it is possible that our pending patent applications will not lead to issued patents;
- issued patents that we own or have exclusively licensed may be held invalid or unenforceable, as a result of legal challenges by our competitors;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop additional proprietary technologies that are patentable;
- we cannot predict the scope of protection of any patent issuing based on our patent applications, including whether the patent applications that we own or in-license will result in issued patents with claims that cover our product candidates or uses thereof in the United States or in other foreign countries;
- the claims of any patent issuing based on our patent applications may not provide protection against competitors or any competitive advantages, or may be challenged by third parties;
- if enforced, a court may not hold that our patents are valid, enforceable and infringed;
- we may need to initiate litigation or administrative proceedings to enforce and/or defend our patent rights which will be costly whether we win or lose;
- we may choose not to file a patent in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent covering such intellectual property;
- the laws of foreign countries may not protect our or our licensors', as the case may be, proprietary rights to the same extent as the laws of the United States;
- the inventors of our owned or in-licensed patents or patent applications may become involved with competitors, develop products or processes which design around our patents or become hostile to us or the patents or patent applications on which they are named as inventors;
- it is possible that our owned or in-licensed patents or patent applications omit individual(s) that should be listed as inventor(s) or include individual(s) that should not be listed as inventor(s), which may cause these patents or patents issuing from these patent applications to be held invalid or unenforceable;
- we have engaged in scientific collaborations in the past, and will continue to do so in the future. Such collaborators may develop adjacent or competing products to ours that are outside the scope of our patents;
- we may fail to adequately protect and police our trademarks and trade secrets; and
- the patents of others may have an adverse effect on our business, including if others obtain patents claiming subject matter similar to or improving that covered by our patents and patent applications.

Should any of these events occur, they could significantly harm our business, results of operations and prospects.

Confidentiality agreements with employees and third parties may not prevent unauthorized disclosure of trade secrets and other proprietary information. If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to the protection afforded by patents, we rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable or that we elect not to patent, processes for which patents are difficult to enforce, and any other elements of our product candidates, technology and product discovery and development processes that involve proprietary know-how, information or technology that is not covered by patents. Any disclosure, either intentional or unintentional, by our employees, the employees of third parties with whom we share our facilities or third-party consultants and vendors that we engage to perform research, clinical trials or manufacturing activities or misappropriation by third parties (such as through a cybersecurity breach) of our trade secrets or proprietary information could enable competitors to duplicate or surpass our technological achievements, thus eroding our competitive position in our market. Because we expect to rely on third parties in the development and manufacture of our product candidates, we must, at times, share trade secrets with them. Our reliance on third parties requires us to share our trade secrets, which increases the possibility that a competitor will discover them or that our trade secrets will be misappropriated or disclosed.

Trade secrets and confidential information, however, may be difficult to protect. We seek to protect our trade secrets, know-how and confidential information, including our proprietary processes, in part, by entering into confidentiality agreements with our employees, consultants, outside scientific advisors, contractors and collaborators. We require our employees to enter into written employment agreements containing provisions of confidentiality and obligations to assign to us any inventions generated in the course of their employment. With our consultants, contractors and outside scientific collaborators, these agreements typically include invention assignment obligations. We cannot guarantee that we have entered into such agreements with each party that may have or has had access to our trade secrets or proprietary technology and processes. Although we use reasonable efforts to protect our trade secrets, our employees, consultants, outside scientific advisors, contractors and collaborators might intentionally or inadvertently disclose our trade secret information to competitors. In addition, competitors may otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. 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 is unpredictable. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us. Furthermore, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property both in the United States and abroad. If we are unable to prevent unauthorized material disclosure of our intellectual property to third parties, or misappropriation of our intellectual property by third parties, we will not be able to establish or maintain a competitive advantage in our market, which could materially adversely affect our business, operating results and financial condition.

Courts outside the United States are sometimes less willing to protect trade secrets. If we choose to go to court to stop a third party from using any of our trade secrets, we may incur substantial costs. These lawsuits may consume our time and other resources even if we are successful. For example, significant elements of our products, including aspects of sample preparation, methods of manufacturing, cell culturing conditions, computational-biological algorithms and related processes and software, are based on unpatented trade secrets that are not publicly disclosed. Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees and consultants, third parties may

independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or disclose our technology.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties.

We have received confidential and proprietary information from third parties. In addition, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information of these third parties or our employees' former employers or our consultants' or contractors' current or former clients or customers. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial cost and be a distraction to our management and employees. If we are not successful, we could lose access or exclusive access to valuable intellectual property.

We may be subject to damages resulting from claims that we or our employees have wrongfully used or disclosed alleged trade secrets of our competitors or are in breach of non-competition or non-solicitation agreements with our competitors.

Some of our employees were previously employed at other pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that we or our employees have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of these former employers or competitors. In addition, we have been and may in the future be subject to claims that we caused an employee to breach the terms of his or her non-competition or non-solicitation agreement. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and could be a distraction to management. If our defense to those claims fails, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Any litigation or the threat thereof may adversely affect our ability to hire employees. A loss of key personnel or their work product could hamper or prevent our ability to commercialize product candidates, which could have an adverse effect on our business, results of operations and financial condition.

Third-party claims of intellectual property infringement against us or our collaborators may prevent or delay our product discovery and development efforts.

Our commercial success depends in part on our avoiding infringement of the patents and proprietary rights of third parties. There is a substantial amount of litigation involving patents and other intellectual property rights in the biotechnology and pharmaceutical industries, as well as administrative proceedings for challenging patents, including interference, derivation, *inter partes* review, post-grant review and reexamination proceedings before the USPTO or oppositions and other comparable proceedings in foreign jurisdictions. Furthermore, patent reform and changes to patent laws in the United States and in foreign jurisdictions add uncertainty to the possibility of challenge to our patents in the future, and could diminish the value of patents in general, thereby impairing our ability to protect our product candidates. We cannot assure you that our product candidates and other proprietary technologies we may develop will not infringe existing or future patents owned by third parties. Litigation or other legal proceedings relating to intellectual property claims, with or without merit, is unpredictable and generally expensive and time consuming and, even if resolved in our favor, is likely to divert significant resources from our core business, including distracting our technical and management personnel from their normal responsibilities. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or supply chain activities. We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such

litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

If a third party claims that we infringe its intellectual property rights, we may face a number of issues, including, but not limited to:

- infringement and other intellectual property claims, which, regardless of merit, may be expensive and time-consuming to litigate and may divert our management's attention from our core business;
- substantial damages for infringement, which we may have to pay if a court decides that the product candidate or technology at issue infringes on or violates the third party's rights, and, if the court finds that the infringement was willful, we could be ordered to pay treble damages and the patent owner's attorneys' fees;
- a court prohibiting us from developing, manufacturing, marketing or selling our product candidates, or from using our proprietary technologies, unless the third party licenses its product rights to us, which it is not required to do;
- if a license is available from a third party, we may have to pay substantial royalties, upfront fees and other amounts, and/or grant cross-licenses to intellectual property rights for our products; and
- redesigning our product candidates or processes so they do not infringe third-party intellectual property rights, which may not be possible or may require substantial monetary expenditures and time.

Numerous U.S. and foreign issued patents and pending patent applications owned by third parties exist in the fields in which we are developing our product candidates. We cannot provide any assurances that valid third-party patents do not exist which might be enforced against our current product candidates or future products, resulting in either an injunction prohibiting our sales, or, with respect to our sales, an obligation on our part to pay royalties and/or other forms of compensation to third parties. As the biotechnology and pharmaceutical industries expand 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. Third parties may assert that we infringe their patents or other intellectual property, or that we are otherwise employing their proprietary technology without authorization and may sue us. There may be third-party patents of which we are currently unaware with claims to compositions, formulations, methods of manufacture or methods of use or treatment that cover our product candidates. We are aware of certain third-party patents, including by parties such as Juno Therapeutics, Kite Pharma, the United States Department of Health and Human Services, University of Pennsylvania, and Fred Hutchinson Cancer Research Center with claims to compositions and methods that may be relevant to our product candidates. We believe that we have reasonable defenses against possible allegations of infringement, such as noninfringement or invalidity defenses. There can be no assurance that these defenses will succeed. It is also possible that patents owned by third parties of which we are aware or might become aware, but which we believe are not valid, or do not believe are relevant to our product candidates and other proprietary technologies we may develop, could be found to be infringed by our product candidate. 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, our competitors in both the United States and abroad, many of which have substantially greater resources and have made substantial investments in patent portfolios and competing technologies, may obtain patents in the future that may prevent, limit or otherwise interfere with our ability to make, use and sell our product candidates, and may claim that use of our technologies or the manufacture, use or sale of our product candidates infringes upon

these patents. If any such third-party patents were held by a court of competent jurisdiction to cover our technologies or product candidates, or if we are found to otherwise infringe a third-party's intellectual property rights, the holders of any such patents may be able to block, including by court order, our ability to develop, manufacture or commercialize the applicable product candidate unless we obtain a license under the applicable patents or other intellectual property, or until such patents expire or are finally determined to be held invalid or unenforceable. Such a license may not be available 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. If we are unable to obtain a necessary license to a third-party patent on commercially reasonable terms, our ability to commercialize our product candidates may be impaired or delayed, which could in turn significantly harm our business.

The pharmaceutical and biotechnology industries have produced a considerable number of patents, and it may not always be clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If we were sued for patent infringement, we would need to demonstrate that our product candidates, products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid or unenforceable, and we may not be able to do this. Proving invalidity may be difficult. For example, in the United States, proving invalidity in court requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents, and there is no assurance that a court of competent jurisdiction would invalidate the claims of any such U.S. patent. Even if we are successful in these proceedings, we may incur substantial costs and the time and attention of our management and scientific personnel could be diverted in pursuing these proceedings, which could have a material adverse effect on our business and operations. In addition, we may not have sufficient resources to bring these actions to a successful conclusion.

Third parties asserting their patent or other intellectual property rights against us may seek and obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize our product candidates or force us to cease some of our business operations. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of management and other employee resources from our business, cause development delays and may impact our reputation. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties, pay royalties or redesign our infringing products, which may be impossible on a cost-effective basis or require substantial time and monetary expenditure. In that event, we would be unable to further develop and commercialize our product candidates, which could harm our business significantly. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business.

We may not be able to protect our intellectual property rights throughout the world.

Patents are of national or regional effect, and filing, prosecuting, maintaining and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can have a different scope and strength than do those in the United States. In addition, the laws of some foreign countries, particularly certain developing countries, do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing

products to territories where we have patent protection, but enforcement rights are not as strong as those in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or adequate to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property, particularly those relating to biotechnology products, which could make it difficult in those jurisdictions for us to stop the infringement or misappropriation of our patents or other intellectual property rights, or the marketing of competing products in violation of our proprietary rights. Proceedings to enforce our patent and other intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business. Furthermore, such proceedings could put our patents at risk of being invalidated, held unenforceable or interpreted narrowly, could put our patent applications at risk of not issuing, and could provoke third parties to assert claims of infringement or misappropriation against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Similarly, if our trade secrets are disclosed in a foreign jurisdiction, competitors worldwide could have access to our proprietary information and we may be without satisfactory recourse. Such disclosure could have a material adverse effect on our business. Moreover, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws. In addition, certain countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In those countries, we and our licensors may have limited remedies if patents are infringed or if we or our licensors are compelled to grant a license to a third-party, which could materially diminish the value of those patents. In addition, many countries limit the enforceability of patents against government agencies or government contractors. This could limit our potential revenue opportunities. 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.

Because of the expense and uncertainty of litigation, we may conclude that even if a third-party is infringing our issued patents, any patents that may be issued as a result of our pending or future patent applications or other intellectual property rights, the risk-adjusted cost of bringing and enforcing such a claim or action, which typically last for years before they are concluded, may be too high or not in the best interest of our company or our stockholders, or it may be otherwise impractical or undesirable to enforce our intellectual property against some third parties. Our competitors or other third parties may be able to sustain the costs of complex patent litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. In such cases, we may decide that the monetary cost of such litigation and the diversion of the attention of our management and scientific personnel could outweigh any benefit we receive as a result of the proceedings and that the more prudent course of action is to simply monitor the situation or initiate or seek some other non-litigious action or solution. In addition, the uncertainties associated with litigation could compromise our ability to raise the funds necessary to continue our clinical trials, continue our internal research programs, in-license needed technology or other product candidates or enter into development partnerships that would help us bring our product candidates to market.

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

Competitors may infringe our patents or other intellectual property or the intellectual property of our licensors. To cease such infringement or unauthorized use, we may be required to file patent infringement claims, which can be expensive and time-consuming and divert the time and attention of our management and scientific personnel. Our pending patent applications cannot be enforced against third parties practicing the technology

claimed in such applications unless and until a patent issues from such applications. In addition, in an infringement proceeding or a declaratory judgment action, a court may decide that one or more of our patents is not valid or is unenforceable, or may 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 or defense proceeding could put one or more of our patents at risk of being invalidated, held unenforceable or interpreted narrowly and could put our patent applications at risk of not issuing. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business.

Interference proceedings provoked by third parties or brought by the USPTO may be necessary to determine the priority of inventions with respect to, or the correct inventorship of, our patents or patent applications or those of our licensors. An unfavorable outcome could result in a loss of our current patent rights and could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Litigation, interference, derivation or other proceedings may result in a decision adverse to our interests and, even if we are successful, may result in substantial costs and distract our management and other employees.

Even if we establish infringement, the court may decide not to grant an injunction against further infringing activity and instead award only monetary damages, which may or may not be an adequate remedy. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. 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 stock.

Issued patents covering our product candidates could be found invalid or unenforceable if challenged in court or before the USPTO or comparable foreign authority.

If we or one of our licensing partners initiate legal proceedings against a third party to enforce a patent covering one of our product candidates, the defendant could counterclaim we infringe their patents or that the patent covering our product candidate is invalid or unenforceable, or both. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace, and there are numerous grounds upon which a third party can assert invalidity or unenforceability of a patent, including lack of novelty, obviousness, non-enablement or insufficient written description or that that someone connected with prosecution of the patent withheld relevant information from the USPTO or made a misleading statement during prosecution. Third parties may also raise similar claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, *inter partes* review, post-grant review, derivation and equivalent proceedings in foreign jurisdictions, such as opposition or derivation proceedings. Such proceedings could result in revocation or amendment to our patents in such a way that they no longer cover and protect our product candidates. The outcome following legal assertions of invalidity and unenforceability is unpredictable. In any patent infringement proceeding, there is a risk that a court will decide that a patent of ours is invalid or unenforceable, in whole or in part, and that we do not have the right to stop the other party from using the invention at issue. There is also a risk that, even if the validity of such patents is upheld, the court will construe the patent's claims narrowly or decide that we do not have the right to stop the other party from using the invention at issue on the grounds that our patent claims do not cover the invention, or decide that the other party's use of our patented technology falls under the safe harbor to patent infringement under 35 U.S.C. § 271(e)(1). With respect to the validity of our patents, for example, we cannot be certain that there is no invalidating prior art of which we, our patent counsel and the patent

examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our product candidates and such an outcome may limit our ability to assert our patents against those parties or other competitors and may curtail or preclude our ability to exclude third parties from making and selling similar or competitive products. Such a loss of patent protection could have a material adverse impact on our business. Similarly, if we assert trademark infringement claims, a court may determine that the marks we have asserted are invalid or unenforceable, or that the party against whom we have asserted trademark infringement has superior rights to the marks in question. In this case, we could ultimately be forced to cease use of such trademarks.

Changes in U.S. patent law or the patent laws of other countries could diminish the value of patents in general, thereby impairing our ability to protect our products.

As is the case with other biotechnology companies, our success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biotechnology industry involves both technological and legal complexity, and is therefore costly, time-consuming and inherently uncertain. Changes in either the patent laws or interpretation of the patent laws in the United States could increase the uncertainties and costs, and may diminish our ability to protect our inventions, obtain, maintain and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our owned and licensed patents. Recent patent reform legislation in the United States and other countries, including the Leahy-Smith America Invents Act (the Leahy-Smith Act), signed into law on September 16, 2011, could increase those uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents. The Leahy-Smith Act includes a number of significant changes to U.S. patent law. These include provisions that affect the way patent applications are prosecuted, redefine prior art and provide more efficient and cost-effective avenues for competitors to challenge the validity of patents. These include allowing third-party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO administered post-grant proceedings, including post-grant review, *inter partes* review and derivation proceedings. After March 2013, under the Leahy-Smith Act, the United States transitioned to a first inventor to file system in which, assuming that the other statutory requirements are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third-party was the first to invent the claimed invention. A third party that files a patent application in the USPTO after March 2013, but before we file an application covering the same invention, could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This will require us to be cognizant going forward of the time from invention to filing of a patent application. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we or our licensors were the first to either (1) file any patent application related to our product candidates and other proprietary technologies we may develop or (2) invent any of the inventions claimed in our or our licensor's patents or patent applications. Even where we have a valid and enforceable patent, we may not be able to exclude others from practicing the claimed invention where the other party can show that they used the invention in commerce before our filing date or the other party benefits from a compulsory license. However, 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 a material adverse effect on our business, financial condition, results of operations and prospects.

Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents once obtained. Depending on decisions by Congress, the federal

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. For example, in a series of cases, the U.S. Supreme Court held that certain claims do not present patentable subject matter (*Mayo Collaborative Services v. Prometheus Laboratories, Inc.* (2012); *Assoc. for Molecular Pathology v. Myriad Genetics, Inc.* (2013); *Alice Corp. v. CLS Bank International* (2014)). For example, the U.S. Supreme Court held that certain claims covering a genus of antibodies do not satisfy the enablement requirement of the Patent Act (Amgen Inc. et al. v. Sanofi et al. (2023)). Although we do not believe that any of the patents owned or licensed by us will be found invalid based on these decisions, we cannot predict how their interpretation and future decisions by Congress, the federal courts or the USPTO may impact the value of our patents and may diminish our ability to protect our inventions, maintain and enforce our intellectual property rights; and, more generally, may affect the value of our intellectual property, including the narrowing of the scope of our patents and any that we may license. Similarly, changes in patent laws and regulations in other countries or jurisdictions or changes in the governmental bodies that enforce them or changes in how the relevant governmental authority enforces patent laws or regulations may weaken our ability to obtain new patents or to enforce patents that we have licensed or that we may obtain in the future. For example, the complexity and uncertainty of European patent laws have increased in recent years. In Europe, a new unitary patent system took effect June 1, 2023, which will significantly impact European patents, including those granted before the introduction of such a system. Under the unitary patent system, European applications have the option, upon grant of a patent, of becoming a Unitary Patent which will be subject to the jurisdiction of the Unitary Patent Court (the UPC). As the UPC is a new court system, there is no precedent for the court, increasing the uncertainty of any litigation. Patents granted before the implementation of the UPC have the option of opting out of the jurisdiction of the UPC over the first seven years of the court's existence and remaining as national patents in the UPC countries. Patents that remain under the jurisdiction of the UPC will be potentially vulnerable to a single UPC-based revocation challenge that, if successful, could invalidate the patent in all countries who are signatories to the UPC. We cannot predict with certainty the long-term effects of any potential changes.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees on any issued patent are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of the patent. The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. Noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Noncompliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In any such event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

The lives of our patents may not be sufficient to effectively protect our products and business.

Patents have a limited lifespan. In the United States, if all maintenance fees are paid timely, the natural expiration of a patent is generally 20 years after its first effective filing date. Although various extensions may be available, the life of a patent, and the protection it affords, is limited. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such product candidates are commercialized. Even if patents covering our product candidates are obtained, once the patent life has expired for a product, we may be open to competition

from biosimilar or generic medications. The launch of a generic version of one of our products in particular would be likely to result in an immediate and substantial reduction in the demand for that product, which could have a material adverse effect on our business, financial condition, results of operations and prospects. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing product candidates similar or identical to ours. In addition, although upon issuance in the United States a patent's life can be increased based on certain delays caused by the USPTO, this increase can be reduced or eliminated based on certain delays caused by the patent applicant during patent prosecution.

A patent term extension based on regulatory delay may be available in the United States. However, only a single patent can be extended for each regulatory approval, and any patent can be extended only once, for a single product. Patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, or 5 years from the expiration date of the patent to be extended. Moreover, the scope of protection during the period of the patent term extension does not extend to the full scope of the claim, but instead only to the scope of the product as approved. Laws governing analogous patent term extensions in foreign jurisdictions vary widely, as do laws governing the ability to obtain multiple patents from a single patent family. Additionally, if we do not obtain patent term extension and data exclusivity for any of our current or future product candidates, our business may be materially harmed. We may not receive an extension if we fail to exercise due diligence during the testing phase or regulatory review process, apply within applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements. If we are unable to obtain patent term extension or restoration, or the term of any such extension is less than we request, the period during which we will have the right to exclusively market our product will be shortened and our competitors may obtain approval of competing products following our patent expiration and may take advantage of our investment in development and clinical trials by referencing our clinical and preclinical data to launch their product earlier than might otherwise be the case, and our revenue could be reduced, possibly materially. If we do not have sufficient patent life to protect our products, our business and results of operations will be adversely affected.

Our use of open source software could impose limitations on our ability to commercialize our product candidates.

Our use of open source software could impose limitations on our ability to commercialize our product candidates. Our technology may use open source software that contains modules licensed for use from third-party authors under open source licenses. Some of the software may be provided under license arrangements that allow use of the software for research or other non-commercial purposes. As a result, in the future, as we seek to use our platform in connection with commercially available products, we may be required to license that software under different license terms, which may not be possible on commercially reasonable terms, if at all. If we are unable to license software components on terms that permit its use for commercial purposes, we may be required to replace those software components, which could result in delays, additional cost and/or additional regulatory approvals.

Use and distribution of open source software may entail greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the software code. Some open source licenses contain requirements that we make available source code for modifications or derivative works we create based upon the type of open source software we use. If we combine our proprietary software with open source software in a certain manner, we could, under certain of the open source licenses, be required to release the source code of our proprietary software to the public. This could allow our competitors to create similar products with lower development effort and time, and ultimately could result in a loss of product sales for us. Although we monitor our use of open source software, the terms of many open source licenses have not been interpreted by U.S.

courts, and there is a risk that those licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to commercialize our product candidates. We could be required to seek licenses from third parties in order to continue offering our product candidates, to re-engineer our product candidates or to discontinue the sale of our product candidates in the event re-engineering cannot be accomplished on a timely basis, any of which could materially and adversely affect our business, financial condition, results of operations and prospects.

We may be subject to claims challenging the inventorship or ownership of our patents and other intellectual property.

We may be subject to claims that former employees, collaborators or other third parties have an interest in our patents or other intellectual property as an inventor or co-inventor. The failure to name the proper inventors on a patent application can result in the patents issuing thereon being unenforceable. Inventorship disputes may arise from conflicting views regarding the contributions of different individuals named as inventors, the effects of foreign laws where foreign nationals are involved in the development of the subject matter of the patent, conflicting obligations of third parties involved in developing our product candidates or as a result of questions regarding co-ownership of potential joint inventions. For example, we may have inventorship disputes arise from conflicting obligations of consultants or others who are involved in developing our product candidates. Alternatively, or additionally, we may enter into agreements to clarify the scope of our rights in such intellectual property. Litigation may be necessary to defend against these and other claims challenging inventorship. 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. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

We or our licensors may have relied on third-party consultants or collaborators or on funds from third parties, such as the U.S. government, such that we or our licensors are not the sole and exclusive owners of the patents we in-licensed. If other third parties have ownership rights or other rights to our patents, including in-licensed patents, they may be able to license such patents to our competitors, and our competitors could market competing products and technology. This could have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects.

In addition, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Such claims could have a material adverse effect on our business, financial condition, results of operations and prospects.

If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

Our current or future trademarks or trade names may be challenged, infringed, circumvented or declared generic or descriptive, or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names or may be forced to stop using these names, which we need for name recognition by potential partners or customers in our markets of interest. During trademark registration proceedings, we may receive rejections of our applications by the USPTO or in other foreign jurisdictions.

Although we would be given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive such proceedings. If we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business may be adversely affected. We may license our trademarks and trade names to third parties, such as distributors. Though these license agreements may provide guidelines for how our trademarks and trade names may be used, a breach of these agreements or misuse of our trademarks and tradenames by our licensees may jeopardize our rights in or diminish the goodwill associated with our trademarks and trade names.

Moreover, any name we have proposed to use with our product candidate in the United States must be approved by the FDA, regardless of whether we have registered it, or applied to register it, as a trademark. Similar requirements exist in Europe. The FDA typically conducts a review of proposed product names, including an evaluation of potential for confusion with other product names. If the FDA (or an equivalent administrative body in a foreign jurisdiction) objects to any of our proposed proprietary product names, it may be required to expend significant additional resources in an effort to identify a suitable substitute name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA. Furthermore, in many countries, owning and maintaining a trademark registration may not provide an adequate defense against a subsequent infringement claim asserted by the owner of a senior trademark. At times, competitors or other third parties may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. If we assert trademark infringement claims, a court may determine that the marks we have asserted are invalid or unenforceable, or that the party against whom we have asserted trademark infringement has superior rights to the marks in question. In this case, we could ultimately be forced to cease use of such trademarks.

Risks related to this offering and ownership of our common stock

Our stock price may be volatile or may decline regardless of our operating performance, resulting in substantial losses for investors.

The trading price of our common stock may be highly volatile and may fluctuate substantially as a result of a variety of factors, some of which are related in complex ways. As a result of this volatility, investors may not be able to sell their common stock at or above the initial public offering price. The trading price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including the factors listed below and other factors described in this “Risk factors” section:

- the commencement, enrollment or results of current and future clinical trials and preclinical studies we may conduct, or changes in the development status of our product candidates;
- adverse results or delays in clinical trials;
- unanticipated serious safety concerns related to the use of our product candidates;
- any delay in our regulatory filings for our product candidates and any adverse development or perceived adverse development with respect to the applicable regulatory authority’s review of such filings, including, without limitation, the issuance by the FDA of a “refusal to file” letter or a request for additional information;

- changes in laws or regulations in the United States or other countries, including, but not limited to, preclinical study or clinical trial requirements for approvals;
- changes in the structure of healthcare payment systems;
- successful or negative clinical outcomes or other adverse events related to product candidates being developed by others in the oncology or cell therapy fields;
- publication of research reports about us or our industry, or cell therapy programs in particular including, but not limited to, any publications Stanford University or NCI may make regarding the development of their CD22 programs, or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- any changes to our relationship with manufacturers, suppliers, collaborators or other strategic partners;
- manufacturing or supply shortages;
- our failure to commercialize our product candidates;
- additions or departures of key scientific or management personnel;
- disputes or other developments relating to proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our technologies;
- variations in our results of operations or those of companies that are perceived to be similar to us;
- our cash position;
- an inability to obtain additional funding;
- our failure to meet the estimates and projections of the investment community or that we may otherwise provide to the public;
- announcements made by us or our competitors of new product and service offerings, acquisitions, strategic relationships, joint ventures or capital commitments;
- our inability to establish collaborations, if needed;
- our ability to effectively manage our growth;
- changes in the market valuations of similar companies;
- press reports, whether or not true, about our business;
- sales or perceived potential sales of our common stock by us or our stockholders in the future;
- overall fluctuations in the equity markets;
- ineffectiveness of our internal controls;
- changes or developments in the global regulatory environment;
- litigation involving us, our industry or both, or investigations by regulators into our operations or those of our competitors;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;

- announcement or expectation of additional financing efforts;
- expiration of market stand-off or lock-up agreements;
- general political and economic conditions;
- share price and volume fluctuations attributable to inconsistent trading volume levels of our shares; and
- other events or factors, many of which are beyond our control.

In addition, the stock market in general and biotechnology companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the trading price of our common stock, regardless of our actual operating performance. If the trading price of our common stock after this offering does not exceed the initial public offering price, you may not realize any return on, and may lose some or all of, your investment.

Our quarterly operating results may fluctuate significantly or may fall below the expectations of investors or securities analysts, each of which may cause our stock price to fluctuate or decline.

We expect our operating results to be subject to quarterly fluctuations. Our net loss and other operating results will be affected by numerous factors, including:

- timing and variations in the level of expense related to the current or future development of our programs;
- stock-based compensation estimates;
- our ability to enroll patients in clinical trials and timing and status of enrollment for our clinical trials;
- timing and results of clinical trials, or the addition or termination of clinical trials or funding support by us or potential future partners;
- the need to conduct unanticipated clinical trials or trials that are larger or more complex than anticipated;
- competition from products that compete with our product candidates, and changes in the competitive landscape of our industry, including consolidation among our competitors or partners;
- any delays in regulatory review or approval of our product candidates;
- our execution of any collaboration, licensing or similar arrangements and the timing of payments we may make or receive under potential future arrangements or the termination or modification of any such potential future arrangements;
- any intellectual property infringement, misappropriation or violation lawsuit or opposition, interference or cancellation proceeding in which we may become involved;
- additions and departures of key personnel;
- strategic decisions by us or our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- if any product candidate we may develop receive regulatory approval, the timing and terms of such approval and market acceptance and demand for such product candidates, which may be difficult to predict;

- the timing and cost to establish a sales, marketing and supply chain infrastructure to commercialize any products for which we may obtain regulatory approval and intend to commercialize on our own or jointly with current or future collaborators;
- the risk/benefit profile, cost and reimbursement policies with respect to our product candidates, if approved, and existing and potential future products that compete with any of our product candidates;
- our ability to commercialize our product candidates, if approved, inside and outside of the United States, either independently or working with third parties;
- our ability to establish and maintain collaborations, licensing or other arrangements;
- our ability to adequately support future growth;
- potential unforeseen business disruptions that increase our costs or expenses;
- future accounting pronouncements or changes in our accounting policies;
- regulatory developments affecting current or future product candidates or those of our competitors;
- impact from the COVID-19 pandemic on us or third parties with which we engage; and
- changes in general global market, political and economic conditions.

If our quarterly operating results fall below the expectations of investors or securities analysts, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met any previously publicly stated revenue or earnings guidance we may provide. Furthermore, any quarterly fluctuations in our operating results may, in turn, cause the price of our stock to fluctuate substantially. We believe that quarterly comparisons of our financial results are not necessarily meaningful and should not be relied upon as an indication of our future performance.

We have identified material weaknesses in our internal control over financial reporting. If our remediation of the material weaknesses is not effective, or if we experience additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls in the future, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our common stock.

We have identified material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. In preparing the financial statements as of and for the year ended December 31, 2022, management has identified it had not fully maintained components of the COSO framework, a system for establishing internal controls, which constituted material weaknesses. Specifically, the control deficiencies related to: (i) an insufficient complement of personnel with an appropriate level of technical knowledge to create the proper environment for effective internal control over financial reporting, (ii) the lack of an effective risk assessment process, (iii) the lack of formalized processes and control activities to support the appropriate segregation of duties over the review of account reconciliations and journal entries and (iv) the lack of monitoring and communication of control processes and relevant accounting policies and procedures.

These material weaknesses resulted in adjustments to the financial statements.

To remediate these material weaknesses, we are in the process of implementing measures designed to improve our internal control over financial reporting, including the hiring of qualified supervisory resources, the engagement of technical accounting consulting resources and plans to hire additional finance department employees.

We cannot assure you that the measures we have taken to date, and are continuing to implement, will be sufficient to remediate the material weaknesses we have identified or avoid potential future material weaknesses. If the steps we take do not correct the material weaknesses in a timely manner, we will be unable to conclude that we maintain effective internal control over financial reporting. Accordingly, there could continue to be a reasonable possibility that a material misstatement of our financial statements would not be prevented or detected on a timely basis.

If we fail to remediate our existing material weaknesses or identify new material weaknesses in our internal controls over financial reporting, if we are unable to comply with the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner, if we are unable to conclude that our internal controls over financial reporting are effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal controls over financial reporting when we are no longer an emerging growth company, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected. As a result of such failures, we could also become subject to investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities, and become subject to litigation from investors and stockholders, which could harm our reputation and financial condition or divert financial and management resources from our regular business activities.

Our principal stockholders and management own a significant percentage of our stock and will be able to exert significant control over matters subject to stockholder approval.

Prior to this offering, as of June 30, 2023, our executive officers, directors, holders of 5% or more of our capital stock and their respective affiliates owned approximately 46% of our outstanding voting stock and, upon the closing of this offering, that same group will own approximately % of our outstanding voting stock (assuming no exercise of the underwriters' option to purchase additional shares). Therefore, even after this offering, these stockholders will have the ability to influence us through this ownership position. These stockholders may be able to determine all matters requiring stockholder approval. For example, these stockholders may be able to control elections of directors, amendments of our organizational documents or approval of any merger, sale of assets or other major corporate transaction. In addition, certain of our principal stockholders, including Samsara, Perceptive, Third Rock Ventures and Red Tree Venture, have designated certain of our directors for election to the Board. This may prevent or discourage unsolicited acquisition proposals or offers for our common stock that you may feel are in your best interest as one of our stockholders.

Future sales of our common stock in the public market could cause our common stock price to fall.

Our common stock price could decline as a result of sales of a large number of shares of common stock after this offering or the perception that these sales could occur. These sales, or the possibility that these sales may occur, might also make it more difficult for us to sell equity securities in the future at a time and price that we deem appropriate.

Upon the completion of this offering, 38,672,544 shares of common stock will be outstanding (41,485,044 shares if the underwriters exercise their option to purchase additional shares from us in full), based on the number of shares outstanding as of June 30, 2023.

All shares of common stock expected to be sold in this offering will be freely tradable without restriction or further registration under the Securities Act unless held by our "affiliates" as defined in Rule 144 under the Securities Act. The resale of the remaining 19,922,544 shares, or % of our outstanding shares of common stock following this offering, is currently prohibited or otherwise restricted, subject to certain limited exceptions, as a result of securities law provisions, market standoff agreements entered into by certain of our stockholders with us or lock-up agreements entered into by our stockholders with the underwriters in connection with this offering. However, subject to applicable securities law restrictions, these shares will be able to be sold in the public market beginning on the 181st day after the date of this prospectus. Shares issued upon the exercise of stock options outstanding under our equity incentive plans or pursuant to future awards granted under those plans will become available for sale in the public market to the extent permitted by the provisions of applicable vesting schedules, market stand-off agreements and/or lock-up agreements, as well as Rules 144 and 701 under the Securities Act. For more information, see the section titled "Shares eligible for future sale."

Upon the completion of this offering, the holders of approximately 18,910,251 shares, or % of our outstanding shares following this offering, of our common stock will have rights, subject to some conditions, to require us to file registration statements covering the sale of their shares or to include their shares in registration statements that we may file for ourselves or our other stockholders. We also intend to register the offer and sale of all shares of common stock that we may issue under our equity compensation plans. Once we register the offer and sale of shares for the holders of registration rights and shares that may be issued under our equity incentive plans, these shares will be able to be sold in the public market upon issuance, subject to the lock-up agreements described under "Underwriting."

In addition, in the future, we may issue additional shares of common stock, or other equity or convertible debt securities convertible into common stock, in connection with a financing, acquisition, employee arrangement or otherwise. Any such issuance could result in substantial dilution to our existing stockholders and could cause the price of our common stock to decline.

Our management team has broad discretion to use the net proceeds from this offering and its investment of these proceeds may not yield a favorable return. They may invest the net proceeds from this offering in ways with which investors disagree.

Our management will have broad discretion over the use of net proceeds from this offering, and could spend the net proceeds in ways our stockholders may not agree with or that do not yield a favorable return, if at all. If we do not invest or apply the net proceeds from this offering in ways that improve our operating results, we may fail to achieve expected financial results, which could cause our stock price to decline. For additional details see the section titled "Use of proceeds."

If you purchase shares of our common stock in our initial public offering, you will experience substantial and immediate dilution.

The initial public offering price of our common stock is substantially higher than the net tangible book value per share of our outstanding common stock immediately following the completion of this offering. If you purchase shares of common stock in this offering, you will experience substantial and immediate dilution in the pro forma net tangible book value per share of $4.50 per share as of June 30, 2023, assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus. That is because the price that you pay will be substantially greater than the pro forma net tangible book value per share of the common stock that you acquire. This dilution is due in large part to the fact that our earlier investors paid substantially less than the assumed initial public offering price when they purchased their

shares of our capital stock. You will experience additional dilution when those holding stock options exercise their right to purchase common stock under our equity incentive plans or when we otherwise issue additional shares of common stock. For additional details see the section titled “Dilution.”

We do not currently intend to pay dividends on our common stock, so any returns will be limited to the value of our common stock.

We have never declared or paid cash dividends on our common stock. We currently intend to retain all available funds and any future earnings to support operations and to finance the growth and development of our business. We do not intend to declare or pay any cash dividends on our capital stock in the foreseeable future. As a result, any investment return on our common stock will depend upon increases in the value for our common stock. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which stockholders have purchased their shares.

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws and Delaware law might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Our amended and restated certificate of incorporation and amended and restated bylaws, each to be in effect immediately prior to the completion of this offering, will contain provisions that could depress the trading price of our common stock by acting to discourage, delay or prevent a change in control of our company or changes in our management that the stockholders of our company may deem advantageous. These provisions, among other things:

- establish a staggered board of directors divided into three classes serving staggered three-year terms, such that not all members of the board of directors will be elected at one time;
- authorize our board of directors to issue new series of preferred stock without stockholder approval and create, subject to applicable law, a series of preferred stock with preferential rights to dividends or our assets upon liquidation, or with superior voting rights to our existing common stock;
- eliminate the ability of our stockholders to call special meetings of stockholders;
- eliminate the ability of our stockholders to fill vacancies on our board of directors;
- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at our annual stockholder meetings;
- permit our board of directors to establish the number of directors;
- provide that our board of directors is expressly authorized to make, alter or repeal our amended bylaws;
- provide that stockholders can remove directors only for cause and only upon the approval of not less than 66-2/3% of all outstanding shares of our voting stock;
- require the approval of not less than 66-2/3% of all outstanding shares of our voting stock to amend our bylaws and specific provisions of our certificate of incorporation; and
- the jurisdictions in which certain stockholder litigation may be brought.

As a Delaware corporation, we will be subject to the anti-takeover provisions of Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in a business combination specified in the statute with an interested stockholder (as defined in the statute) for a period of three years after the date of the transaction in which the person first becomes an interested stockholder, unless the

business combination is approved in advance by a majority of the independent directors or by the holders of at least two-thirds of the outstanding disinterested shares. The application of Section 203 of the Delaware General Corporation Law could also have the effect of delaying or preventing a change of control of our company.

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders and that the federal district courts shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees or the underwriters or any offering giving rise to such claim.

Our amended and restated certificate of incorporation to be in effect upon the completion of this offering will provide that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum, to the fullest extent permitted by law, for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a breach of a fiduciary duty owed by any director, officer or other employee to us or our stockholders, (3) any action asserting a claim against us or any director, officer or other employee arising pursuant to the Delaware General Corporation Law, (4) any action to interpret, apply, enforce or determine the validity of our amended and restated certificate of incorporation or amended and restated bylaws or (5) any other action asserting a claim that is governed by the internal affairs doctrine, shall be the Court of Chancery of the State of Delaware (or another state court or the federal court located within the State of Delaware if the Court of Chancery does not have or declines to accept jurisdiction), in all cases subject to the court's having jurisdiction over indispensable parties named as defendants. In addition, our amended and restated certificate of incorporation will provide that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act but that the forum selection provision will not apply to claims brought to enforce a duty or liability created by the Exchange Act.

Although we believe these provisions benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may result in increased costs to stockholders to bring a claim for any such dispute and may have the effect of discouraging lawsuits against us or our directors and officers. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, financial condition and operating results. For example, under the Securities Act, federal courts have concurrent jurisdiction over all suits brought to enforce any duty or liability created by the Securities Act, and investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Any person or entity purchasing or otherwise acquiring any interest in our shares of capital stock shall be deemed to have notice of and consented to this exclusive forum provision, but will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

Our ability to use our net operating loss carryforwards and other tax attributes may be limited.

We have incurred substantial losses during our history, do not expect to become profitable in the near future, and we may not achieve profitability. As of December 31, 2022, we had U.S. federal and state net operating loss carryforwards (NOLs) of $5.9 million and $2.3 million, respectively. Our federal NOL carryforwards of $5.9 million carry forward indefinitely. The state NOL carryforwards of $2.3 million begin to expire in 2040. In addition, as of December 31, 2022, we have U.S. federal and state research and development tax credits of $1.8 million and $1.7 million, respectively. The federal research and development tax credits of $1.8 million begin to expire in 2042. The state research and development tax credits of $1.7 million carry forward indefinitely.

Changes in tax laws or regulations may adversely impact our ability to utilize all, or any, of our NOL carryforwards. For example, legislation enacted in 2017, informally titled the Tax Cuts and Jobs Act (the TCJA), significantly revised the Internal Revenue Code of 1986 (the Code), as amended. Future guidance from the Internal Revenue Service and other tax authorities with respect to the TCJA may affect us, and certain aspects of the TCJA could be repealed or modified in future legislation. For example, the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) modified certain provisions of the TCJA. Under the TCJA, as modified by the CARES Act, unused losses generated in taxable years ending after December 31, 2017 will not expire and may be carried forward indefinitely, but the deductibility of such NOLs in tax years beginning after December 31, 2020, is limited to 80% of taxable income. It is uncertain if and to what extent various states will conform to the to the TCJA or the CARES Act.

Under Sections 382 and 383 of the Code, if a corporation undergoes an “ownership change,” generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three-year period, the corporation’s ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes (such as research and development tax credits) to offset its post-change income or taxes may be limited. We may have experienced ownership changes in the past and may experience ownership changes as a result of our acquisitions of assets and as a result of this offering and/or subsequent shifts in our stock ownership (some of which are outside our control). As a result, our ability to use our pre-change NOLs and tax credits to offset future taxable income, if any, could be subject to limitations. Similar provisions of state tax law may also apply. As a result, even if we attain profitability, we may be unable to use a material portion of our NOLs and tax credits. As of December 31, 2022, we have a valuation allowance for the full amount of our net deferred tax assets as the realization of the net deferred tax assets is not determined to be more likely than not.

Participation in this offering by our existing stockholders and/or their affiliated entities may reduce the public float for our common stock.

To the extent certain of our existing stockholders and their affiliated entities participate in this offering, such purchases would reduce the non-affiliate public float of our shares, meaning the number of shares of our common stock that are not held by officers, directors and controlling stockholders. A reduction in the public float could reduce the number of shares that are available to be traded at any given time, thereby adversely impacting the liquidity of our common stock and depressing the price at which you may be able to sell shares of common stock purchased in this offering.

General Risk Factors

If securities or industry analysts either do not publish research about us or publish inaccurate or unfavorable research about us, our business or our market, or if they change their recommendations regarding our common stock adversely, the trading price or trading volume of our common stock could decline.

The trading market for our common stock will be influenced in part by the research and reports that securities or industry analysts may publish about us, our business, our market or our competitors. If one or more of these analysts initiate research with an unfavorable rating or downgrade our common stock, provide a more favorable recommendation about our competitors or publish inaccurate or unfavorable research about our business, our common stock price would likely decline. If any analyst who may cover us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the trading price or trading volume of our common stock to decline.

There has been no prior public market for our common stock, and an active trading market may not develop or be sustained.

There has been no public market for our common stock prior to this offering. The initial public offering price for our common stock was determined through negotiations among the underwriters and us and may vary from the trading price of our common stock following this offering. An active or liquid market in our common stock may not develop upon closing of this offering or, if it does develop, it may not be sustainable. The lack of an active market may impair the value of your shares, your ability to sell your shares at the time you wish to sell them and the prices that you may obtain for your shares. An inactive market may also impair our ability to raise capital by selling our common stock and our ability to acquire other companies, products or technologies by using our common stock as consideration.

We are an emerging growth company and a smaller reporting company, and any decision on our part to comply only with certain reduced reporting and disclosure requirements applicable to emerging growth companies and smaller reporting companies could make our common stock less attractive to investors.

We are an "emerging growth company" as defined in the JOBS Act and, for as long as we continue to be an emerging growth company, we may choose to take advantage of exemptions from various reporting requirements applicable to other public companies but not to emerging growth companies, including:

- not being required to have our independent registered public accounting firm audit our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act;
- reduced disclosure obligations regarding executive compensation in our periodic reports and annual report on Form 10-K; and
- exemptions from the requirements of holding non-binding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We could be an emerging growth company for up to five years following the completion of our initial public offering. Our status as an emerging growth company will end as soon as any of the following takes place:

- the last day of the fiscal year in which we have more than $1.235 billion in annual revenue;
- the date we qualify as a "large accelerated filer," with at least $700 million of equity securities held by non-affiliates;
- the date on which we have issued, in any three-year period, more than $1.0 billion in non-convertible debt securities; or
- the last day of the fiscal year ending after the fifth anniversary of the completion of our initial public offering.

Even after we no longer qualify as an emerging growth company, we may continue to qualify as a smaller reporting company, which would allow us to take advantage of many of the same exemptions from disclosure requirements, including reduced disclosure obligations regarding executive compensation. In addition, if we are a smaller reporting company with less than $100 million in annual revenue, we would not be required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act (Section 404).

We cannot predict if investors will find our common stock less attractive if we choose to rely on any of the exemptions afforded to emerging growth companies and smaller reporting companies. If some investors find our common stock less attractive because we rely on any of these exemptions, there may be a less active trading market for our common stock and the trading price of our common stock may be more volatile.

Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to use this extended transition period for any new or revised accounting standards during the period in which we remain an emerging growth company; however, we may adopt certain new or revised accounting standards early. As a result, these financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

The requirements of being a public company may strain our resources, result in more litigation and divert management's attention.

As a public company, we will be subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), the listing requirements of Nasdaq and other applicable securities rules and regulations. Complying with these rules and regulations has increased and will increase our legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on our systems and resources. The Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and operating results. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are required to disclose changes made in our internal control and procedures on a quarterly basis. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business and operating results. We may also need to hire additional employees or engage outside consultants to comply with these requirements, which will increase our costs and expenses.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are 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. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business may be adversely affected.

These new rules and regulations may make it more expensive for us to obtain director and officer liability insurance and, in the future, we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

By disclosing information in this prospectus and in future filings required of a public company, our business and financial condition will become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If those claims are successful, our business could be seriously harmed. Even if the claims do not result in litigation or are resolved in our favor, the time and resources needed to resolve them could divert our management's resources and seriously harm our business.

Failure to comply with governmental laws and regulations could harm our business.

Our business is subject to regulation by various federal, state, local and foreign governments. Noncompliance with applicable regulations or requirements could subject us to investigations, sanctions, enforcement actions, disgorgement of profits, fines, damages, civil and criminal penalties, injunctions or other collateral consequences. If any governmental sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, operating results, and financial condition could be materially adversely affected. In addition, responding to any action will likely result in a significant diversion of management's attention and resources and an increase in professional fees. Enforcement actions and sanctions could harm our business, reputation, operating results and financial condition.

Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses.

Our operations could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics and other natural or manmade disasters or business interruptions, for which we are predominantly self-insured. We rely on third-party manufacturers to produce our product candidates. Our ability to obtain clinical supplies of our product candidates could be disrupted if the operations of these suppliers were affected by a man-made or natural disaster or other business interruption. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses.

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

From time to time, the global credit and financial markets have experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. There can be no assurance that future deterioration in credit and financial markets and confidence in economic conditions will not occur. Our general business strategy may be adversely affected by any such economic downturn, volatile business environment or continued unpredictable and unstable market conditions. If the current equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could have a material 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 an economic downturn, which could directly affect our ability to attain our operating goals on schedule and on budget.

If we fail to maintain proper and effective internal controls over financial reporting, our ability to produce accurate and timely financial statements could be impaired.

After this offering, we will be subject to Section 404 and the related rules of the SEC, which, subject to certain exceptions, generally require our management and independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting. Beginning with the second annual report that we will be required to file with the SEC, Section 404 requires an annual management assessment of the effectiveness of our internal control over financial reporting. In addition, once we are no longer an emerging growth company or, if prior to such date, we opt to no longer take advantage of the applicable exemption, we will be required to include an opinion from our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex, judgmental and

require significant documentation, testing and possible remediation. To comply with the requirements of being a reporting company under the Exchange Act, we will need to implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff. If we or, if required, our auditors are unable to conclude that our internal control over financial reporting is effective, investors may lose confidence in our financial reporting and the trading price of our common stock may decline.

We cannot assure you that there will not be material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition, results of operations or cash flows. If we are unable to conclude that our internal control over financial reporting is effective, or if we and/or our independent registered public accounting firm determines we have a material weakness or significant deficiency in our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial statements, the trading price of our common stock could decline, and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

Upon the completion of this offering, we will become subject to the periodic reporting requirements of the Exchange Act. We must design our disclosure controls and procedures to reasonably assure that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. For example, our directors or executive officers could inadvertently fail to disclose a new relationship or arrangement causing us to fail to make a required related party transaction disclosure. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect or financial reporting standards or interpretations change, our results of operations could be adversely affected.

The preparation of financial statements in conformity with generally accepted accounting principles in the United States (U.S. GAAP), requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates on historical experience, known trends and events and various other factors that we believe to be reasonable under the circumstances, as provided in “Management’s discussion and analysis of financial condition and results of operations—Critical accounting policies and estimates.” The results of these estimates form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Significant assumptions and estimates used in preparing our financial statements include but are not limited to stock-based compensation and evaluation of acquisitions of assets and other similar transactions as well as clinical trial accruals. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our common stock.

Additionally, we regularly monitor our compliance with applicable financial reporting standards and review new pronouncements and drafts thereof that are relevant to us. As a result of new standards, changes to existing standards and changes in their interpretation, we might be required to change our accounting policies, alter our operational policies and implement new or enhance existing systems so that they reflect new or amended financial reporting standards, or we may be required to restate our audited or unaudited financial statements and related notes. Such changes to existing standards or changes in their interpretation may also have an adverse effect on our reputation, business, financial position and profit.

We could be subject to changes in tax rates, the adoption of new tax legislation or could otherwise have exposure to additional tax liabilities, which could harm our business.

Changes to tax laws or regulations in the jurisdictions in which we operate, or in the interpretation of such laws or regulations, could significantly increase our effective tax rate, and otherwise have a material adverse effect on our financial condition. In addition, other factors or events, including business combinations and investment transactions, changes in stock-based compensation, changes in the valuation of our deferred tax assets and liabilities, adjustments to taxes upon finalization of various tax returns or as a result of deficiencies asserted by taxing authorities, increases in expenses not deductible for tax purposes, changes in available tax credits, changes in transfer pricing methodologies, other changes in the apportionment of our income and other activities among tax jurisdictions and changes in tax rates, could also increase our effective tax rate. Our tax filings are subject to review or audit by the U.S. Internal Revenue Service (the IRS) and state, local and foreign taxing authorities. We may also be liable for taxes in connection with businesses we acquire. Our determinations are not binding on the IRS or any other taxing authorities, and accordingly the final determination in an audit or other proceeding may be materially different than the treatment reflected in our tax provisions, accruals and returns. An assessment of additional taxes because of an audit could harm our business.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties.

We have received confidential and proprietary information from third parties. In addition, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies. Although we try to ensure that individuals working for or collaborating with us do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information proprietary to these third parties or our employees' former employers, or that we caused an employee to breach the terms of his or her non-competition or non-solicitation agreement. We may be subject to claims that patents and applications we have filed to protect inventions of our employees, consultants, advisors or other third parties, even those related to one or more of our product candidates, are rightfully owned by their former or concurrent employer. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial cost and be a distraction to our management and employees. If our defenses to these claims fail, in addition to requiring us to pay monetary damages, a court could prohibit us from using technologies or features that are essential to our product candidates, if such technologies or features are found to incorporate or be derived from the trade secrets or other proprietary information of the former employers. Moreover, any such litigation or the threat thereof may adversely affect our reputation, our ability to form strategic alliances or sublicense our rights to collaborators, engage with scientific advisors or hire employees or consultants, each of which would have an adverse effect on our business, results of operations and financial condition. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

We could be subject to securities class action litigation.

In the past, securities class action litigation has often been instituted against companies following periods of volatility in the trading price of a company's securities. This type of litigation, if instituted, could result in substantial costs and a diversion of management's attention and resources, which would harm our business, operating results or financial condition. Additionally, the dramatic increase in the cost of directors' and officers' liability insurance may cause us to opt for lower overall policy limits or to forgo insurance that we may otherwise rely on to cover significant defense costs, settlements and damages awarded to plaintiffs.

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 (FCPA), the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act 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 to sell our products outside the United States, to conduct clinical trials and/or to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We 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 such 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.

Special note regarding forward-looking statements

This prospectus contains forward-looking statements, particularly in the sections titled “Prospectus summary,” “Risk factors,” “Management’s discussion and analysis of financial condition and results of operations” and “Business.” In some cases, you can identify these statements by forward-looking words such as “aim,” “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “potential,” “predict,” “should,” “would” or “will,” the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, include, but are not limited to, statements about:

- the potential for adverse events, undesirable side effects or unexpected characteristics associated with any of our product candidates;
- the timing of achieving our scientific, clinical, manufacturing, regulatory and/or other product development objectives;
- the timing of our planned IND submissions to the FDA for our product candidates, including CRG-022;
- our expectations regarding the potential market size and size of the potential patient populations for our product candidates and any future product candidates, if approved for commercial use;
- our clinical and regulatory development plans;
- our expectations with regard to the results of our clinical studies, preclinical studies and research and development programs, including the timing and availability of data from such studies;
- the number, size and design of our planned clinical trials, and what regulatory authorities may require to obtain full marketing approval;
- our plans to research, develop and commercialize our product candidates, including CRG-022 and CRG-023;
- the timing of commencement of future nonclinical studies and clinical trials and research and development programs;
- our ability to acquire, discover, develop and advance product candidates into, and successfully complete, clinical trials;
- our ability to obtain designation as a Breakthrough Therapy for one or more of our product candidates;
- a requirement to obtain approval of a companion diagnostic in connection with the approval of any of our product candidates;
- our intentions and our ability to establish collaborations and/or partnerships;
- the discovery of previously unknown or unexpected problems with our product candidates or any future product candidates or with the facilities where such product candidates are or will be manufactured;
- the timing or likelihood of regulatory filings and approvals for our product candidates, including the potential requirement to adopt a REMs;
- our commercialization, marketing and manufacturing, including the buildout of our own manufacturing facility, capabilities and expectations;
- the rate and degree of market acceptance of our product candidates;
- the success of competing products or platform technologies that are or may become available;

- impact from future regulatory, judicial, and legislative changes or developments in the United States and foreign countries;
- our intentions with respect to the commercialization of our product candidates;
- the size and growth potential of the markets for our product candidates, if approved for commercial use, and our ability to serve those markets
- the pricing and reimbursement of our product candidates, if approved;
- future agreements with third parties in connection with the commercialization of our product candidates;
- the potential effects of public health crises, such as the COVID-19 pandemic, on our preclinical and clinical programs and business;
- the implementation of our business model and strategic plans for our business and product candidates, including additional indications for which we may pursue;
- our ability to effectively manage our growth, including our ability to attract and retain key scientific and management personnel, and maintain our culture;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our product candidates, including the projected terms of patent protection;
- potential claims relating to our intellectual property and third-party intellectual property;
- estimates of our expenses, future revenue, capital requirements, our needs for additional financing and our ability to obtain additional capital;
- our ability to contract with third-party suppliers and manufacturers and their ability to perform adequately;
- our future financial performance;
- our expectations regarding the time during which we will be an emerging growth company under the JOBS Act and a smaller reporting company as defined in Rule 12b-2 of the Exchange Act;
- developments and projections relating to our competitors and our industry, including competing products;
- our expectations regarding the use of proceeds from this offering and our existing cash and cash equivalents; and
- other risks and uncertainties, including those listed under the caption “Risk factors” in this prospectus.

We have based these forward-looking statements largely on our current expectations, estimates, forecasts and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. In light of the significant uncertainties in these forward-looking statements, you should not rely upon forward-looking statements as predictions of future events. Although we believe that we have a reasonable basis for each forward-looking statement contained in this prospectus, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. You should refer to the section titled “Risk factors” for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. Except as required by law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. The Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act do not protect any forward-looking statements that we make in connection with this offering.

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 is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of the forward-looking statements in this prospectus by these cautionary statements.

Industry and market data

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market size, is based on information from various sources, on assumptions that we have made based on such information and other, similar sources and on our knowledge of, and expectations about, the markets for our products. In some cases, we do not expressly refer to the sources from which this data is derived. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate is necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including but not limited to those described in the section titled “Risk factors” and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by independent third parties and by us.

Use of proceeds

We estimate that the net proceeds from this offering will be approximately $273.7 million (or approximately $315.6 million if the underwriters exercise their option to purchase additional shares in full), assuming an initial public offering price of $16.00 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.

Each $1.00 increase or decrease in the initial public offering price per share would increase or decrease, as applicable, our net proceeds, after deducting estimated underwriting discounts and commissions, by approximately $17.4 million (assuming no exercise of the underwriters' option to purchase additional shares). Similarly, each increase or decrease of 1.0 million shares in the number of shares offered by us would increase or decrease, as applicable, our net proceeds by approximately $14.9 million, assuming an initial public offering price of $16.00 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.

We currently intend to use the net proceeds from this offering, together with our existing cash and cash equivalents, as follows:

- approximately $220.0 million to fund the planned Phase 2 clinical trials of CRG-022;
- approximately $20.0 million to fund our internal research and development capabilities to advance new product candidates; and
- the remainder for working capital and other general corporate purposes, including the additional costs associated with being a public company.

We may also use a portion of the net proceeds to in-license, acquire or invest in complementary technologies, assets or intellectual property. We regularly evaluate strategic opportunities; however, we have no current commitments to enter into any such license arrangements or acquisition agreements or to make any such investments.

Based on our current operating plan, we believe that our existing cash and cash equivalents, together with the estimated net proceeds from this offering, will be sufficient to meet our working capital and capital expenditure needs through 2025. Our expected use of net proceeds from this offering represents our current intentions based upon present plans and business conditions.

The net proceeds from this offering, together with our existing cash and cash equivalents, will not be sufficient to fund any of our product candidates through regulatory approval, and we anticipate needing to raise additional capital to complete the development of and commercialize our product candidates. 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 completion of this offering, or the amounts that we will actually spend on the uses set forth above. The amounts and timing of any expenditures will vary depending on numerous factors, including the progress of our ongoing and planned clinical studies, the amount of cash used by our operations, competitive, scientific and data science developments, the rate of growth, if any, of our business, and other factors described in the section titled "Risk factors." Accordingly, our management will have significant discretion and flexibility in applying the net proceeds from this offering, and investors will be relying on the judgment of our management regarding the application of these net proceeds. Due to the many inherent uncertainties in the development of our product candidates, the amounts and timing of our actual expenditures may vary significantly depending on numerous factors, including the progress of our research and development, our ability to obtain additional

financing, the cost and results of our preclinical activities, the timing of clinical studies we may commence in the future, the timing of regulatory submissions, 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.

Pending the uses described above, we intend to invest the net proceeds from this offering in interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the U.S. government.

Dividend policy

We have never declared or paid any cash dividends on our capital stock and do not anticipate paying any cash dividends in the foreseeable future. We currently anticipate that we will retain all available funds for use in the operation and expansion of our business. Any future determination as to the declaration or payment of dividends on our common stock will be made at the discretion of our board of directors and will depend upon, among other factors, our financial condition, results from operations, current and anticipated cash needs, plans for expansion and other factors that our board of directors may deem relevant.

Capitalization

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2023:

- on an actual basis;
- on a pro forma basis to reflect the following immediately prior to the completion of this offering: (i) the automatic conversion of all of our outstanding shares of our convertible preferred stock into an aggregate of 18,836,559 shares of our common stock (including 3,381,941 and 6,341,148 shares of Series A-1 redeemable convertible preferred stock issued in the second tranche closing in July 2023 and the third tranche closing in October 2023, respectively), and the related reclassification of the carrying value of the convertible preferred stock to permanent equity immediately prior to the completion of this offering and (ii) the filing and effectiveness of our amended and restated certificate of incorporation, which will be effective immediately prior to the completion of this offering; and
- on a pro forma as adjusted basis to reflect: (i) the pro forma adjustments set forth above and (ii) the sale and issuance of 18,750,000 shares of common stock by us in this offering at the assumed initial public offering price of $16.00 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 below is illustrative only and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. This table should be read in conjunction with the section titled “Management’s discussion and analysis of financial condition and results of operations” and our unaudited interim condensed financial statements and related notes included elsewhere in this prospectus.

	As of June 30, 2023		
(in thousands, except share and per share data)	**Actual**	**Pro forma**	**Pro forma as adjusted[1]**
		(unaudited)	
Cash and cash equivalents	$ 42,371	$ 174,299	$ 447,999
Redeemable convertible preferred stock, $0.001 par value per share; 255,584,255 shares authorized, 9,113,470 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma and pro forma as adjusted	$106,166	$ —	$ —
Stockholders’ deficit:			
Preferred stock, $0.001 par value per share; no shares authorized, issued or outstanding, actual; 50,000,000 shares authorized, no shares issued or outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, $0.001 par value per share; 320,000,000 shares authorized, 1,085,985 shares issued and outstanding, actual; 500,000,000 shares authorized and 19,922,544 shares issued and outstanding, pro forma; 500,000,000 shares authorized and 38,672,544 shares issued and outstanding, pro forma as adjusted	1	20	39
Additional paid-in capital	2,618	248,702	522,383
Accumulated deficit	(77,598)	(77,598)	(77,598)
Total stockholders’ (deficit) equity	(74,979)	171,124	444,824
Total capitalization	$ 31,187	$ 171,124	$ 444,824

(1) Each $1.00 increase or decrease in the assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, each of our pro forma as adjusted cash and cash

equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately $17.4 million, assuming that the number of shares of common stock 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. Similarly, each increase or decrease of 1.0 million shares of common stock offered by us would increase or decrease, as applicable, each of our pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately $14.9 million, assuming that the assumed initial public offering price of $16.00 per share, which is 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 number of shares of our common stock to be outstanding after this offering on a pro forma and pro forma as adjusted basis is based on 19,922,544 shares of common stock outstanding as of June 30, 2023 (after giving effect to the automatic conversion of (1) all of our shares of our convertible preferred stock outstanding as of June 30, 2023 and (2) the 3,381,941 and 6,341,148 shares of our Series A-1 redeemable convertible preferred stock issued in the second tranche closing in July 2023 and the third tranche closing in October 2023, respectively, into an aggregate of 18,836,559 shares of our common stock immediately prior to the completion of this offering), and excludes:

- 2,147,565 shares of our common stock issuable upon the exercise of stock options outstanding under the 2021 Plan as of June 30, 2023, with a weighted-average exercise price of $4.73 per share;
- 1,550,776 shares of our common stock issuable upon the exercise of stock options granted under the 2021 Plan subsequent to June 30, 2023, with a weighted-average exercise price of $9.50 per share;
- 502,192 shares of our common stock reserved for future issuance under the 2021 Plan as of June 30, 2023, which shares will cease to be available for issuance at the time the 2023 Plan becomes effective;
- a number of shares of our common stock equal to 10% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) reserved for future issuance under the 2023 Plan, which will become effective on the date immediately prior to the date our registration statement relating to this offering becomes effective, as well as any future increases in the number of shares of common stock reserved for issuance under the 2023 Plan; and
- a number of shares of our common stock equal to 1% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) reserved for future issuance under the ESPP, which will become effective on the date immediately prior to the date our registration statement relating to this offering becomes effective, as well as any future increases in the number of shares of common stock reserved for issuance under the ESPP.

Dilution

If you purchase shares of our common stock in this offering, your ownership interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock in this offering and the pro forma as adjusted net tangible book value per share of our common stock immediately after this offering.

As of June 30, 2023, we had a historical net tangible book value (deficit) of $(75.2) million, or $(69.24) per share of common stock, based on 1,085,985 shares of our common stock issued and outstanding as of such date. Our historical net tangible book value (deficit) represents our total tangible assets excluding deferred offering costs, less our total liabilities and convertible preferred stock, which is not included within stockholders' equity (deficit), divided by the total number of shares of our common stock outstanding as of June 30, 2023.

Our pro forma net tangible book value as of June 30, 2023, was $170.9 million, or $8.58 per share. Pro forma net tangible book value represents our total tangible assets excluding deferred offering costs, less our total liabilities, after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock as of June 30, 2023 into an aggregate of 18,836,559 shares of our common stock (including 3,381,941 and 6,341,148 shares of Series A-1 redeemable convertible preferred stock issued in the second tranche closing in July 2023 and the third tranche closing in October 2023, respectively), and the related reclassification of the carrying value of the convertible preferred stock to permanent equity immediately prior to the completion 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 of common stock outstanding as of June 30, 2023, after giving effect to the conversion of our convertible preferred stock.

After giving further effect to the sale and issuance by us of the 18,750,000 shares of our common stock in this offering at the assumed initial public offering price of $16.00 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, our pro forma as adjusted net tangible book value as of June 30, 2023 would be $444.8 million, or $11.50 per share. This represents an immediate increase in pro forma net tangible book value to our existing stockholders of $2.92 per share and an immediate dilution to new investors of $4.50 per share. Dilution per share to new investors represents the difference between the price per share to be paid by new investors for the shares of common stock sold in this offering and the pro forma as adjusted net tangible book value per share immediately after this offering.

The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$16.00
Historical net tangible book value (deficit) per share as of June 30, 2023	$(69.24)	
Pro forma increase in historical net tangible book value (deficit) per share as of June 30, 2023 attributable to the pro forma adjustments described above	77.82	
Pro forma net tangible book value per share as of June 30, 2023	8.58	
Increase in pro forma net tangible book value per share attributable to new investors participating in this offering	2.92	
Pro forma as adjusted net tangible book value per share after this offering		11.50
Dilution per share to new investors participating in this offering		$ 4.50

The dilution information discussed above is illustrative only and will change based on the actual initial public offering price and other terms of this offering determined at pricing. Each $1.00 increase or decrease in the assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on

the cover page of this prospectus, would increase or decrease, as applicable, our pro forma as adjusted net tangible book value per share to new investors by $0.45, and would increase or decrease, as applicable, the dilution per share to new investors in this offering by $0.55, 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. Similarly, each increase or decrease of 1.0 million shares in the number of shares offered by us would increase or decrease, as applicable, our pro forma as adjusted net tangible book value by approximately $0.09 per share and increase or decrease, as applicable, the dilution to new investors by $0.09 per share, assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters' option to purchase additional shares is exercised in full, the pro forma as adjusted net tangible book value per share of our common stock would be $11.73 per share, and the dilution in pro forma net tangible book value per share to new investors in this offering would be $4.27 per share, in each case assuming an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus.

The following table summarizes, as of June 30, 2023, on a pro forma as adjusted basis, the number of shares of common stock purchased from us, the total consideration paid, or to be paid, and the weighted-average price per share paid, or to be paid, by existing stockholders and by the new investors, at the assumed initial public offering price of $16.00 per share, the midpoint of the estimated initial public offering range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and offering expenses payable by us:

	Shares purchased		Total consideration		Weighted-average price per share
(in thousands, except share, per share and percent data)	Number	Percent	Amount	Percent	
Existing stockholders	19,922,544	51.5%	$ 244,007	44.9%	$ 12.25
New investors	18,750,000	48.5%	300,000	55.1%	$ 16.00
Total	38,672,544	100.0%	$ 544,007	100.0%	

Each $1.00 increase or decrease in the assumed initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the total consideration paid by new investors and total consideration paid by all stockholders by approximately $18.8 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. Similarly, each increase or decrease of 1.0 million shares in the number of shares offered by us would increase or decrease, as applicable, the total consideration paid by new investors and total consideration paid by all stockholders by approximately $16.0 million, assuming the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The above table assumes no exercise of the underwriters' option to purchase additional shares. If the underwriters' option to purchase additional shares were exercised in full, our existing stockholders would own 41.4% and our new investors would own 58.6% of the total number of shares of our common stock outstanding upon completion of this offering.

To the extent that stock options are exercised, new stock options are issued under our equity incentive plan or we issue additional shares of common stock in the future, there will be further dilution to investors

participating in this offering. 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.

The foregoing tables and calculations (other than historical net tangible book value) are based on 19,922,544 shares of common stock outstanding as of June 30, 2023 (after giving effect to the automatic conversion of (1) all of our shares of convertible preferred stock outstanding as of June 30, 2023 and (2) the 3,381,941 and 6,341,148 shares of our Series A-1 redeemable convertible preferred stock issued in the second tranche closing in July 2023 and the third tranche closing in October 2023, respectively, into an aggregate of 18,836,559 shares of our common stock immediately prior to the completion of this offering), and excludes:

- 2,147,565 shares of our common stock issuable upon the exercise of stock options outstanding under the 2021 Plan as of June 30, 2023, with a weighted-average exercise price of $4.73 per share;
- 1,550,776 shares of our common stock issuable upon the exercise of stock options granted under the 2021 Plan subsequent to June 30, 2023, with a weighted-average exercise price of $9.50 per share;
- 502,192 shares of our common stock reserved for future issuance under the 2021 Plan as of June 30, 2023, which shares will cease to be available for issuance at the time the 2023 Plan becomes effective;
- a number of shares of our common stock equal to 10% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) reserved for future issuance under the 2023 Plan, which will become effective on the date immediately prior to the date our registration statement relating to this offering becomes effective, as well as any future increases in the number of shares of common stock reserved for issuance under the 2023 Plan; and
- a number of shares of our common stock equal to 1% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) reserved for future issuance under the ESPP, which will become effective on the date immediately prior to the date our registration statement relating to this offering becomes effective, as well as any future increases in the number of shares of common stock reserved for issuance under the ESPP.

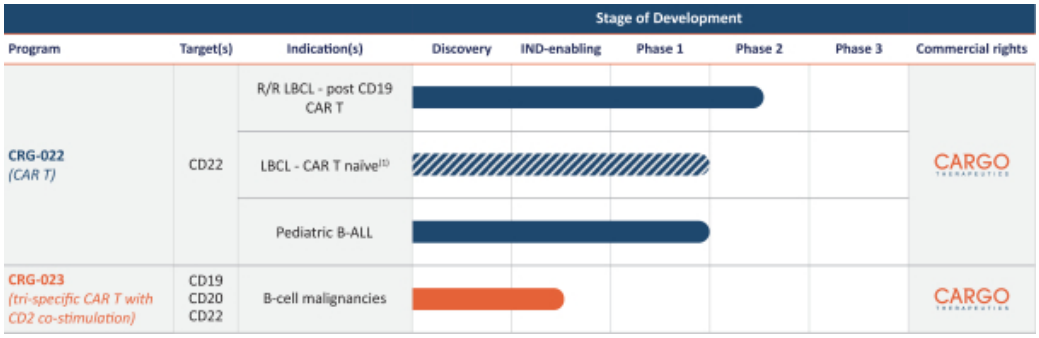
To the extent any outstanding options or other rights are exercised, or we issue additional equity or convertible securities in the future, there will be further dilution to new investors.

Management's discussion and analysis of financial condition and results of operations

You should read the following discussion of our financial condition and results of operations in conjunction with the section titled "Prospectus summary—Summary financial data" and our historical audited financial statements and our unaudited interim condensed financial statements and related notes included elsewhere in this prospectus. This discussion contains forward-looking statements based upon current beliefs, plans and expectations related to future events and our future financial performance that involve risks, uncertainties and assumptions. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this prospectus, particularly in the section titled "Risk Factors."

Overview

We are a clinical-stage biotechnology company uniquely positioned to advance next generation, potentially curative cell therapies for cancer patients. Our programs, platform technologies, and manufacturing strategy are designed to directly address the limitations of approved chimeric antigen receptor (CAR) T-cell therapies. A CAR is a protein that has been engineered to modify T cells so they can recognize and destroy cancer cells. We believe the limitations of these therapies include limited durability of effect, safety concerns and unreliable supply. Our lead program, CRG-022, an autologous (derived from a patient's cells) CD22 chimeric antigen receptor (CAR) T-cell product candidate, the underlying CAR of which we exclusively licensed, is being studied by Stanford in a Phase 1 clinical trial in patients with large B-cell lymphoma (LBCL) whose disease relapsed or was refractory (R/R) to CD19 CAR T-cell therapy. On the basis of the results from the clinical trial, we are evaluating CRG-022 in a potentially pivotal Phase 2 clinical trial in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. We also plan to evaluate CRG-022 in patients at earlier stages of disease, including LBCL and other hematologic malignancies. Beyond our lead program, we are leveraging our proprietary cell engineering platform technologies to develop a pipeline of programs that incorporate multiple transgene therapeutic "cargo" designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as to help safeguard against tumor resistance and T-cell exhaustion. Our founders are pioneers and world-class experts in CAR T-cell therapy, and our team has significant experience and success developing, manufacturing, launching and commercializing oncology and cell therapy products. We aim to become a fully integrated, leading cell therapy company. Together, we are united in our mission to outsmart cancer and deliver more cures for patients.



(1) Based on data from the Phase 1 clinical trial conducted by Stanford and pending data from our ongoing Phase 2 clinical trial in R/R LBCL – post CD19 CAR T, we intend to discuss with the FDA initiation of a Phase 2 program in LBCL – CAR T nalve without completing earlier clinical trials in LBCL – CAR T-nave patients.

We have incurred significant operating losses and negative cash flows since our inception. Since our founding, we have devoted substantially all of our resources to organizing and staffing our company, business planning, raising capital, establishing licensing arrangements, building our proprietary platform technologies, discovering our product candidates, establishing our intellectual property portfolio, conducting research, preclinical studies, and clinical trials, establishing arrangements with third parties for the manufacture of our product candidates and related raw materials, and providing general and administrative support for these operations. Our net loss was $14.9 million and $30.6 million for the six months ended June 30, 2022 and 2023, respectively, and $5.9 million and $41.0 million for the years ended December 31, 2021 and 2022, respectively. As of June 30, 2023, we had an accumulated deficit of $77.6 million and cash and cash equivalents of $42.4 million. During the six months ended June 30, 2023, we issued convertible notes for an aggregate principal amount of $3.5 million and 5,072,919 shares of our Series A-1 redeemable convertible preferred stock for net proceeds of $68.1 million. In July and October 2023, we completed the second and third tranche closings of our Series A financing and issued 3,381,941 and 6,341,148 shares of Series A-1 redeemable convertible preferred stock for gross proceeds of $45.9 million and $86.0 million, respectively. Based on our current operating plans, we estimate that our existing cash and cash equivalents, together with the estimated net proceeds from this offering, will be sufficient to meet our working capital and capital expenditures through 2025. We have based this estimate on our current assumptions, which may prove to be wrong, and we may exhaust our available capital resources sooner than we expect.
We expect to continue to incur significant and increasing net operating losses for the foreseeable future as we:

- advance our product candidates through clinical and preclinical development;
- seek regulatory approval, prepare for and, if approved, proceed to commercialization of our product candidates;
- continue our research and development efforts and expand our pipeline of product candidates;
- attract, hire and retain additional personnel;
- maintain, expand and protect our intellectual property portfolio;
- operate as a public company;
- implement operational, financial and management information systems;
- make royalty, milestone or other payments under current, and any future, license or collaboration agreements;
- potentially seek to identify, acquire or in-license new technologies or product candidates;
- establish a sales, marketing and distribution infrastructure to commercialize any product candidate for which we may obtain marketing approval;
- potentially experience any delays, challenges, or other issues associated with the clinical development of our product candidates, including with respect to our regulatory strategies; and
- develop manufacturing processes and methods and establish manufacturing capacity to supply for clinical trials in our pipeline and eventual for commercialization.

Our net losses may fluctuate significantly from period to period, depending upon the timing of our expenditures on other research and development activities. Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the change in our accounts payable and accrued research and development and other current liabilities.

To date, we have funded our operations primarily with the proceeds from the sale and issuance of our convertible preferred stock and convertible notes. We do not have any products approved for sale and have not generated any revenue from product sales since our inception. We do not expect to generate revenue from any product candidates that we develop until we obtain regulatory approval for one or more of such product candidates and commercialize our products or enter into collaboration agreements with third parties. Because of the numerous risks and uncertainties associated with therapeutic product development, we may never achieve or sustain profitability and, unless and until we are able to develop and commercialize our product candidates, we will need to continue to raise substantial additional capital. Until such time as we can generate significant revenue from sales of our product candidates, if ever, we expect to fund our operations through public or private equity offerings or debt financings, credit or loan facilities, potentially other capital sources, such as collaboration or licensing arrangements with third parties or other strategic transactions, or a combination of one or more of these funding sources. If we are unable to obtain adequate funding as and when needed, or on attractive terms, we could be required to significantly delay, reduce or eliminate some or all of our research and development activities, product portfolio expansion or commercialization efforts, out-license intellectual property rights to our product candidates, sell unsecured assets, or scale back or terminate our pursuit of new strategic arrangements and transactions, or a combination of the above, any of which may have a material adverse effect on our business, results of operations, financial condition and/or our ability to fund our scheduled obligations on a timely basis or at all.

We utilize third-party contract manufacturing organizations (CMOs), to manufacture and supply our preclinical and clinical materials during the development of our product candidates. We expect to use similar contract resources for the commercialization of our products, at least until our resources and operations are at a scale that justifies investment in internal manufacturing capabilities. The terms and conditions for each of the CMOs are defined in the respective manufacturing and supply agreements.

License agreements

The following is a summary of certain of the key terms of our license agreements. For additional details, see the section titled “Business—License agreements.”

Stanford license agreement

In August 2022, we entered into an exclusive license agreement with Stanford University pursuant to which Stanford University granted us the right to make, use and sell products covered by the licensed patent rights for CD-2 platform technology (Stanford License Agreement). The technology licensed under this agreement may be used in a future product candidate currently under development and is not used in our lead program, CRG-022.

As consideration for the license granted under the Stanford License Agreement, we incurred a one-time, non-refundable upfront fee of $50,000 and issued 67,605 shares of our common stock, of which 22,317 shares were issued to Stanford University, 27,100 shares were issued to two non-profit organizations that supported the research, and 18,188 shares were issued to various Stanford University inventors. In addition to annual license maintenance fees of up to $0.1 million per year, we may be required to pay up to $12.0 million in milestone payments upon achievement of specific intellectual property, clinical, regulatory and commercial milestones, and to pay earned royalties at a low single-digit percentage on net sales of a therapeutic product, subject to an anti-stacking provision. We are also obligated to pay Stanford a percentage of non-royalty revenue received from sub-licenses in the event we exercise our right to sublicense under the Stanford License Agreement.

Oxford license and supply agreement

In June 2022, we entered into a License and Supply Agreement (Oxford Agreement), with Oxford for the manufacture and supply of lentiviral vectors for clinical and potentially commercial purposes. Under the Oxford

Agreement, Oxford granted us a non-exclusive worldwide, royalty-bearing license under certain intellectual property rights for the purposes of research, development and commercialization of products transduced with the vectors.

As consideration for the license granted under the Oxford Agreement, we incurred an upfront fee of $0.2 million, and may be required to pay if certain development, regulatory and commercial milestones are achieved. Additionally, we are obligated to pay an earned royalty on net sales of products manufactured with the Oxford vector at a low single digit percentage.

National Cancer Institute

In March 2022, we entered into an exclusive license agreement (2022 NCI License Agreement) with the U.S. Department of Health and Human Services, as represented by The National Cancer Institute (NCI), pursuant to which we obtained an exclusive, worldwide, royalty-bearing license under certain patent rights to research, develop and commercialize products related to our CRG-022 program covered by such licensed patents.

We are required to pay NCI a non-refundable license fee of $0.6 million, of which $0.2 million was paid in 2022, and the remaining balance of $0.4 million is payable in three equal annual installments, beginning on the first anniversary of the effective date of the agreement. We accrued these non-refundable upfront fees on entering into the 2022 NCI License Agreement. We may be required to pay up to $18.0 million in milestone payments upon achievement of specific clinical and commercial milestones and an earned royalty on net sales of autologous cell therapy products covered by the licensed patent rights at a low single-digit percentage, depending on the amount of annual net sales. We are also required to make minimum annual royalty payments of $50,000 per year, which will be creditable against royalties due for sales in that year. We are obligated to pay the NCI a percentage (ranging from 5-10% on the low-end of the range to 15-25% on the high-end of the range) of non-royalty revenue in the event we choose to exercise our right to sublicense. Additionally, in the event we are granted a priority review voucher (PRV), we would be obligated to pay NCI a minimum of $5.0 million upon the sale, transfer or lease of the PRV or $0.5 million upon submission of the PRV for use by the Food and Drug Administration (FDA). We are also obligated to pay NCI a percentage (ranging from 2-7% on the low-end of the range to 7-12% on the high-end of the range) of the fair market value of the consideration we receive for any assignment of the 2022 NCI License Agreement to a non-affiliate (upon NCI's prior written consent) or an allocated portion of the fair value of consideration received in connection with a change in control.

In February 2023, we entered into another exclusive license agreement (2023 NCI License Agreement) with NCI pursuant to which we obtained an exclusive, worldwide, royalty-bearing license under certain patent rights to research, develop and commercialize products related to our CRG-022 program covered by such licensed patents.

We are required to pay NCI a non-refundable license fee of $0.3 million in three annual installments. Additionally, we must reimburse NCI for $0.1 million in expenses incurred by NCI prior to January 1, 2022 related to the preparation, filing, prosecution, and maintenance of all patent applications and patents included in the license under the 2023 NCI License Agreement. We accrued these non-refundable upfront fees and patent reimbursement expenses upon entering into the 2023 NCI License Agreement on the balance sheet. We may be required to pay up to $17.8 million in milestone payments upon achievement of specific clinical and commercial milestones and low single-digit percentage royalties on net sales of products incorporating the licensed patent rights. The 2023 NCI License Agreement has similar terms as the 2022 NCI License Agreement for payments related to minimum annual royalties, non-royalty revenue, PRV and consideration from assignment of the 2023 NCI License Agreement or in connection with a change in control.

Components of operating results

Operating expenses

Our operating expenses consist of research and development expenses and general and administrative expenses.

Research and development expenses

Our research and development expenses consist of:

- direct costs, including:
    - costs related to the production of preclinical and clinical materials, including fees, milestones and royalties paid to contract manufacturers,
    - expenses incurred under agreements with consultants and third-party contract organizations that conduct research and development activities on our behalf,
    - laboratory supplies and materials used for internal research and development activities,
    - laboratory and vendor expenses related to the execution of preclinical studies and planned clinical trials,
    - health authority filing fees costs related to sponsored research service agreements, and
    - costs incurred in obtaining technology licenses or in-process research and development (IPR&D) assets through asset acquisitions if the technology or IPR&D has not reached technological feasibility and has no alternative future use.
- indirect costs, including:
    - personnel-related costs, such as salaries, benefits and stock-based compensation expenses for employees engaged in research and development functions, and
    - facilities-related costs, depreciation and other miscellaneous costs.

We expense all research and development costs in the periods in which such costs are incurred. Costs for certain research and development activities are recognized based on evaluating the progress to completion of specific tasks using information and data provided to us by our vendors and third-party service providers. Non-refundable advance payments for goods and services used over time for research and development are capitalized and recognized as goods are delivered or as the related services are performed. In-licensing fees and other costs to acquire technologies used in research and development that have not yet received regulatory approval and that are not expected to have an alternative future use are expensed when incurred. Because we are working on multiple research and development programs at any one time, we track our direct costs by the stage of program, clinical or preclinical. However, our indirect costs are not directly tied to any one program and are deployed across multiple programs. As such, we do not track indirect costs on a specific program basis.

As of the date of this prospectus, we cannot reasonably determine the nature, timing, and estimated costs of the efforts that will be necessary to complete the development of, and obtain regulatory approval for, any of our product candidates. Product candidates in later stages of development generally have higher development costs than those in earlier stages. We expect that our research and development expenses will increase substantially for the foreseeable future as we continue to invest in research and development activities related to developing our product candidates, as our product candidates advance into later stages of development, as we begin to conduct clinical trials, as we seek regulatory approvals for any product candidates that successfully

complete clinical trials, as we expand our product pipeline, as we maintain, expand, protect and enforce our intellectual property portfolio, and as we incur expenses associated with hiring additional personnel to support our research and development efforts.

The process of conducting the necessary clinical research to obtain regulatory approval is costly and time-consuming, and the successful development of our product candidates is highly uncertain. Our research and development expenses may vary significantly based on factors such as:

- the number and scope of preclinical and IND-enabling studies;
- the phases of development of our product candidates;
- the progress and results of our research and development activities;
- per subject trial costs;
- the number of trials required for regulatory approval;
- the number of sites included in the trials;
- the countries in which the trials are conducted;
- length of time required to enroll eligible subjects and initiate clinical trials;
- the number of subjects that participate in the trials;
- the drop-out and discontinuation rate of subjects;
- potential additional safety monitoring requested by regulatory agencies;
- the duration of subject participation in the trials and follow-up;
- the cost and timing of manufacturing of our product candidates;
- the timing of licensing milestone payments related to development, regulatory and commercial events;
- manufacturing success with patient materials;
- the receipt of regulatory approvals from applicable regulatory authorities;
- mitigation/responses to potential health authority questions, inspections;
- the timing, receipt and terms of any marketing approvals from applicable regulatory authorities;
- the hiring and retention of research and development personnel;
- the degree to which we obtain, maintain, defend and enforce our intellectual property rights; and
- the extent to which we establish collaboration, licensing or similar arrangements and the performance of any related third parties.

A change in the outcome of any of these variables with respect to the development of any of our product candidates could significantly change the costs and timing associated with the development of that product candidate.

General and administrative expenses

Our general and administrative expenses consist primarily of personnel-related costs, costs related to maintenance and filing of intellectual property and other expenses for outside professional services, including

legal, human resources, audit, and accounting services, as well as facilities-related costs not included in research and development expenses. Personnel-related costs consist of salaries, bonuses, benefits and stock-based compensation costs for our executive, finance, and general and administrative personnel. We expect that our general and administrative expenses will increase for the foreseeable future to support our expanding headcount and operations, and as we advance our product candidates through clinical development, which will also increase our general and administrative expenses. Following this offering, we also expect that our costs will increase related to legal, audit, accounting, regulatory and tax-related services associated with maintaining compliance with exchange listing and SEC requirements, director and officer insurance costs, investor and public relations costs, and other expenses that we did not incur as a private company.

Interest expense

Interest expense primarily consists of accrued interest, amortization of debt discounts and issuance costs related to our convertible notes.

Net change in fair value of redeemable convertible preferred stock tranche obligations

The net change in fair value of redeemable convertible preferred stock tranche obligations consists of measurement gains or losses recorded on subsequent remeasurement of the redeemable convertible preferred stock tranche asset and liability related to our Series A-1 redeemable convertible preferred stock.

Change in fair value of derivative liabilities

The change in fair value of derivative liabilities consists of measurement losses recorded on subsequent remeasurement of derivative liabilities related to our convertible notes. We remeasured the fair value of the derivative liabilities until the underlying convertible notes were settled through conversion in February 2023.

Loss on extinguishment of convertible notes

The loss on extinguishment of convertible notes consists of the loss realized upon conversion of our convertible notes into Series A-2 redeemable convertible preferred stock in February 2023.

Other income (expense), net

Other income (expense), net consists primarily of federal research and development tax credits and interest income earned on our cash.

Results of operations

Comparison of the six months ended June 30, 2022 and 2023

Our results of operations for each of the periods indicated are summarized in the table below:

(in thousands) (unaudited)	Six months ended June 30, 2022	2023	Change amount
Operating expenses:			
Research and development	$ 11,673	$ 26,491	$ 14,818
General and administrative	2,044	6,552	4,508
Total operating expenses	13,717	33,043	19,326
Loss from operations	(13,717)	(33,043)	(19,326)
Interest expense	(776)	(1,604)	(828)
Net change in fair value of redeemable convertible preferred stock tranche obligations	—	(692)	(692)
Change in fair value of derivative liabilities	(407)	6,453	6,860
Loss on extinguishment of convertible notes	—	(2,316)	(2,316)
Other income (expense), net	(17)	603	620
Net loss and comprehensive loss	$ (14,917)	$ (30,599)	$(15,682)

Research and development expenses

Our research and development expenses for each of the periods indicated are summarized by class in the table below:

(in thousands) (unaudited)	Six months ended June 30, 2022	2023	Change amount
Direct costs:			
Contract manufacturing	$ 3,441	$ 10,354	$ 6,913
Preclinical and clinical outside services	259	2,468	2,209
Consulting and professional services	1,539	342	(1,197)
Laboratory supplies and materials	1,528	2,677	1,149
Acquired in-process research and development	850	466	(384)
Indirect costs:			
Personnel-related costs including stock-based compensation	2,923	7,391	4,468
Facilities-related and other	1,133	2,793	1,660
Total research and development expenses	$ 11,673	$ 26,491	$14,818

Research and development expenses increased by $14.8 million to $26.5 million in the six months ended June 30, 2023 compared to $11.7 million in the six months ended June 30, 2022. This increase was primarily driven by an increase of $6.9 million in contract manufacturing costs, as well as increases in personnel-related costs of $4.5 million, preclinical and clinical outside services of $2.2 million, and laboratory supplies and materials of $1.1 million as we progressed CRG-022 and continued the development of our manufacturing process in preparation for our Phase 2 clinical trial starting in the third quarter of 2023 and increased headcount on our research and development teams to support our development efforts. Facilities-related and other expenses increased by $1.7 million related to our new facilities lease entered into in February 2023.

Consulting and professional services decreased by $1.2 million primarily due to a $0.5 million decrease in recruiting costs and a $0.7 million decrease in consulting expenses due to reduced reliance on external consultants and professional services to support clinical development and technical operations activities as we increased headcount on our research and development teams.

General and administrative expenses

Our general and administrative expenses for each of the periods indicated are summarized by class in the table below:

(in thousands) (unaudited)	Six months ended June 30, 2022	Six months ended June 30, 2023	Change amount
Personnel-related costs, including stock-based compensation	$ 839	$ 2,355	$ 1,516
Professional services	1,028	3,921	2,893
Facilities-related and other	177	276	99
Total general and administrative expenses	$ 2,044	$ 6,552	$ 4,508

General and administrative expenses increased by $4.5 million to $6.5 million in the six months ended June 30, 2023 compared to $2.0 million in the six months ended June 30, 2022. This increase was primarily driven by an increase of $2.9 million in professional services related to accounting and audit costs, as well as an increase in outsourced human resource services, and an increase of $1.5 million in personnel-related costs due to a higher headcount in our finance and administrative personnel.

Interest expense

Interest expense increased by $0.8 million to $1.6 million in the six months ended June 30, 2023 compared to $0.8 million in the six months ended June 30, 2022. This increase was attributable to additional issuances of convertible notes. The outstanding balance of our convertible notes increased from $8.1 million as of June 30, 2022 to $24.9 million prior to the conversion of the convertible notes into shares of our Series A-2 redeemable convertible preferred stock in February 2023.

Net change in fair value of redeemable convertible preferred stock tranche obligations

The net change in fair value of redeemable convertible preferred stock tranche obligations was a net loss of $0.7 million in the six months ended June 30, 2023 primarily due to an estimated increase in the fair value of the underlying shares of our Series A-1 redeemable convertible preferred stock at the expected settlement dates. There were no redeemable convertible preferred stock tranche obligations in the six months ended June 30, 2022.

Change in fair value of derivative liabilities

The change in fair value of derivative liabilities associated with our convertible notes was a gain of $6.5 million in the six months ended June 30, 2023 compared to a loss of $0.4 million in the six months ended June 30, 2022. This change was primarily due to a decrease in the expected term of the triggering event as a result of the conversion of the convertible notes into shares of our Series A-2 redeemable convertible preferred stock in February 2023, which decreased the fair value of the embedded derivatives.

Loss on extinguishment of convertible notes

The loss on extinguishment of convertible notes was $2.3 million in the six months ended June 30, 2023. The terms of the convertible notes were amended in February 2023 to convert the notes into shares of our Series A-2 convertible preferred stock at a conversion price of $10.18 per share, which exceeded the carrying value of the convertible notes and embedded derivative liabilities at the time, and resulted in a loss upon extinguishment.

Comparison of the years ended December 31, 2021 and 2022

Our results of operations for each of the periods indicated are summarized in the table below:

(in thousands)	Year ended December 31, 2021	2022	Change amount
Operating expenses:			
Research and development	$ 4,461	$ 29,373	$ 24,912
General and administrative	1,516	5,398	3,882
Total operating expenses	5,977	34,771	28,794
Loss from operations	(5,977)	(34,771)	(28,794)
Interest expense	—	(4,942)	(4,942)
Change in fair value of derivative liabilities	—	(1,216)	(1,216)
Other income (expense), net	127	(22)	(149)
Net loss and comprehensive loss	$ (5,850)	$ (40,951)	$(35,101)

Research and development expenses

Our research and development expenses for each of the periods indicated are summarized by class in the table below:

(in thousands)	Year ended December 31, 2021	2022	Change amount
Direct costs:			
Contract manufacturing	$ 1,391	$ 10,413	$ 9,022
Consulting and professional services	1,804	2,058	254
Laboratory supplies and materials	39	3,270	3,231
Preclinical and clinical outside services	33	2,063	2,030
Acquired in-process research and development	—	1,013	1,013
Indirect costs:			
Personnel-related costs including stock-based compensation	927	8,307	7,380
Facilities-related and other	267	2,249	1,982
Total research and development expenses	$ 4,461	$ 29,373	$24,912

Research and development increased by $24.9 million in 2022 compared to 2021. This increase was primarily driven by an increase of $9.0 million in contract manufacturing expenses, as well as increases in personnel-related costs of $7.4 million, laboratory supplies and materials of $3.2 million, and preclinical and clinical outside services of $2.0 million as we increased our investments in research and development as we progressed CRG-022 and continued the development of our manufacturing process in preparation for our Phase 2 clinical

trial starting in the third quarter of 2023 and increased headcount to support these investments. Facilities-related and other expenses increased by $2.0 million primarily due to expenses related to our new facility lease entered into in November 2021. Acquired in-process research and development increased by $1.0 million primarily due to upfront fees paid on license arrangements entered into with Stanford University, Oxford and the NCI.

General and administrative expenses

Our general and administrative expenses for each of the periods indicated are summarized by class in the table below:

(in thousands)	Year ended December 31, 2021	2022	Change amount
Personnel-related costs including stock-based compensation	$ 812	$ 2,275	$ 1,463
Professional services	614	2,745	2,131
Facilities-related and other	90	378	288
Total general and administrative expenses	$ 1,516	$ 5,398	$ 3,882

General and administrative expenses increased by $3.9 million in 2022 compared to 2021. This increase was primarily driven by a $2.1 million increase in professional services primarily due to an increase in legal fees, as well as outside accounting and corporate services, a $1.5 million increase in personnel-related costs due to higher headcount in our finance and administrative personnel, and a $0.3 million increase in facilities-related and other expenses primarily due to expenses related to our facility lease entered into in November 2021.

Interest expense

Interest expense of $4.9 million for the year ended December 31, 2022 was related to the issuance of convertible notes in 2022. There were no convertible notes issued or outstanding in 2021.

Change in fair value of derivative liabilities

The change in fair value of derivative liabilities associated with our convertible notes was $1.2 million in 2022. There were no derivative liabilities in 2021 as we did not issue any convertible notes during the year.

Liquidity and capital resources

Since our inception, we have funded our operations primarily with the proceeds from the sale and issuance of our convertible preferred stock and from convertible notes. During the six months ended June 30, 2023, we raised aggregate net cash proceeds of $71.6 million from the sale and issuance of our convertible preferred stock and convertible notes, net of issuance costs. To date, we have incurred significant losses and negative cash flows from operations. As of June 30, 2023, we had available cash and cash equivalents of $42.4 million, which is available to fund operations, and an accumulated deficit of $77.6 million.

We expect to continue to incur significant operating losses in the foreseeable future to support our planned continued development of one or more of our product candidates. Our existing cash as of June 30, 2023 and the proceeds of $45.9 million and $86.0 million from the issuances of our Series A-1 redeemable convertible preferred stock in July 2023 and October 2023, respectively, will not be sufficient to fund our operations for at least one year from the issuance date of our financial statements. These factors individually and collectively raise substantial doubt about our ability to continue as a going concern. Our financial statements do not include any adjustments or classifications that may result from our possible inability to continue as a going concern. However, based on our current operating plans, we estimate that our existing cash and cash equivalents,

together with the net proceeds from this offering, will be sufficient to meet our working capital and capital expenditure needs through 2025. We have based this estimate on our current assumptions, which may prove to be wrong, and we may exhaust our available capital resources sooner than we expect.

Convertible notes

In April and October 2022, we executed convertible note purchase agreements for total gross proceeds of $25.0 million and $12.0 million, respectively. Each note purchase agreement included three separate tranches of funding, one upon execution of the agreement and an additional two tranches upon achievement of certain milestones. We issued the three tranches under the April 2022 note purchase agreement in April, August and October 2022 for aggregate net proceeds of $19.9 million. We issued the first and second tranches under the October 2022 note purchase agreement in October and December 2022, respectively, for aggregate net proceeds of $8.5 million, and the third tranche in January 2023 for net proceeds of $3.5 million. The convertible notes issued pursuant to the note purchase agreement bore interest at 6.0% per annum and were issued with maturity dates of April 2023 and October 2023. In February 2023, concurrently with our Series A redeemable convertible preferred stock financing, the convertible notes issued pursuant to the note purchase agreement were amended to convert into shares of our Series A-2 redeemable convertible preferred stock at a conversion price of $10.18 per share. The notes automatically converted into 3,229,851 shares of our Series A-2 redeemable convertible preferred stock in February 2023 when we completed the initial closing of the sale of our Series A-1 redeemable convertible preferred stock.

Series A-1 redeemable convertible preferred stock

In February 2023, we executed the Series A Preferred Stock Purchase Agreement (Series A SPA) and issued and sold 5,072,919 shares of our Series A-1 redeemable convertible preferred stock for aggregate net proceeds of $68.1 million as part of the initial closing. Our outstanding convertible notes were also converted into 3,229,851 shares of our Series A-2 redeemable convertible preferred stock. The Series A SPA includes two additional tranche closings for 3,381,941 shares and 6,341,148 shares, respectively, at a purchase price of $13.57 per share. We completed the second and third tranche closings in July 2023 and October 2023, respectively, for gross proceeds of $45.9 million and $86.0 million, respectively.

Future funding requirements

Because of the numerous risks and uncertainties associated with research, development, manufacturing, supply and commercialization of pharmaceutical products, we are unable to estimate the exact amount of our operating capital requirements. Our future funding requirements will depend on many factors, including, but not limited to:

- the scope, progress, results and costs of researching, developing and manufacturing our product candidates or any future product candidates, and conducting preclinical studies;
- manufacturing success;
- the timing of, and the costs involved in, obtaining regulatory approvals or clearances for our product candidates or any future product candidates;
- the number and characteristics of any additional product candidates we develop or acquire;
- the cost of any future product candidates and any products we successfully commercialize;
- our ability to establish and maintain strategic collaborations, licensing or other arrangements and the financial terms of any such agreements that we may enter into, including the timing and amount of any future milestone, royalty or other payments due under any such agreement;

- the expenses needed to attract and retain skilled personnel; and
- the timing, receipt and amount of sales of any future approved or cleared products, if any.

We do not have any products approved for sale and have not generated any revenue from product sales since our inception. We do not expect to generate revenue from any product candidates that we develop until we obtain regulatory approval for one or more of such product candidates and commercialize our products or enter into collaboration agreements with third parties. Because of the numerous risks and uncertainties associated with product development, we may never achieve or sustain profitability and, unless and until we are able to develop and commercialize our product candidates, we will need to continue to raise substantial additional capital. Until such time as we can generate significant product revenue, if ever, we expect to fund our operations through public or private equity offerings or debt financings, credit or loan facilities, potentially other capital sources, such as collaborations or licensing arrangements with third parties or other strategic transactions, or a combination of one or more of these funding sources. If we raise additional capital through debt or preferred equity financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as restricting our operations and limiting our ability to incur liens, issue additional debt, pay dividends, repurchase our common stock, make certain investments, or engage in merger, consolidation, licensing or asset sale transactions. If we raise funds through collaborations, license agreements, strategic transactions or other similar arrangements with third parties, we may be required to grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. There are no assurances that we will be successful in obtaining an adequate level of financing to support our business plans when needed on acceptable terms, or at all. If we are unable to obtain adequate funding as and when needed, or on attractive terms , we could be required to significantly delay, reduce or eliminate some or all of our research and development activities, product portfolio expansion or commercialization efforts, out-license intellectual property rights to our product candidates, sell unsecured assets, or scale back or terminate our pursuit of new strategic arrangements and transactions, or a combination of the above, any of which may have a material adverse effect on our business, results of operations, financial condition and/or our ability to fund our scheduled obligations on a timely basis or at all. Our ability to continue as a going concern is dependent upon our ability to successfully accomplish these plans and secure sources of financing and ultimately attain profitable operations.

Cash flows

Our cash flows for each of the periods indicated are summarized in the table below:

	Six months ended June 30,		Year ended December 31,	
(in thousands) (unaudited)	**2022**	**2023**	**2021**	**2022**
Cash used in operating activities	$ (9,246)	$ (28,965)	$ (4,942)	$ (29,072)
Cash used in investing activities	(1,442)	(2,113)	(442)	(3,282)
Cash provided by financing activities	17,490	71,577	5,414	34,185
Net increase in cash and cash equivalents	$ 6,802	$ 40,499	$ 30	$ 1,831

Operating activities

Cash used in operating activities of $29.0 million for the six months ended June 30, 2023 was primarily attributable to our net loss of $30.6 million, partially offset by a $0.9 million decrease in our working capital and $0.7 million in non-cash adjustments. Non-cash adjustments consisted primarily of a $2.3 million loss on extinguishment related to an amendment and conversion of our outstanding convertible notes into shares of our Series A-2 redeemable preferred stock in February 2023, $1.6 million in noncash interest expense primarily

related to additional issuances of our convertible notes, $1.0 million in amortization of right-of-use asset, $0.7 million related to the net change in fair value of tranche obligations related to our Series A-1 redeemable convertible preferred stock, $0.6 million in stock-based compensation, $0.5 million in acquisition of in-process research and development primarily related to upfront fees accrued upon entering into the 2023 NCI License Agreement and $0.5 million in depreciation, partially offset by a $6.5 million gain from the change in fair value of derivative liabilities related to our convertible notes. The $0.9 million decrease in working capital is primarily due to a $5.9 million increase in accounts payable, accrued clinical and research and development expenses, and accrued expenses and other current liabilities driven by increased research and development expenses mainly related to contract manufacturing services, preclinical and clinical outside services and personnel expenses, partially offset by a $3.8 million increase in other assets primarily related to a deposit paid for clinical trial services, a $0.9 million decrease in operating lease liability and a $0.3 million increase in prepaid expenses and other current assets.

Cash used in operating activities of $9.2 million for the six months ended June 30, 2022 was primarily attributable to our net loss of $14.9 million, partially offset by $2.9 million in non-cash adjustments and a $2.8 million decrease in our working capital. Non-cash adjustments consisted primarily of $0.8 million in noncash interest expense and $0.4 million in change in fair value of derivative liabilities related to our convertible notes, $0.5 million in amortization of right-of-use asset, $0.9 million in acquisition of in-process research and development primarily related to upfront fees incurred upon entering into the 2022 NCI License Agreement and the Oxford Agreement, $0.1 million in depreciation and $0.2 million in stock-based compensation. The $2.8 million decrease in working capital is primarily due to a $4.6 million increase in accounts payable, accrued clinical and research and development expenses, and accrued expenses and other current liabilities driven by increased research and development expenses mainly related to contract manufacturing services, partially offset by a $1.2 million increase in prepaid expenses and other current assets primarily related to prepayments for the anticipated manufacturing activities, $0.1 million increase in other assets and a $0.5 million decrease in operating lease liability.

Cash used in operating activities of $29.1 million for the year ended December 31, 2022 was primarily attributable to our net loss of $41.0 million, partially offset by $8.9 million in non-cash adjustments and a $3.0 million decrease in our working capital. Non-cash adjustments consisted primarily of $4.9 million in noncash interest expense and $1.2 million in change in fair value of derivative liabilities related to our convertible notes, $1.1 million in amortization of right-of-use asset, $1.0 million in acquisition of in-process research and development primarily related to upfront fees incurred upon entering into the 2022 NCI License Agreement, the Oxford Agreement and the Stanford License Agreement, $0.4 million in depreciation primarily related to the purchases of equipment for research and development activities and $0.3 million in stock-based compensation. The $3.0 million decrease in working capital was primarily due to a $6.3 million increase in accounts payable, accrued clinical and research and development expenses, accrued expenses and other current liabilities driven by increased research and development expenses, including contract manufacturing spending and accrued compensation and benefits driven by increased headcount, partially offset by a $1.9 million increase in prepaid expenses and other current assets primarily related to upfront payments for contract manufacturing and research services, a $1.1 million decrease in operating lease liability and a $0.3 million increase in other non-current assets related to deposits paid for our operating lease.

Cash used in operating activities of $4.9 million for the year ended December 31, 2021 was primarily attributable to our net loss of $5.9 million, partially offset by $0.7 million in non-cash adjustments and a $0.3 million decrease in our working capital. Non-cash adjustments consisted primarily of $0.5 million in stock-based compensation and $0.1 million in amortization of right-of-use asset. The decrease in working capital was primarily due to a $1.0 million increase in accounts payable, accrued clinical and research and development costs, and accrued expenses and other current liabilities driven by increased research and development

expenses, partially offset by a $0.4 million increase in other non-current assets related to payroll tax credit and a deposit paid upon execution of our lease in San Mateo, California, a $0.2 million decrease in operating lease liability and a $0.1 million increase in prepaid expenses and other assets.

Investing activities

Cash used in investing activities of $2.1 million for the six months ended June 30, 2023 consisted of $2.0 million in purchases of equipment for our research and development activities and $0.1 million from the purchase of in process research and development comprised of upfront fees paid upon entering into the 2023 NCI License Agreement.

Cash used in investing activities of $1.4 million for the six months ended June 30, 2022 consisted of $1.1 million in purchases of equipment for our research and development activities and $0.3 million from the purchase of in process research and development comprised of upfront fees paid upon entering into the 2022 NCI License Agreement and the Oxford Agreement.

Cash used in investing activities of $3.3 million for the year ended December 31, 2022 consisted of $2.7 million in purchases of equipment for our research and development activities and $0.6 million from the purchase of in process research and development comprised of upfront fees paid upon entering into the 2022 NCI License Agreement, the Oxford Agreement and the Stanford License Agreement.

Cash used in investing activities of $0.4 million for the year ended December 31, 2021 consisted of $0.4 million in purchases of equipment for our research and development activities.

Financing activities

Cash provided by financing activities of $71.6 million for the six months ended June 30, 2023 primarily consisted of $68.1 million in net proceeds from issuance of redeemable convertible preferred stock and $3.5 million in net proceeds from issuance of convertible notes payable, of which $2.2 million was from related parties.

Cash provided by financing activities of $17.5 million for the six months ended June 30, 2022 primarily consisted of $12.0 million in net proceeds from issuance of convertible notes, of which $6.4 million was from related parties, and $5.5 million in net proceeds from issuance of convertible preferred stock.

Cash provided by financing activities of $34.2 million for the year ended December 31, 2022 consisted of $28.5 million in net proceeds from issuance of convertible notes, of which $15.9 million was from related parties, $5.5 million in net proceeds from sale and issuance of shares of our Series Seed convertible preferred stock, and $0.2 million from the sale and issuance of restricted stock awards.

Cash provided by financing activities of $5.4 million for the year ended December 31, 2021 consisted of $5.4 million in net proceeds from sale and issuance of shares of our Series Seed convertible preferred stock.

Off-balance sheet arrangements

We currently do not have, and did not have during the periods presented, any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Contractual obligations and commitments

Leases

We have entered into lease arrangements, including amendments, for a certain facility, which comprises office and laboratory space, through November 2024. As of June 30, 2023, our fixed lease payment obligations are $3.8 million, with $2.8 million payable within 12 months.

License agreements

Our contractual obligations are expected to affect our liquidity and cash flows in future periods. Under our license agreements with our research institution partners, we are required to make payments upon successful completion and achievement of certain milestones as well as royalty payments upon sales of products covered by such licenses. The payment obligations under the license fees are recorded in accrued liabilities as such payments are not contingent on future events. The remaining payment obligations under the license agreements are contingent upon future events such as our achievement of specified development, clinical, regulatory, and commercial milestones. To the extent that the timing of these future milestone payments are not known, we have not included these fees in our balance sheets as of June 30, 2023. For a more detailed description of these agreements, see the section titled “Business—License agreements.”

Critical accounting policies and significant judgments and estimates

Management’s discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles (GAAP). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

While our significant accounting policies are described in Note 2 to our audited financial statements and Note 2 to our unaudited interim condensed financial statements appearing elsewhere in this prospectus, we believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operations.

Research and development expenses and accruals

We record research and development expenses to operations as incurred. Research and development expenses represent costs incurred by us for the discovery and development of our product candidates and the development of our technology and include employee salaries, benefits and stock-based compensation, third-party research and development expenses, including contract manufacturing and research services, consulting expenses, laboratory supplies, and certain allocated expenses, as well as amounts incurred under license agreements.

As part of preparing our financial statements, we are required to estimate and accrue expenses. We estimate preclinical study and clinical trial and other research and development expenses based on the services performed, pursuant to contracts with research institutions and third-party service providers that conduct and manage preclinical studies and clinical trials and research services on our behalf. We record the costs of research and development activities based upon the estimated services provided but not yet invoiced and include these costs in accrued expenses and other current liabilities in our balance sheets and in research and development expense in our statements of operations. We make significant judgments and estimates in determining the accrued balance in each reporting period. As actual costs become known, we adjust our accrued estimates. Although we do not expect our estimates to be materially different from amounts actually incurred, our understanding of the status and timing of services performed may vary from our estimates and

could result in us reporting amounts that are too high or too low in any particular period. Our accrued expenses are dependent, in part, upon the receipt of timely and accurate reporting from external third-party service providers. Amounts ultimately incurred in relation to amounts accrued for these services at a reporting date may be substantially higher or lower than our estimates. Contingent milestone payments, if any, are expensed when the milestone results are probable and estimable, which is generally upon the achievement of the milestone.

Our expenses related to clinical trials are based on estimates of patient enrollment and related expenses at clinical investigator sites as well as estimates for the services provided and efforts expended pursuant to contracts with multiple research institutions and contract research organizations that may be used to conduct and manage clinical trials on our behalf. We generally accrue expenses related to clinical trials based on contracted amounts applied to the level of patient enrollment and activity. If timelines or contracts are modified based upon changes in the clinical trial protocol or scope of work to be performed, we modify our estimates of accrued expenses accordingly on a prospective basis.

Derivative liabilities

Our convertible notes contain certain embedded redemption features that are not clearly and closely related to the debt host instruments. These features are bifurcated from the host instruments and recognized as derivative liabilities recorded at fair value on the date of issuance in accordance with Accounting Standards Codification (ASC) 815-15, *Derivatives and Hedging—Embedded Derivatives*. The fair value of the derivative liabilities was estimated using a "with-and-without" method which involves valuing the whole instrument on an as-is basis and then valuing the instrument without the embedded derivative. The difference between the entire instrument with the embedded derivatives compared to the instrument without the embedded derivatives is the fair value of the derivative liabilities. The estimated probability and timing of underlying events triggering the exercisability of the put option and conversion features contained within the convertible notes, forecasted cash flows and the discount rate were significant unobservable inputs used to determine the estimated fair value of the entire instrument with the embedded derivative. The derivative liabilities were remeasured to fair value at each reporting period until their extinguishment in February 2023, with changes in the fair value recorded as a change in fair value of derivative liabilities on the statement of operations and comprehensive loss.

Redeemable convertible preferred stock tranche obligations

The obligations to issue additional shares of our Series A-1 redeemable convertible preferred stock in two tranches at a fixed price at future dates were determined to be freestanding instruments within the scope of ASC 480, *Distinguishing Liabilities From Equity*. On issuance, we recorded the redeemable convertible preferred stock tranche asset and liability on the balance sheet at their estimated fair value. The fair value of our redeemable convertible preferred stock tranche asset and liability was calculated using a standard forward pricing model. The estimated probability and timing of achievement of underlying milestone event and the discount rate were significant unobservable inputs used to determine the estimated fair value of the entire instrument.

Stock-based compensation

We recognize compensation costs related to stock-based awards to employees and non-employees based on the estimated fair value of the awards on the date of grant. We estimate the grant date fair value, and the resulting stock-based compensation expense, using the Black-Scholes option pricing model. The grant date fair value of the stock-based awards is generally recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the respective awards. The Black-Scholes option pricing model requires the use of subjective assumptions to determine the fair value of stock-based awards including:

- *Fair Value of Common Stock* – See the subsection titled "–*Common stock valuations*" below.

- *Expected Term* – The expected term assumption represents the weighted-average period that our share-based awards are expected to be outstanding. We have opted to use the "simplified method" for estimating the expected term of the options, whereby the expected term equals the arithmetic average of the vesting term and the original contractual term of the option. The expected term of restricted stock awards was determined using the vesting term of the award.
- *Expected Volatility* – For all stock options granted to date, the volatility data was estimated based on a study of publicly traded industry peer companies. For purposes of identifying these peer companies, we considered the industry, stage of development, size, and financial leverage of potential comparable companies.
- *Expected Dividend* – The Black-Scholes option pricing model calls for a single expected dividend yield as an input. We currently have no history or expectation of paying cash dividends on our common stock.
- *Risk-Free Interest Rate* – The risk-free interest rate is based on the yield available on U.S. Treasury zero-coupon issues similar in duration to the expected term of the equity-settled award.

We will continue to use judgment in evaluating the assumptions utilized for our stock-based compensation expense calculations on a prospective basis. In addition to the assumptions used in the Black-Scholes option pricing model, the amount of stock-based compensation expense we recognize in our financial statements includes stock option forfeitures as they occur. Such assumptions involve inherent uncertainties and the application of significant judgment. As a result, if factors or expected outcomes change and we use significantly different assumptions or estimates, our stock-based compensation expenses could be materially different.

Stock-based compensation expenses were $0.5 million and $0.3 million for the years ended December 31, 2021 and 2022, respectively, and $0.2 million and $0.6 million for the six months ended June 30, 2022 and 2023, respectively. As of June 30, 2023, we had $6.9 million of total unrecognized stock-based compensation expense related to stock options, which we expect to recognize over a weighted-average period of 2.7 years. As of June 30, 2023, we had $0.1 million of total unrecognized stock-based compensation expense related to outstanding restricted stock awards, which we expect to recognize over a weighted-average period of 2.6 years.

The intrinsic value of all outstanding options as of June 30, 2023, was approximately $24.2 million, based on an assumed initial public offering price of $16.00 per share, the midpoint of the price range set forth on the cover of this prospectus, of which approximately $0.8 million was related to vested options and approximately $23.4 million was related to unvested options.

Common stock valuations

As there has been no public market for our common stock to date, the estimated fair value of our common stock underlying our share-based awards were estimated on each grant date by our management and approved by our board of directors. Our board of directors exercised reasonable judgment and considered a number of objective and subjective factors to determine the best estimate of the fair value of our common stock, including our stage of development, the rights, preferences and privileges of our convertible preferred stock relative to those of our common stock, our financial condition and operating results, the conditions in the biotechnology industry and the economy in general, the stock price performance and volatility of comparable public companies, and the lack of marketability of our common stock. Valuations of our common stock were prepared by an unrelated third-party valuation firm in accordance with the guidance provided by the American Institute of Certified Public Accountants' Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation* (the Practice Aid).

For our valuations performed prior to April 21, 2023, our board of directors determined the market approach and option pricing method (OPM) were the most appropriate methods for allocating our enterprise value. Under the market approach, we estimated the value based upon our prior sales of preferred stock to unrelated third parties. We then applied these derived multiples or values to our financial metrics to estimate our market value.

The allocation of these enterprise values to each part of our capital structure, including our common stock and convertible preferred stock, was done utilizing the OPM. The OPM treats the rights of the holders of preferred and common stock as equivalent to call options on any value of the enterprise above certain break points of value based upon the liquidation preferences of the holders of preferred stock, as well as their rights to participation and conversion. Thus, the estimated value of the common stock can be determined by estimating the value of its portion of each of these call option rights. The OPM derives the implied equity value of a company from a recent transaction involving our own securities issued on an arms-length basis.

For our valuations performed since April 21, 2023, our board of directors determined the hybrid method was the most appropriate method for determining the fair value of our common stock. The hybrid method is a hybrid between the probability-weighted expected returns method (PWERM) and the OPM. Using the PWERM, the enterprise value under various exit scenarios including an initial public offering (IPO) and staying private that considered our estimate of the timing of each scenario and were weighted based on our estimate of the probability of each event occurring. Our equity value under the IPO scenario was estimated using the market approach based on recent IPO values of comparable companies. The equity value under the IPO scenarios was allocated to our capital stock using an IPO scenario analysis that contemplates the timing, size, valuation, and probability of an IPO event in the future. The stay private scenario estimated our equity value using a market approach based on the second tranche closing of our Series A redeemable convertible preferred stock. The equity value was then allocated to our capital stock based on the OPM. The equity value under all scenarios was reduced by a discount for lack of marketability.

For valuations after the completion of this offering, the fair value of each share of underlying common stock will be based on the closing price of our common stock as reported on the date of grant on the primary stock exchange on which our common stock is traded.

Emerging growth company and smaller reporting company status

We expect to be an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012. 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. We have 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 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. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We are also a “smaller reporting company” as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as the market value of our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and the market value of our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

Recent accounting pronouncements

See Note 2 to our audited financial statements and Note 2 to our unaudited interim condensed financial statements included elsewhere in this prospectus for more information about recent accounting pronouncements, the timing of their adoption, and our assessment, to the extent we have made one yet, of their potential impact on our financial condition of results of operations.

Quantitative and qualitative disclosures about market risk

Market risk represents the risk of loss that may impact our financial position because of adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of exposure resulting from potential changes in interest rates, exchange rates or inflation. We do not hold financial instruments for trading purposes.

Interest rate risk

Our cash and cash equivalents consist of cash held in readily available checking and money market accounts. As of June 30, 2023, we did not hold any financial instruments for trading purposes. Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates.

Foreign currency

We contract with vendors in foreign countries, primarily in the United Kingdom. We are therefore subject to fluctuations in foreign currency rates in connection with these agreements. We do not hedge our foreign currency exchange rate risk.

Net realized and unrealized gains and losses from foreign currency transactions are reported in other income (expense), net, in the statements of operations and comprehensive loss. The impact of foreign currency costs on our operations has been negligible for all periods presented.

Inflation risk

Inflation generally affects us by increasing our cost of labor and clinical trial costs. We do not believe that inflation has had a material effect on our results of operations during the periods presented.

Business

Overview

We are a clinical-stage biotechnology company uniquely positioned to advance next generation, potentially curative cell therapies for cancer patients. Our programs, platform technologies, and manufacturing strategy are designed to directly address the limitations of approved chimeric antigen receptor (CAR) T-cell therapies. A CAR is a protein that has been engineered to modify T cells so they can recognize and destroy cancer cells. We believe the limitations of approved therapies include limited durability of effect, safety concerns and unreliable supply. Our lead program, CRG-022, an autologous (derived from a patient's cells) CD22 CAR T-cell product candidate, the underlying CAR of which we exclusively licensed, is being studied by Stanford University (Stanford) in a Phase 1 clinical trial in patients with large B-cell lymphoma (LBCL) whose disease relapsed or was refractory (R/R) to CD19 CAR T-cell therapy. On the basis of the results from the clinical trial, we are evaluating CRG-022 in a potentially pivotal Phase 2 clinical trial in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. We also plan to evaluate CRG-022 in patients at earlier stages of disease, including LBCL and other hematologic malignancies. Beyond our lead program, we are leveraging our proprietary cell engineering platform technologies to develop a pipeline of programs that incorporate multiple transgene therapeutic "cargo" designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as to help safeguard against tumor resistance and T-cell exhaustion. Our founders are pioneers and world-class experts in CAR T-cell therapy, and our team has significant experience and success developing, manufacturing, launching and commercializing oncology and cell therapy products. We aim to become a fully integrated, leading cell therapy company. Together, we are united in our mission to outsmart cancer and deliver more cures for patients.

Transformative advances have been made by commercially available CAR T-cell therapies; however, resistance mechanisms in hematologic malignancies can limit the strength and quality of T-cell response and contribute to disease progression, including loss or down-regulation of target antigen expression, loss of costimulation and limited CAR T-cell persistence. For example, as shown in the ZUMA-1 clinical trial for Yescarta in LBCL patients with two or more prior lines of therapy, approximately 60% of LBCL patients treated with Yescarta had their disease relapse or progress within 24 months. As CD19 CAR T-cell therapies continue to expand into earlier lines of therapy and additional geographies, there is a large growing unmet need for the majority of patients who do not experience a durable response. According to our estimates, we expect by 2030 approximately 7,600 patients annually may need treatment post CD19 CAR T-cell therapy within the United States as well as France, Germany, Italy, Spain and the United Kingdom (EU4/UK).

Our lead program, CRG-022, is a novel CAR T-cell product candidate designed to address resistance mechanisms by targeting CD22, an alternate tumor antigen that is expressed in a vast majority of B-cell malignancies. We exclusively licensed the underlying autologously derived CAR for CRG-022 from the National Cancer Institute (NCI). Prior to our licensing the underlying CAR from NCI, Stanford had begun a Phase 1 clinical trial of CRG-022, which has enrolled 41 patients with R/R LBCL, 38 of whom received CRG-022. As of the most recent data cutoff date (May 3, 2023), the following results were reported:

- CR rate of 53% (20 of 38 patients);
- responses were durable with 85% of patients (17 of 20 patients) that achieved a CR maintained their response with a median follow up time of 23 months and a maximum of 43 months;
- only 3 of the 20 patients who achieved a CR have relapsed;
- overall response rate (ORR) of 68% (26 of 38 patients), which was statistically significant;
- median overall survival (OS) of 14.1 months;

- only 1 patient experienced Grade 3 or higher cytokine release syndrome (CRS), which happens when a patient's immune system responds to an infection or immunotherapy more aggressively than it should;
- no patients experienced Grade 3 or higher immune effector cell-associated neuropathy (ICANS), which is a neurological toxicity that can occur following immunotherapy; and
- reliable supply with 95% successful manufacturing rate and median turnaround time of 18 days.

There have been 32 serious adverse events reported from 23 subjects on this study. There were four reports of Grade 3 sepsis/infection and two reports of cardiac disorders, which included grade 3 ejection fraction decreased and grade 2 heart failure. The largest category of reported SAEs (n = 14 events, 44%) have been hospitalizations for closer monitoring during a second peak of CRS that occurs between Day 11 and Day 14 post-CAR infusion.

In addition, the most common adverse events of Grade 3 or higher during treatment were neutropenia, which occurs when patients have lower-than-normal levels of a type of white blood cell and is especially common among people receiving cancer treatments, that was observed in all treated patients, anemia that was observed in 63% of treated patients, and thrombocytopenia, which occurs when bone marrow does not make enough platelets, that was observed in 63% of treated patients. All of these adverse events are commonly observed in other therapeutics in this class. Three deaths in the trial were deemed by investigators to be possibly related to study drug at the highest dose level, which is not being used in our ongoing Phase 2 clinical trial.

On the basis of these results, Stanford received Breakthrough Therapy Designation from the FDA for the treatment of adult LBCL patients whose disease is R/R after CD19-directed CAR T-cell therapy in connection with Stanford's Investigational New Drug (IND) application. We understand that Stanford may pursue additional clinical trials of a similar CAR T therapy to CRG-022 in other B-cell malignancies for research purposes.

Our and Stanford's clinical trials have been, and will be, conducted independently from each other, with the exception that we anticipate Stanford will be a clinical trial site for our ongoing Phase 2 clinical trial of CRG-022 in R/R LBCL post CD19 CAR T-cell therapy. In August 2023, we initiated a potentially pivotal multi-center Phase 2 clinical trial to evaluate the safety and efficacy of CRG-022 in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. In this growing patient population with significant unmet need, CRG-022 may provide another option and opportunity to achieve a complete and durable response. We expect interim results from this Phase 2 clinical trial in 2025. Beyond our initial focus on R/R LBCL post CD19 CAR T-cell therapy, we plan to evaluate CRG-022 in additional indications, including patients with LBCL who are CAR T naïve, as well as B-cell acute lymphocytic leukemia (B-ALL).

We are building upon the development of CRG-022 by leveraging our proprietary platform technologies, including our CD2 and STASH platforms, to enable the development of multi-specific and multi-functional cancer product candidates designed to improve outcomes and survival by addressing multiple mechanisms of resistance and other unmet needs. Our most advanced preclinical program, CRG-023, incorporates a tri-specific CAR to address either tumor antigen loss (e.g., CD19) or low-density antigen expression, loss of costimulation (e.g., CD58) and lack of T-cell persistence. CRG-023 is designed to target tumor cells with three B-cell antigen targets, CD19, CD20 and CD22. This product candidate also integrates a CD2 costimulatory domain into the tri-specific CAR T cell to counter a target-independent mechanism, the downregulation of CD58 (the ligand of the CD2 costimulatory receptor), that leads to resistance to CAR T cells and other immune therapies.

The strength and quality of a T-cell response is dependent not only on cognate antigen recognition, but also on costimulation, which involves interaction of one or more costimulatory receptors on T cells, such as CD2, with their cognate ligands (a molecule that typically interacts with a receptor) expressed on the surface of tumor cells, such as CD58. Tumor cells can escape CAR T-cell destruction by downregulating the expression of ligands

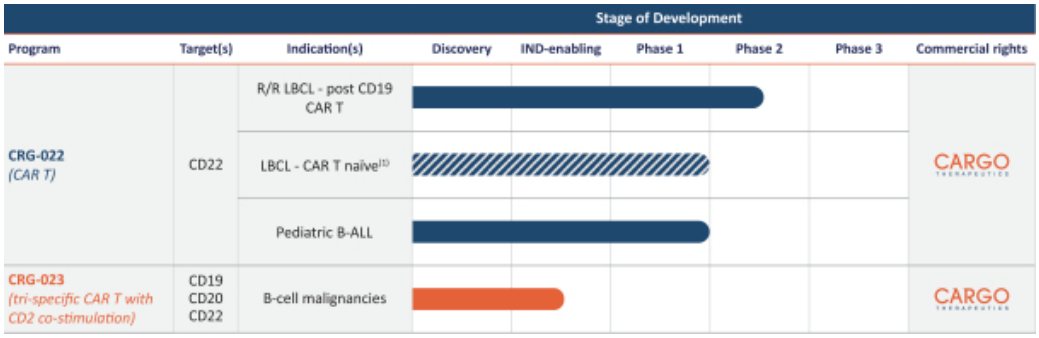
for the costimulatory receptors. Alteration of CD58 expression is associated with poor prognosis in patients with LBCL and leads to lack of response to CD19 CAR T cells. Approximately 25% of LBCL patients that are eligible for CAR T-cell therapy have mutated or absent CD58 and up to 67% have decreased expression of CD58. In addition, a study published in June 2023 demonstrated that aberrant CD58 expression can also occur in a wide range of hematologic malignancies including Hodgkin and non-Hodgkin lymphomas (both B-cell and T-cell), including *de novo* disease, suggesting a potential utility for our CD2 platform technology to mitigate immune escape in future therapies. Our CD2 platform creates constructs that couple CD2 signaling directly to CAR activation, thereby engaging CD2 signaling even in the presence of tumor cells that have reduced aberrant CD58 expression. We leveraged this platform to uniquely differentiate CRG-023.

Our second platform technology, which we refer to as STASH, is designed to enable multiplex engineering of a variety of immune cell types. This platform allows us to incorporate multiple transgene therapeutic “cargo” designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as to help safeguard against tumor resistance and T-cell exhaustion. As is common among CAR T cell therapies, we use a virus, in the form of a lentiviral vector to deliver the genetic elements that modify the T cell. Engineering a multifunctional cell requires the introduction of additional genetic elements that often do not fit within a single lentiviral vector, requiring the use of multiple vectors. However, engineering cells with multiple vectors typically results in a heterogeneous cell product, and we are unaware of an efficient way to generate a homogenous CAR T-cell product using existing viral vector systems. Our STASH platform is designed to address this problem by employing a technology that selects only cells that possess all of the desired transgenes, which enables the production of a homogeneous population of CAR T cells produced using more than one delivery vector. We believe this technology will allow us to efficiently incorporate more genetic elements into our CAR T cells with the goal of enhancing the potential for efficacy, persistence and safety.

Despite the curative potential of cell therapies, we believe these treatments are not readily available to many of the patients who could benefit from them due to manufacturing challenges, supply constraints, unpredictable turnaround time and other logistical challenges. With the goal of addressing these issues, our team developed the intended commercial manufacturing process and analytical control strategy for CRG-022, while demonstrating comparability of the final drug product to that produced by the process used in the Stanford Phase 1 clinical trial. Specifically, our CRG-022 IND application included our comprehensive data supporting the comparability of our intended commercial manufacturing process to the process used in the Stanford Phase 1 clinical trial, as well as qualified testing methods for the lentiviral vector and cell product, including a potency assay. Notwithstanding the foregoing, we cannot assure you that the FDA will agree with our claim of comparability and the sufficiency of the data to support it or agree with our ability to reference the preclinical, manufacturing or clinical data generated by the Stanford clinical trial even if we receive a right of reference from Stanford. If the FDA disagrees, there may be limitations on the inclusion of Phase 1 clinical trial data in the product label. We developed the intended commercial process prior to initiating our potentially pivotal Phase 2 clinical trial in order to potentially minimize the need for process or analytical changes post-pivotal clinical trial. In addition, we believe our strategy reduces the need for additional complex comparability studies post-pivotal clinical trial. Our process is designed to be readily transferrable, which we believe positions us to scale capacity if demand increases. The transferability of the process is enabled by the use of a single-cell processing device coupled with automated unit operations and a comparability framework.

Our programs

Our initial focus is to treat patients with high unmet need and poor survival outcomes who develop resistance to current guideline recommended cancer therapies. In the future, we aim to treat patients at earlier stages of disease to help prevent resistance from emerging in order to extend the durability of response. The figure below summarizes our pipeline of wholly owned CAR T-cell therapies designed to address key mechanisms of resistance for the treatment of a variety of cancers.



(1) Based on data from the Phase 1 clinical trial conducted by Stanford and pending data from our ongoing Phase 2 clinical trial in R/R LBCL – post CD19 CAR T, we intend to discuss with the FDA initiation of a Phase 2 program in LBCL – CAR T naïve without completing earlier clinical trials in LBCL – CAR T-naïve patients.

Our lead program, CRG-022

CRG-022 is an autologous CAR T-cell product candidate that targets CD22, a B-cell specific antigen that has been reported to be expressed in 81% to 100% of diffuse large B-cell lymphoma (DLBCL) patients. Importantly, CD22 expression is usually retained following loss of CD19 antigen expression in patients who become resistant to CD19 CAR T-cell therapy. Beyond targeting CD22, CRG-022 is also designed to incorporate several key features including its short linker, a single-chain variable fragment (scFv) targeting a membrane-proximal epitope on CD22 and its fully human composition, which, respectively, are designed to improve efficacy by increasing dimerization, minimizing resistance and reducing immunogenicity. Additionally, the CAR incorporates the 4-1BB costimulatory domain, which has been shown to improve long-term persistence.

We are initially focused on developing CRG-022 to treat patients with LBCL whose disease is R/R following CD19 CAR T-cell therapy. LBCL is a composite of different subtypes and includes DLBCL, high-grade B-cell lymphomas, primary mediastinal B-cell lymphoma (PMBCL) and grade 3B or transformed follicular lymphoma (FL). LBCL is the most common aggressive lymphoid malignancy in the United States and Europe, accounting for approximately 30% to 40% of all non-Hodgkin lymphomas (NHL), a disease with over 80,000 new diagnoses a year. Many DLBCL patients (approximately 30% to 50%) do not respond to or relapse after initial treatments, and then become eligible for CAR T-cell therapy targeting CD19.

Since 2017, the FDA has approved three autologous CD19 CAR T-cell products for the treatment of LBCL, which generated $1.3 billion in sales in DLBCL in 2022 in the United States/EU4/UK alone and are projected to grow to $2.6 billion and $3.3 billion sales annually by 2026 and 2030, respectively, according to data published by Clarivate Disease and Landscape Forecasting (NHL, CLL) 2023. CD19 CAR T-cell therapies can induce long-term remission in some patients, however, as shown in the ZUMA-1 clinical trial for Yescarta in LBCL patients with two or more prior lines of therapy, approximately 60% of LBCL patients treated with the CD19 CAR T-cell therapy had their disease relapse or progress within 24 months. As more patients receive these therapies, driven by recent approvals in earlier lines of therapy and geographic expansion, the unmet need for those who do not experience a durable response is growing. There is currently no broadly recognized standard of care for

patients with LBCL whose disease does not respond to or relapses following treatment with CD19 CAR T-cell therapies. The prognosis for this patient population is poor with a median OS of approximately five to eight months.

To help address the significant unmet need in this patient population, we are developing CRG-022, of which the underlying autologously derived CAR we exclusively licensed from the NCI. This CAR has been included in CD22 CAR T-cell product candidates dosed in more than 120 patients in several clinical trials conducted by Stanford and the NCI. The Stanford Phase 1 clinical trial enrolled 41 patients with LBCL whose disease was R/R to CD19 CAR T-cell therapy, including one patient whose disease was CD19-negative and was CD19 CAR T naïve. The primary endpoints for the Stanford clinical trial were (1) assessing manufacturing feasibility; (2) evaluating the severity of adverse events and dose limiting toxicities (DLT); and (3) establishing the maximum tolerated dose and recommended Phase 2 dose of CRG-022. Secondary endpoints included ORR, progression-free survival and overall survival. One patient withdrew from the clinical trial prior to leukapheresis and two patients did not receive CRG-022 due to an inability to manufacture given limited patient T cells, resulting in a 95% successful manufacturing rate (38 of 40 patients) with a median turnaround time of 18 days. In the 38 LBCL patients who received CRG-022, an ORR and a CR rate of 68% and 53%, respectively, was achieved. The median OS was 14.1 months. As of the May 3, 2023 cutoff date, the Phase 1 clinical trial demonstrated a 53% CR with 17 of 20 patients that achieved a CR maintained their response with a median follow up time of 23 months and a maximum of 43 months, which we believe suggests favorable durability.

CRG-022 was generally well-tolerated, as of the cutoff date, with only one patient experiencing Grade 3 or higher CRS and no patients experiencing Grade 3 or higher ICANS. In addition, the most common adverse events of Grade 3 or higher during treatment were neutropenia that was observed in all treated patients, anemia that was observed in 63% of treated patients, and thrombocytopenia that was observed in 63% of treated patients. All of these adverse events are commonly observed in other therapeutics in this class. Three deaths in the trial were deemed by investigators to be possibly related to study drug at the highest dose level. Further, two dose limiting toxicities were observed at the second dose level, leading to deescalation back to the first dose level. Given this result, it was determined that the Phase 2 optimal dose was the first dose level of 1×10^6 transduced CRG-022 cells per kg. Based on this data, we believe that CRG-022 may provide another option and opportunity to achieve a durable and complete response in the growing post CD19 CAR T-cell therapy patient population.

We have been actively engaged with the FDA in the design of our potentially pivotal multi-center Phase 2 clinical trial, which we initiated in August 2023, to evaluate the safety and efficacy of CRG-022 in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. We expect interim results from this Phase 2 clinical trial in 2025.

In addition to our initial focus on R/R LBCL, we are also evaluating the development of CRG-022 in additional indications, including LBCL in patients who are CAR T naïve, as well as B-ALL. In a Phase 1 clinical trial conducted by the NCI in children and young adults with R/R B-ALL with CD22 expression, treatment with CD22 CAR T-cell therapy using the same CAR as CRG-022 led to a 70% CR rate.

***O**ur tri-specific program, CRG-023*

Our most advanced preclinical program, CRG-023, incorporates a tri-specific CAR designed to address tumor antigen loss and our CD2 platform technology to address loss of costimulatory CD58. CRG-023 is designed to target tumor cells with three B-cell antigen targets, CD19, CD20 and CD22. Leveraging our CD2 platform, CRG-023 integrates a CD2 costimulatory domain into the tri-specific CAR T to counter a target-independent mechanism, the downregulation of CD58 (the ligand of the CD2 costimulatory receptor), that leads to resistance to CAR T cells and other immune therapies. CD58 alteration is associated with poor prognosis in LBCL and leads to lack of response to CD19 CAR T cells. Approximately 25% of LBCL patients that are eligible for CAR T-cell therapy have mutated or absent CD58 and up to 67% have decreased expression of CD58. In addition, a study

published in June 2023 in Modern Pathology demonstrated that aberrant CD58 expression can also occur in a wide range of hematologic malignancies including Hodgkin and non-Hodgkin lymphomas (both B-cell and T-cell), including *de novo* disease, suggesting a potential utility for our CD2 platform technology in future therapies to mitigate immune escape, which occurs when a tumor mutates to escape the patient's immune system. Our CD2 platform creates constructs that couple CD2 signaling directly to CAR activation, thereby engaging CD2 signaling even in the presence of tumor cells that have reduced or eliminated CD58 expression. We leveraged this platform to uniquely differentiate our CRG-023 program. We are initiating IND-enabling studies with CRG-023.

Our history, team and investors

We were founded by pioneers and world experts in CAR T-cell therapy, and we have built a seasoned leadership team with experience and success developing, manufacturing, launching and commercializing oncology and cell therapy products.

Our founders include internationally recognized experts from Stanford and an acclaimed cancer advocate. Crystal Mackall, MD, Professor of Pediatrics and Internal Medicine at Stanford serves as Founding Director of the Stanford Center for Cancer Cell Therapy, Associate Director of Stanford Cancer Institute, Leader of the Cancer Immunology and Immunotherapy Program, and Director of the Parker Institute for Cancer Immunotherapy at Stanford. Dr. Mackall previously served as Chief of the Pediatric Oncology Branch at the NCI. Robbie Majzner, MD, is the Director of the Pediatric and Young Adult Cancer Cell Therapy Program within the Departments of Pediatric Oncology and Medical Oncology at Dana Farber Cancer Institute and the Division of Hematology/Oncology at Boston Children's Hospital. Dr. Majzner's laboratory is working to develop novel cellular immunotherapies for children with incurable cancers. Louai Labanieh, PhD is a Parker Scholar at Stanford School of Medicine and is a leader in engineering CAR T cells using synthetic biology. Nancy Goodman, JD, is the CEO of Kids v Cancer, a nonprofit organization dedicated to policy reform to attract biotech and pharmaceutical companies to pediatric cancer drug development.

Our management team has significant experience in both cell therapy and oncology. We have progressed products from research to clinical trials, and ultimately to regulatory approval and commercialization. Gina Chapman, our President and Chief Executive Officer, brings over 30 years of biopharmaceutical commercial and operational experience. She most recently served as Senior Vice President and Business Unit Head at Genentech, where she worked for more than 15 years. Michael Ports, PhD, our Chief Scientific Officer, has over 10 years of biopharmaceutical and cell-therapy drug development experience. He most recently served as Vice President and Head of Cell Therapy Discovery and Platforms at Janssen. Shishir Gadam, PhD, our Chief Technical Officer, most recently was Vice President of Global Cell Therapy Manufacturing Science and Technology at Bristol Myers Squibb (BMS). He played an instrumental role in the global licensure and launch of the CAR T-cell products Breyanzi and Abecma and built a global manufacturing science and technology organization responsible for product and process life-cycle management, technology transfers and manufacturing technology. Anup Radhakrishnan, our Chief Financial Officer and Chief Business Officer, brings over 20 years of experience in the biopharmaceutical sector providing strategic financial leadership across both clinical and commercial stage organizations. He previously served as CFO at Dascena and worked at Genentech for over 11 years. The regulatory approval process for novel product candidates such as ours can be more complex and consequently more expensive and take longer than for other, better known or extensively studied pharmaceutical or other product candidates. As a result, we believe having a management team with significant relevant experience positions us well to overcome these challenges.

We are also supported by our board of directors, scientific advisory board and a leading syndicate of investors.

Our strategy

Our mission is to outsmart cancer by developing the next generation of transformational CAR T-cell therapies to impact patients worldwide with the aim of becoming a fully integrated, leading cell therapy company. Our strategy to achieve this goal is as follows:

- **Build a next generation CAR T-cell company focused on developing and delivering potentially curative therapies to more patients.** Our programs, platform technologies and manufacturing strategy are designed to address the problems of cancer resistance mechanisms and unreliable supply. We are developing technologies that incorporate multiple transgene therapeutic “cargo” to potentially extend persistence of our CAR T-cell therapy candidates with the goal of achieving durable responses that are curative for more cancer patients. We are also executing a comprehensive manufacturing strategy in an effort to address supply issues and increase availability to patients.
- **Advance CRG-022 through a potentially pivotal Phase 2 clinical trial for the treatment of patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy.** Based on the results from the Phase 1 clinical trial being conducted by Stanford, we believe that CRG-022 has the potential to deliver durable anti-tumor responses in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. In September 2023, we dosed the first patient in a potentially pivotal multi-center Phase 2 clinical trial of CRG-022 in this patient population. We expect interim results from this Phase 2 clinical trial in 2025.
- **Expand development of CRG-022 to earlier lines of therapy and additional indications.** We believe CRG-022 could also be used to treat patients at earlier stages of disease. We anticipate evaluating CRG-022 for LBCL patients who are naïve to CD19 CAR T-cell therapy. In addition, a CD22 CAR T-cell therapy using the same CAR as CRG-022 demonstrated positive results in a Phase 1 clinical trial conducted by the NCI in pediatric B-ALL, for which we also plan to evaluate CRG-022.
- **Leverage our intended commercial and readily transferable manufacturing process to help mitigate regulatory hurdles and facilitate predictable and reliable supply for future patients.** We believe reliable and predictable supply remains a challenge for existing CAR T-cell therapies. In an effort to resolve this, we developed what we believe is a commercially suitable manufacturing process that uses an automated and closed platform that is designed to be readily transferrable to multiple manufacturing facilities. Our manufacturing process includes features that we believe are critical to long-term manufacturing success and supply reliability such as lentiviral vector from suspension platform and introduction of a cryopreservation step for the incoming apheresis material. We introduced these process features before the initiation of a potentially pivotal Phase 2 clinical trial with the goal of minimizing the need for complex post-pivotal comparability studies. We believe the ease of transferability of our manufacturing process will facilitate rapid scale out by onboarding new manufacturing sites to increase capacity as commercial demand grows.
- **Continue to leverage our platform technologies to advance additional CAR T-cell programs into clinical development.** We intend to leverage our platform technologies to engineer additional T-cell products with improved design features. These features include targeting cancer cells via multiple tumor antigens, elements designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as safeguarding against tumor resistance and T-cell exhaustion. We are initiating IND-enabling studies with CRG-023, our tri-specific program candidate targeting CD19, CD20 and CD22. This construct incorporates our CD2 costimulatory platform technology with the goal of counteracting potential tumor resistance that can emerge from loss or downregulation of CD58 expression. We intend to continue to invest in our platform technologies to develop multi-specific and multi-functional cancer therapies to address cancer resistance and other unmet needs.

- **Opportunistically pursue strategic partnerships and collaborations to maximize the value of our pipeline and platform technologies.** We currently have exclusive rights to develop and commercialize our product candidates, and to utilize our platform technologies. In the future, we may enter into other collaborations where we believe there is an opportunity to accelerate the development and commercialization of our product candidates while allowing us to retain meaningful rights in major markets. We may also seek to opportunistically acquire or in-license product candidates or technologies that are synergistic with our cell therapy discovery and development efforts.

CAR T cells – an emerging class of immunotherapy with curative potential

Chimeric antigen receptor (CAR) T cells are T cells engineered to express synthetic receptors capable of specifically recognizing tumor antigens and activating the T cell. Binding of a CAR to its cognate antigen results in stimulation of intracellular signals and activation of T cell activity. There have been six engineered T-cell therapies approved by the FDA for the treatment of cancer. Each of these therapies has been able to deliver therapeutic benefit to patients who have exhausted all other treatment options, and for some patients, these benefits can extend for years.

However, the number of cancers with effective CAR T-cell therapies is limited and the total number of patients who have received these therapies represents only a small fraction of potentially eligible cancer patients. Today, five years after CAR T cells were first approved to treat non-Hodgkin's lymphoma (NHL) and acute lymphocytic leukemia (ALL), over 40,000 U.S. patients may be eligible to be treated by CD19 CAR T-cell therapies, but fewer than 3,800 patients are expected to receive such treatment in 2023. Some patients are deemed ineligible to or do not receive these therapies due to associated toxicity risk, underlying comorbidities, the time needed to manufacture treatment or lack of access to specialized treatment centers. In patients who do manage to receive treatment, not all patients who are treated achieve durable results. For example, as shown in the ZUMA-1 clinical trial for Yescarta in LBCL patients with two or more prior lines of therapy, approximately 60% of LBCL patients treated with the CD19 CAR T-cell therapy had their disease relapse or progress within 24 months.

Barriers that limit the impact of approved CAR T-cell therapies

There are a number of barriers that limit the impact of existing CAR T-cell therapies including:

- ***Target-based resistance.*** A frequent cause of resistance to CD19 CAR T-cell therapies in patients with B-ALL and LBCL, is the low level of expression of CD19 or the loss of CD19 antigenicity on tumor cells. There are a number of mechanisms that can lead to loss of CD19 antigenicity, such as mutations, splicing variations, antigen glycosylation and antigen-masking, but the end result is the same: the lack of CD19 antigenicity allows tumor cells to escape targeting by CD19 CAR T cells.
- *Non-target-based resistance.* The strength and quality of a T-cell response is dependent not only on cognate antigen recognition, but also costimulation. Tumors evolve to escape CAR T-cell destruction through the downregulation of cognate ligands for costimulatory signaling molecules. For example, CD58 is the ligand of the CD2 costimulatory receptor. Approximately 25% of LBCL patients who are eligible for CAR T-cell therapy have mutated or absent CD58 and up to 67% have decreased expression of CD58. In addition, a study published in June 2023 demonstrated that aberrant CD58 expression can also occur in a wide range of hematologic malignancies including Hodgkin and non-Hodgkin lymphomas (both B-cell and T-cell), including de novo disease. CD58 alteration and corresponding lack of CD2-mediated costimulation are associated with poor prognosis in LBCL and lead to decreased progression free survival (PFS) benefit to CD19 CAR T cells.

- *Immunogenicity of CAR constructs.* The majority of approved CAR T-cell therapies incorporate the scFv portion of murine antibodies as the antigen-recognition domain. These domains elicit both humoral and cellular immune responses in patients, which can lead to increased clearance of therapeutic CAR T cells, limiting cell expansion and persistence. This anti-murine immune response increases the likelihood of tumor relapse and can lower the efficacy of CAR T cells upon reinfusion.
- *Manufacturing challenges with autologous CAR T-cell therapies.* Autologous CAR T-cell therapies require one manufacturing batch per patient which creates unique supply, capacity and logistical challenges. Manufacturing capacity of the approved CAR T-cell products has struggled to meet the demand for these therapies, while also meeting the need for maintaining rapid turn-around-time. We anticipate that this issue will persist as more patients become candidates for CAR T-cell therapy and more complex CAR T cells containing multiple genetic constructs advance into clinical development.

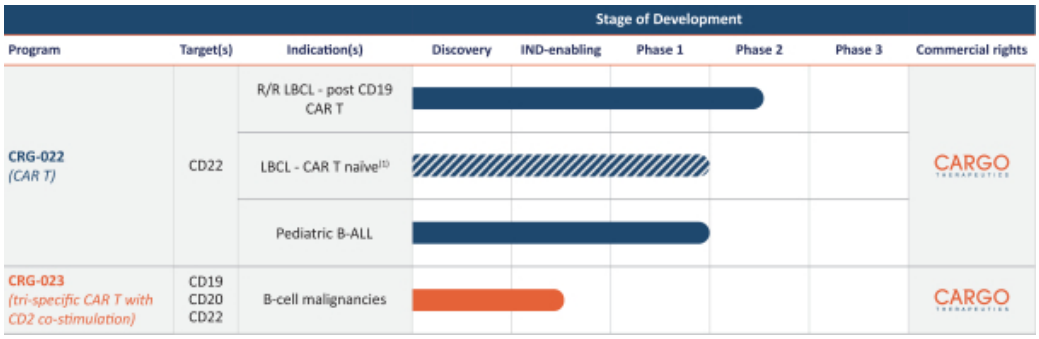
Our solution: next generation of potential CAR T-cell therapies

We are developing a portfolio of product candidates designed to expand the number of patients that can benefit from CAR T-cell therapies by addressing several of the limitations of currently approved CAR T-cell therapies. Our solution includes:

- ***Directing CAR T cells toward alternate targets.*** Therapies that target single tumor antigens, such as CD19, can be rendered ineffective by genetic or non-genetic changes that diminish the expression of these targets. Our most advanced product candidate, CRG-022, is designed to address an alternate target, CD22, that is nearly always expressed on cancerous B cells, to kill B-cell tumors, including those that have become resistant to CD19-based therapies. We are also developing multi-specific CAR T-cell product candidates, starting with CRG-023, that are designed to recognize tumors that express any of the CD19, CD20 and CD22 antigens, thereby limiting potential antigen loss as a mechanism of resistance.
- ***Addressing common mechanism of non-target-based resistance.*** In addition to antigen downregulation or loss, resistance to immune therapies, including CAR T cells, can develop through the loss of costimulatory signaling, such as tumor cells downregulating CD58 expression. Because these mechanisms are not antigen-specific, loss of costimulation can lead to broad suppression of immune therapies. We are working to address loss of costimulatory ligands such as CD58, by creating CAR T cells that can induce CD2 costimulatory signaling by a tumor antigen irrespective of potential CD58 downregulation or loss on tumor cells.
- ***Using fully-human binders to reduce anti-CAR immunogenicity.*** Our CAR T product candidates are all constructed with human binders, thereby reducing the risk for anti-CAR immune responses.
- ***Implementing robust manufacturing processes.*** Our team is applying its extensive experience in the field in an effort to implement manufacturing processes that are highly reliable and readily transferrable to expand capacity, reduce turnaround time and minimize costs of goods. While we are confident in our team's ability to address these manufacturing challenges, these are complex processes and there could be delays in developing a sustainable, reproducible and scalable manufacturing process or transferring that process to commercial partners. Further, while we believe it is more cost-efficient to outsource this manufacturing, it is possible that relying on third parties could result in increased costs that could delay, prevent or impair our commercialization efforts. We have also licensed and further developed technologies specifically designed towards the manufacturing and purification of CAR T cells containing multiple genetic inserts delivered by multiple vectors.

Our programs and platform technologies

Our programs, platform technologies, and manufacturing strategy are designed to directly address the key limitations of approved cell therapies, including limited durability of effect, suboptimal safety and unreliable supply. Our initial focus is to treat patients with high unmet need and poor survival outcomes who develop resistance to current guideline recommended cancer therapies, and in the future we aim to treat patients at earlier stages of disease to help prevent resistance from emerging in order to extend the durability of response. The figure below summarizes our pipeline of wholly owned CAR T-cell product candidates designed to address key mechanisms of resistance for the treatment of a variety of cancers. In addition to these product candidates, we are also advancing our proprietary platform technologies, including our CD2 and STASH platforms, to develop effective multi-specific and multi-functional cancer therapies.



(1) Based on data from the Phase 1 clinical trial conducted by Stanford and pending data from our ongoing Phase 2 clinical trial in R/R LBCL – post CD19 CAR T, we intend to discuss with the FDA initiation of a Phase 2 program in LBCL – CAR T naïve without completing earlier clinical trials in LBCL – CAR T-naïve patients.

CRG-022, an autologous CD22 CAR T cell product candidate

We are developing CRG-022, an autologous CD22 CAR T-cell therapy, to be a safe, effective and durable therapy with a manufacturing process designed to increase availability by providing consistent and reliable supply. CRG-022 is manufactured using a novel CAR designed to address resistance mechanisms by targeting CD22, an alternate antigen that is expressed in a vast majority of B-cell malignancies. Our initial focus is on developing CRG-022 for the treatment of patients whose disease is R/R to CD19 CAR T-cell therapies. In September 2023, we dosed the first patient in a potentially pivotal multi-center Phase 2 clinical trial to evaluate the safety and efficacy of CRG-022 in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. We expect interim results from this Phase 2 clinical trial in 2025.

LBCL disease background

Non-Hodgkin lymphoma (NHL) is the most common hematologic malignancy in adults accounting for a projected 80,550 cases and 4.1% of all new cancer cases in 2023 in the United States. An estimated 20,180 people in the United States will die from this disease in 2023 accounting for 3.3% of all cancer-related deaths. The majority of NHL cases are of B-cell origin and can be further subdivided into aggressive and indolent lymphomas, each associated with different clinical outcomes and prognoses. LBCLs encompass aggressive subtypes including diffuse large B-cell lymphoma (DLBCL), high-grade B-cell lymphomas, primary mediastinal B-cell lymphoma (PMBCL) and grade 3B or transformed follicular lymphoma (FL).

Current treatment options

First-line treatment regimens for LBCL include CD20-targeted monoclonal antibodies and anthracycline-containing chemotherapy regimens administered in six to eight cycles. Many DLBCL patients (approximately

30% to 50%) do not respond to or relapse after initial treatments, and then become eligible for CAR T-cell therapy targeting CD19. For decades, the standard approach to treat patients with R/R disease had been salvage chemotherapy followed by high dose platinum-based therapy and autologous stem cell transplant (ASCT). However, this treatment is associated with significant toxicities and approximately half of patients are considered not suitable due to age or other comorbidities. Of the remaining patients considered eligible for ASCT, an additional 50% to 60% do not receive ASCT due to their disease showing no sensitivity to salvage chemotherapy.

Over the past six years, FDA has approved three autologous CD19 CAR T-cell products for the treatment of LBCL. These are axicabtagene ciloleucel (marketed as Yescarta by Kite/Gilead); tisagenlecleucel (marketed as Kymriah by Novartis); and lisocabtagene maraleucel (marketed as Breyanzi by BMS). These therapies have shown objective response rates (ORRs) of 50% to 73% in LBCL patients who have received two or more prior lines of therapy. More recently, Yescarta and Breyanzi have been approved for use in adult patients with LBCL that is refractory to first-line chemoimmunotherapy or relapses within 12 months. Breyanzi has also been approved for use in adult patients with LBCL whose disease is R/R to first-line chemoimmunotherapy and are not eligible for ASCT due to comorbidities or age. These three approved products generated $1.3 billion of global sales in DLBCL in 2022 in the United States/EU4/UK alone and are projected to generate grow to $2.6 billion and $3.3 billion global sales annually by 2026 and 2030, respectively, according to data published by Clarivate Disease and Landscape Forecasting™ (NHL, CLL) 2023.

While CD19 CAR T cells can induce long-term remissions in some patients, many patients who receive CD19 CAR T-cell therapies experience disease relapse. For example, and as depicted in the figure below, in the ZUMA-1 clinical trial conducted by Kite in LBCL patients with two or more prior lines of therapy, 61% and 68% of patients who received conditioning chemotherapy followed by Yescarta ultimately experience disease progression or death at two years and five years, respectively. As more patients receive these therapies, driven by recent approvals in earlier lines of therapy and geographic expansion, the unmet need for those who do not experience a durable response is growing. Translational studies have shown that CD19 antigen loss or downregulation occurs in about 30% to 60% of cases.

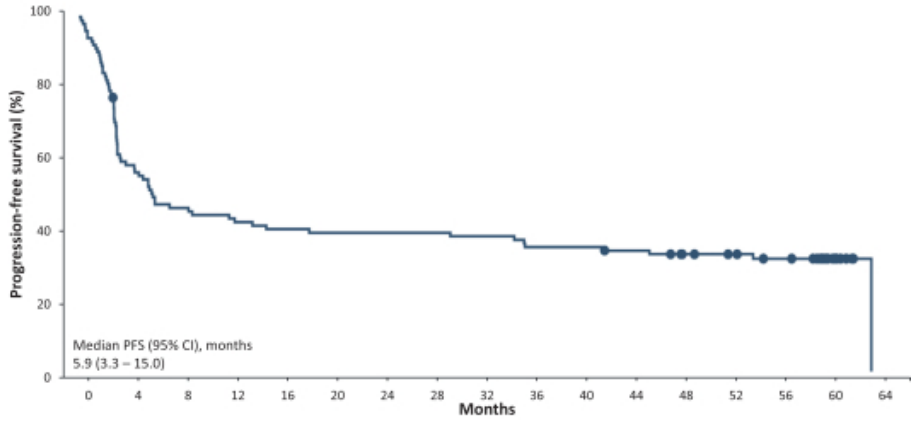


Figure 1. As seen in the Phase 2 clinical trial (ZUMA-1) of Yescarta, approximately 60% percent of patients were observed to not obtain a long-term benefit from CD19 CAR T-cell therapy

There is currently no standard of care for patients with LBCL whose disease does not respond to or relapses following treatment with CD19 CAR T-cell therapies. Treatments with radiotherapy, immunotherapies, targeted therapies and chemotherapy have failed to deliver meaningful improvements in the majority of these patients. Based on third-party studies on patient registries or real-world outcomes, the median OS for patients with aggressive B-NHL post CD19-directed CAR T failure is approximately five to eight months.

Rationale for targeting CD22

CD22 is a B-cell antigen expressed independently of CD19 on benign and malignant B cells. CD22 has been reported to be expressed in 81% to 100% of DLBCL patients and 96% to 100% of B-ALL patients. Importantly, CD22 expression is usually retained following loss of CD19 expression in patients who become resistant to CD19 CAR T-cell therapy. As a result, we believe CD22 is an attractive target for a CAR T-cell therapy for patients with B-cell malignancies, including those patients whose disease has relapsed or become refractory to CD19-targeted therapies.

Key features of CRG-022

Our lead program, CRG-022 was made using a CAR designed to optimize its potential to deliver antitumor activity against CD22 expressing cells. Key characteristics of CRG-022 include:

Membrane proximal binding

CD22 is a protein expressed on the surface of B cells that has an extracellular domain comprised of seven immunoglobulin domains and twelve putative N-linked glycosylation sites. Antibodies have been developed against CD22 and at least three anti-CD22 product candidates have been tested in patients with B-cell malignancies. However, these three antibodies all target the N-terminal domain of CD22, a region of CD22 that may not be ideal for CAR T cell activation. For example, a third-party study using mesothelin-targeting antigen-binding domains found that membrane-proximal binding led to improved CAR T signaling, potentially because the membrane distal regions interact with other extracellular elements and also because targeting antigen regions close to the membrane increases the likelihood that intracellular costimulatory domains will be brought into close proximity.

The gene encoding CD22 contains 15 exons and third-party studies have found multiple splice variants of the CD22 mRNA transcript that encode alternative forms of the protein. CD22-targeted drugs may fail to bind to certain splice variants lacking their targeted epitope. Splice variants for CD19 represent a common mechanism that leads to resistance to CD19 CAR T-cell therapy. Similarly, splice variants of CD22 have been reported in pediatric B-ALL patients treated with a CD22 CAR created by researchers at the University of Pennsylvania.

CRG-022 was made using a CAR that incorporates the antigen-binding domain from an antibody known as m971. This antibody has been shown to bind to the membrane proximal domains of CD22, potentially improving its ability to activate CAR signaling and reducing the potential for splice variants involving the more distal domains, which can lead to resistance.

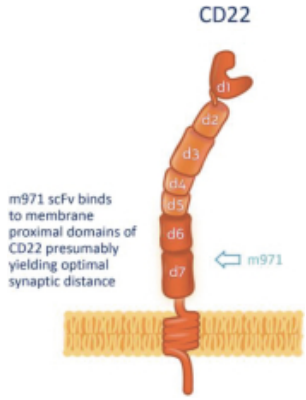


Figure 2. The m971 antigen-binding domain incorporated into the CD22 CAR binds to a membrane proximal domain of CD22

Short linker

The CD22 CAR incorporates a synthetic version of the m971 antibody – commonly referred to as a single chain variable fragment ("scFv") – comprising a truncated polypeptide having both antigen binding domains of the antibody connected by a flexible peptide linker. The length and sequence of this linker can affect several key performance aspects of CARs, including their expression, oligomeric state, affinity, stability and *in vivo* activity. The linker used in the CD22 scFv binder in CRG-022 has a short length, a characteristic that has been shown to increase dimerization, which can improve efficacy. By contrast, a CD22 CAR with the same binding domains but a longer linker created by researchers at the University of Pennsylvania was found to have reduced activity both *in vitro* and in two clinical trials. From two trials in six children and three adults whose disease was R/R CD22+ B-cell ALL, the complete remission rate was 50% (four out of eight evaluable patients) and of the four patients who achieved or remained in CR, all four progressed with CD22+ disease.

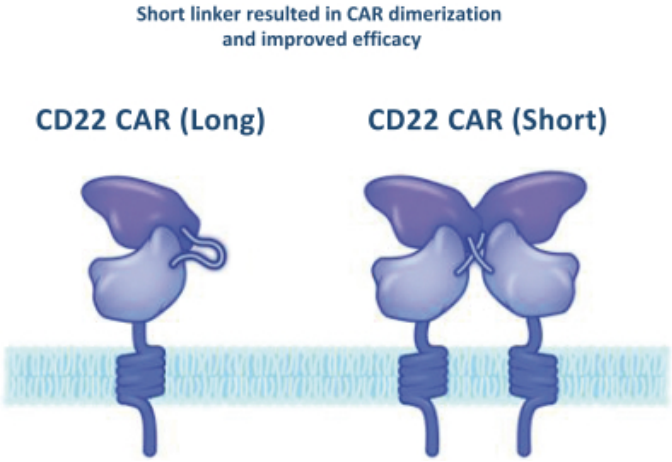


Figure 3. Incorporation of a short linker resulted in increased activity of the CD22 CAR used to create CRG-022

4-1BB costimulatory domain

Binding of the extracellular domain of CARs to cells expressing their corresponding ligands results in activation of T cells through the combined function of intracellular costimulatory domains and activation domains. Approved CAR T-cell therapies incorporate costimulatory domains from CD28 or from 4-1BB and an activation domain from CD3ζ .. It has been shown in a third-party study that the choice of costimulatory domain influences the persistence and memory phenotype of CAR T Cells. The inclusion of a 4-1BB costimulatory domain has been associated with reduced frequencies of serious adverse events and improved clinical outcomes in tumor models. The CD22 CAR used to create CRG-022 contains a 4-1BB costimulatory domain.

Fully human antigen-binding domain

The CD22 CAR used to create CRG-022 contains an antigen-binding domain that is a fully human sequence, which we believe reduces the risk of development of anti-CAR antibodies and T-cell-mediated rejection. Patients treated with CD19 CAR T-cell therapies derived from murine sequences can develop antibodies or T-cell mediated immune responses to the CAR, which may lower persistence of CAR T cells and increase the chances of relapse of the disease. Retreatment of patients with murine-sequence-derived CAR T cells has been shown to primarily result in responses that increase the chance of relapse. A third-party retrospective analysis conducted by researchers at Fred Hutchinson Cancer Research Center evaluated the efficacy of a second infusion of CD19 CAR T cells in 44 patients with R/R B-cell malignancies. A CR rate of 22% in CLL patients, 19% of in NHL patients

and 21% in ALL patients with median duration of response of 33, 6 and 4 months, respectively was observed. This result was potentially due to host immune rejection after the initial treatment with transgenic T cells. By contrast, retreatment of patients with R/R B-ALL who had received prior CD19 CAR T-cell therapy that failed and used a humanized CD19 CAR T-cell product candidate as a second CAR T treatment, led to a 64% overall response rate at one month with durable remissions. Published data has confirmed that fully human CARs have antitumor activity and tolerability profiles that are similar, if not superior, to those containing murine sequences and may address one mechanism of resistance to CAR T-cell therapy.

Phase 1 Clinical Trial Results for our CRG-022 Program

As described below, CRG-022 or CD22 CAR T-cell therapy using the CRG-022 CAR has been studied in one Phase 1 clinical trial and continues to be studied in two ongoing Phase 1 clinical trials. In addition, in September 2023, we dosed the first patient in a potentially pivotal multi-center Phase 2 clinical trial to evaluate the safety and efficacy of CRG-022 in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. We licensed the technology underlying the CD22 CAR used in CRG-022 from the NCI. CRG-022 was produced at Stanford for the Phase 1 clinical trials. We have made additional process and analytical improvements to the Stanford process to create the intended commercial manufacturing process for CRG-022 in an effort to improve manufacturing yields and efficiency. These improvements are reflected in the intended commercial process being used to produce CRG-022 in our potentially pivotal Phase 2 clinical trial. We have performed comparability analyses of CRG-022 produced with our intended commercial process to that produced by the process used in the Stanford Phase 1 clinical trial and concluded that the two are comparable. Moreover, our CRG-022 IND application included our comprehensive package to establish the comparability of our CRG-022 produced using the intended commercial process to the CRG-022 produced using the process used for the Stanford Phase 1 clinical trials. We cannot assure you that the FDA will agree with our claim of comparability and the sufficiency of the data to support it, or agree with our ability to reference the preclinical, manufacturing or clinical data generated by the Stanford clinical trial even if we receive a right of reference from Stanford. If the FDA disagrees, there may be limitations on the inclusion of Phase 1 clinical trial data in the product label.

Phase 1 interim clinical trial results in adults with CD19 CAR T R/R LBCL

An open-label Phase 1 clinical trial of CRG-022 is being conducted by Stanford enrolled 41 adult patients with CD19 CAR T R/R LBCL. Patients had received an average of four lines of prior therapy including CD19 CAR T-cell therapy for all but one patient whose disease was CD19-negative and was CD19 CAR T naïve. One patient withdrew prior to leukapheresis and two patients did not receive CRG-022 due to an inability to manufacture given limited patient T cells, resulting in a 95% successful manufacturing rate (38 of 40 patients). As of the May 3, 2023 cutoff date, 38 patients had been treated with CRG-022 in this Phase 1 clinical trial.

Patients underwent conditioning chemotherapy with fludarabine and cyclophosphamide before receiving one of the two different doses of CAR T cells (DL1 [1 x 10^6 CD22 CAR+ cells/kg] and DL2 [3 x 10^6 CD22 CAR+ cells/kg]). As shown in the figure below, as of the May 3, 2023 cutoff date, the ORR was 68% and the CR rate was 53%. There was no clear dose-dependence of the ORR or CR rate.

LBCL	DL1 (N = 29)	DL2 (N = 9)	Tot (N = 38)
Median follow up, months [range]	21.2 [5.9-43.1]	34.2 [28.9-37.8]	22.8 [5.9-43.1]
Overall Response Rate (ORR)*, n (%)	19 (66%)	7 (78%)	26 (68%)
CR Rate	15 (52%)	5 (56%)	20 (53%)

Figure 4. ORR and CR observed in Phase 1 clinical trial with CRG-022 as of May 3, 2023

Additionally, as of the cutoff date and as depicted in the graphs below, the overall rate of progression free survival (PFS) at 6 months was 47% and median PFS was 3.0 months (95% CI 1.7-28.7). The median survival in this clinical trial was 14.1 months in the overall population.

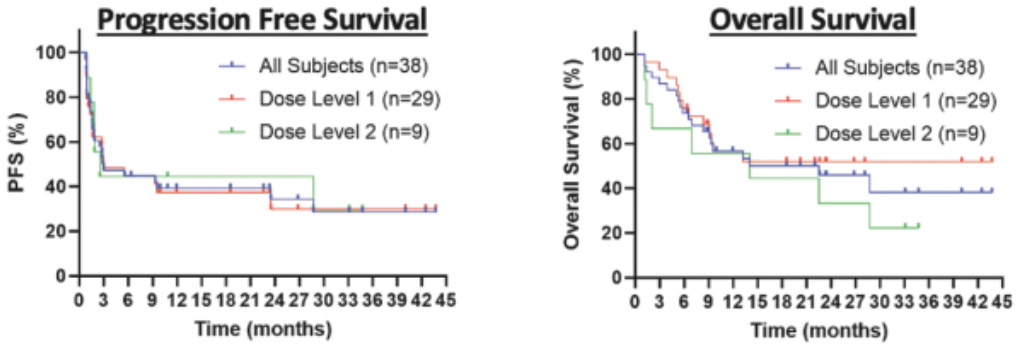


Figure 5. PFS and OS of LBCL patients treated with CRG-022 as of May 3, 2023

Patients treated with CRG-022 experienced an immune toxicity referred to as CRS. CRS is a systemic inflammatory response caused by cytokines released by infused CAR T cells that in severe cases can lead to widespread reversible organ dysfunction and death. The majority of patients treated with CRG-022 had mild to moderate CRS, reported as Grades 1 or 2. Only one patient experienced Grade 3 CRS at DL2. One patient treated with CRG-022 at DL2 had Grade 2 CRS and developed septicemia, deemed possibly related to CRG-022, which led to multi-organ failure and death due to sepsis on Day 40. Two additional patients at DL2 developed treatment-related MDS/AML without evidence of LBCL relapse at 11- and 28-months post infusion. One patient at DL1 experienced unrelated heart failure and a second patient treated at DL1 died due to unknown causes after being lost to follow-up at six months post CRG-022 infusion.

A second type of toxicity associated with CAR T-cell therapies is ICANS. In the Phase 1 clinical trial, 13% of patients experienced ICANS of Grades 1 or 2 severity. There were no reports of patients with ICANS of Grades 3 or above. We believe the lack of reports of serious grade ICANS could potentially be attributable to the differential expression of CD19 and CD22 on cells within the central nervous system. CD19 is expressed on mural cells which are part of the neurovascular unit surrounding endothelial cells and which are critical for maintaining the integrity of the blood brain barrier. In contrast, researchers have shown that CD22 is not expressed on neurovascular cells, such as mural cells, endothelial cells or neurovascular progenitors.

Parameter	DLBCL DL1 (N = 29)	DLBCL DL2 (N = 9)	Total N=38
Cytokine Release Syndrome, n (%)			
None	2 (7%)	0 (0%)	2 (5%)
Grade 1	13 (45%)	1 (11%)	14 (37%)
Grade 2	14 (48%)	7 (78%)	21 (55%)
Grade ≥3	0 (0%)	1 (11%)	1 (3%)
Neurologic Events / ICANS, n (%)			
None	26 (90%)	7 (78%)	33 (87%)
Grade 1	2 (7%)	1 (11%)	3 (8%)
Grade 2	1 (3%)	1 (11%)	2 (5%)
Grade ≥3	0 (0%)	0 (0%)	0 (0%)

Figure 6. CRS and ICANS observed in Phase 1 clinical trial with CRG-022 as of May 3, 2023

Additionally, 18% of patients (7% of DL1 and 33% of DL2) also developed clinical and laboratory abnormalities consistent with hemophagocytic lymphohistiocytosis (HLH), a condition involving excessive activation of histiocytes and lymphocytes resulting in a hyperinflammatory syndrome requiring prolonged hospitalization or

re-admission for medical monitoring or treatment. HLH is recognized as a distinct toxicity associated with CAR T-cell therapies, and it has been observed in approximately 15% of patients treated with CD19 CAR T cells. More recently, a consensus grading system and management guidelines that include the administration of steroids and anakinra have been developed. This toxicity is now called immune effector cell HLH-like syndrome (IEC-HS). IEC-HS was higher in patients who received the highest dose (DL2) of CRG-022 without any meaningful increase in efficacy which prompted the selection of DL1 for the expansion phase of this clinical trial.

There have been 32 serious adverse events reported from 23 subjects on this study. There were four reports of Grade 3 sepsis/infection and two reports of cardiac disorders, which included grade 3 ejection fraction decreased and grade 2 heart failure. The largest category of reported SAEs (n = 14 events, 44%) have been hospitalizations for closer monitoring during a second peak of CRS that occurs between Day 11 and Day 14 post-CAR infusion.

In addition, the most common adverse events of Grade 3 or higher during treatment were neutropenia that was observed in all treated patients, anemia that was observed in 63% of treated patients, and thrombocytopenia that was observed in 63% of treated patients. All of these adverse events are commonly observed in other therapeutics in this class. Three deaths in the trial were deemed by investigators to be possibly related to study drug at the highest dose level, which is not being used in our ongoing Phase 2 clinical trial.

Phase 1 clinical trial of CRG-022 in pediatric and adolescent/young adult patients with R/R B-ALL at Stanford

A Phase 1 clinical trial of CRG-022 was initiated by researchers at Stanford in pediatric and adolescent/young adult patients with R/R B-ALL or LBCL. As of June 26, 2022, ten pediatric patients and nine adult patients with B-ALL had been enrolled and 16 have been treated. At Day 28, four achieved CR. One pediatric patient developed Grade 3 CRS, carHLH and prolonged neutropenia. This patient developed sepsis, seizure and died on Day 60 of multiorgan failure. The eight adult patients treated in this clinical trial all achieved a complete response with five patients achieving MRD-negativity. The median duration of response, either until relapse or next therapy, was 105 days in adult patients, 47.5 days in pediatric patients, and 74 days overall. Twelve patients relapsed after treatment with CRG-022 and overall survival at one year was 50%.

Phase 1 clinical trial of CD22 CAR T-cell therapy including the CRG-022 CAR in pediatric and adolescent/young adult patients with R/R B-ALL at the NCI

A single-center Phase 1 clinical trial of a CD22 CAR T-cell therapy using the same CAR as CRG-022 in patients with CD22 positive B-ALL is being conducted at the NCI in children and young adult patients (up to age 30). This clinical trial used a 3 + 3 dose-escalation design with a large expansion cohort and enrolled 73 patients as of April 2019, of which 88% had received CD19-targeted therapy (e.g., CD19 CAR, blinatumomab or both), 67% hematopoietic stem cell transplantation and 24% inotuzumab ozogamicin (a CD22-directed antibody-drug conjugate). The results from 58 patients with highly refractory disease were published in the Journal of Clinical Oncology in 2020. The CR rate was 70% with 88% of responders achieving minimal residual disease negative status. Cytokine release syndrome occurred in 82% of participants but was largely limited to lower grade (i.e., grade 1/2) events (90%). Neurotoxicity occurred in 33% of participants and was severe (i.e., grade ≥3) in 2%. Hemophagocytic lymphohistiocytosis-like manifestations were seen in 32.8% of participants which prompted the use of anakinra.

Our ongoing potentially pivotal Phase 2 clinical trial in LBCL

In September 2023, we dosed the first patient in a potentially pivotal multi-center Phase 2 clinical trial to evaluate the safety and efficacy of CRG-022 in patients with LBCL whose disease is R/R to CD19 CAR T-cell therapy. This clinical trial is enrolling patients whose disease is refractory to or has relapsed subsequent to CD19 CAR T-cell therapy. In addition, this clinical trial includes a separate cohort of patients who have received two prior lines of therapy with one of these lines of therapy including a bispecific T cell engager. The primary objective of this clinical trial is the ORR as determined by a blinded independent review committee. This clinical trial is anticipated to enroll up to 123 patients and dose approximately 101 patients. We expect interim results from this Phase 2 clinical trial in 2025.

Following fludarabine/cyclophosphamide conditioning, patients will be dosed with 1 x 10^6 viable CAR^+ cells/kg, the same dose as the DL1 dose administered in the Stanford Phase 1 clinical trial in LBCL. Initial response assessment is planned for Day 28 with subsequent assessments at Day 90 and then every three months.

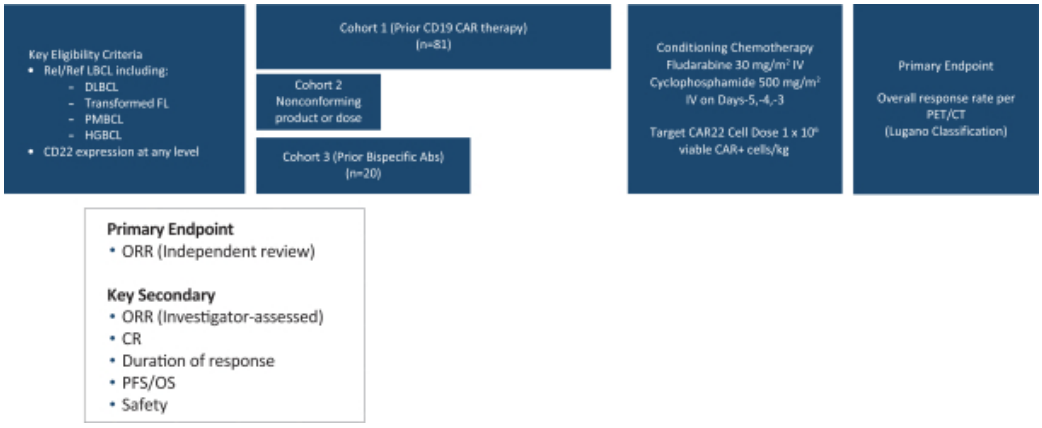


Figure 7. Design of our potentially pivotal Phase 2 clinical trial of CRG-022

Establishment of a commercial manufacturing process for CRG-022

CRG-022 is an autologous CAR T-cell product generated from a patient's own T cells that have been obtained by leukapheresis (a process for patient immune cell collection) and shipped to a manufacturing facility. At the manufacturing facility, CRG-022 is generated, cryopreserved and then shipped back to the treating clinic to be infused into the patient. The manufacturing process for CRG-022 builds upon the process used to manufacture CRG-022 used by Stanford, with the addition of several improvements that we proactively identified as necessary for reliability of long-term supply and that we believe are best implemented prior to initiating a pivotal clinical trial of CRG-022. We believe our manufacturing strategy is designed to directly address some of the key known challenges that cell therapy manufacturers have faced. We are seeking to achieve this by: (1) introducing process design features that enable the process to be rapidly transferable, (2) implementing key process and method changes prior to the start of our potentially pivotal Phase 2 clinical trial, which we believe could reduce the need for changes post-pivotal, (3) automating and closing the process and (4) developing a plan to introduce multiple manufacturing sites for pivotal supply.
Based on the experience of our team in developing and launching cell therapies, we believe that these changes, in addition to being of practical benefit, will also help address critical issues such as supply capacity and cost of goods.

- *Reliable supply*. We have successfully transferred the Stanford manufacturing process to our internal technical development lab, made appropriate process changes and transferred our intended commercial manufacturing process for our potentially pivotal Phase 2 clinical trial to contract development manufacturing organizations (CDMOs). We have identified additional CDMO capacity to help ensure redundancy of supply and increase available capacity in anticipation of commercialization. As an additional focus on our supply chain, we have secured a reliable source of lentiviral vector produced using a suspension-based platform through a collaboration with a CDMO.
- *Cost of goods.* We have automated a number of steps in the manufacturing process to increase throughput and reliability while minimizing costs. For example, we have changed from manual to automated filling as

part of the intended commercial manufacturing process. In addition, we have introduced the ability to cryopreserve the starting apheresis material which enables more efficient use of our manufacturing slots and flexible supply chain strategy that can serve patients in wider geographic areas. We addressed the supply of critical reagents required, such as the lentivirus vector that is used to insert the gene for the CD22 CAR into T cells. We transitioned the design and production of the lentivirus vector used by Stanford to one that is more suitable for commercial applications while still delivering the same CD22 CAR and demonstrating analytical comparability to CRG-022 produced at Stanford.

- *Predictable patient experience*. We believe CRG-022 has the potential to deliver life-changing benefits to cancer patients whose disease has failed to respond to prior therapies; however, similar to other autologous cell therapies, a significant amount of time is required to manufacture this autologous CAR T-cell product. The turnaround time encompasses every step from apheresis of the starting cells from the patients, shipping, introduction of the CAR construct, cell expansion, harvesting, final filling and quality control before a product can be released and shipped back to the treating clinic. We believe the process and operational improvements we have implemented will provide greater control of the manufacturing turn-around-time.
- *Regulatory strategy considerations*. We benefit from the experience of pioneering CAR T-cell products to help pave the way through the regulatory process and to identify critical steps with the potential to stall the development of CRG-022. We have, for example, implemented our intended commercial manufacturing process and analytics prior to initialization of our potentially pivotal Phase 2 clinical trial in an attempt to reduce the need to introduce further changes moving from clinical to commercial production. We are utilizing current regulatory guidance to design comparability strategies to manage life cycle changes. We have already implemented key requirements of the control system, before the start of the potentially pivotal Phase 2 clinical trial, for example by establishing a suitable potency assay and qualifying all release methods.

Our manufacturing approach aims to establish processes that are highly reliable and consistent and that can readily be transferred to commercial cell therapy manufacturing. We believe that this will help ensure that our therapy candidates, if approved, can be generated for all patients that need them. We believe our strategy to focus on these steps prior to initiating our potentially pivotal Phase 2 clinical trial will both simplify later efforts to establish comparability across manufacturing sites and increase our potential to rapidly expand our manufacturing network as dictated by demand.

Our CD2 costimulation platform technology and CRG-023, a tri-specific CAR T product candidate

Our first platform technology involves the integration of a CD2 costimulatory domain designed to counter a target-independent mechanism that leads to resistance to CAR T cells and other immune therapies. The strength and quality of a T-cell response is dependent not only on cognate antigen recognition, but also on costimulation, which involves interaction of one or more costimulatory receptors on T cells, such as CD2, with ligands expressed on the surface of tumor cells. Tumor cells can escape CAR T-cell destruction by downregulating the expression of ligands for the costimulatory receptors. These ligands include CD58, the ligand of the CD2 costimulatory receptor. Alteration of CD58 expression is associated with poor prognosis in LBCL and leads to lack of response to CD19 CAR T cells. Through our platform approach, we created constructs that couple CD2 signaling directly to CAR activation, to enhance activation of the CAR T cells against tumors that do not express CD58.

Our most advanced preclinical programs incorporate CAR multi-specificity to address tumor antigen loss and loss of costimulatory CD58. CRG-023, our tri-specific CAR T product candidate, targets tumor cells with three B-cell antigen targets (CD19, CD20 and CD22). One of the binders of this tri-specific T cell will incorporate our CD2 costimulation technology that we believe will help improve the treatment of patients that have lost CD58 expression on their tumor cells. We believe that by utilizing our tri-specific CAR T product candidate incorporating our CD2 costimulation technology we have the potential to simultaneously prevent relapse due to

antigen down-modulation or antigen loss while improving CAR T-cell responses against an important mechanism that tumors employ to evade killing by CAR T cells. We plan to continue to leverage our platform technologies to further advance our additional pipeline programs.

Preventing emergence of resistance due to loss of costimulatory ligands

The loss of cell surface costimulatory proteins on tumors that function to activate T-cell costimulatory receptors is a mechanism of development of resistance to CAR T-cell therapies. Tumors that lack the expression of CD58, for example, have been found to be resistant to CAR T cells due to the inability to activate the CD2 receptor on CAR T cells. Approximately 25% of LBCL patients that are eligible for CAR T-cell therapy have mutated or absent CD58 and up to 67% have decreased expression of CD58. In a study of 51 patients with DLBCL treated with Yescarta, the prognosis for patients with mutated or absent CD58 was found to be poor with a median PFS of 3.1 months and less than 30% achieving CRs. By contrast, patients with intact CD58 expression achieved an 80% CR rate and approximately 60% survived or surviving beyond twelve months.

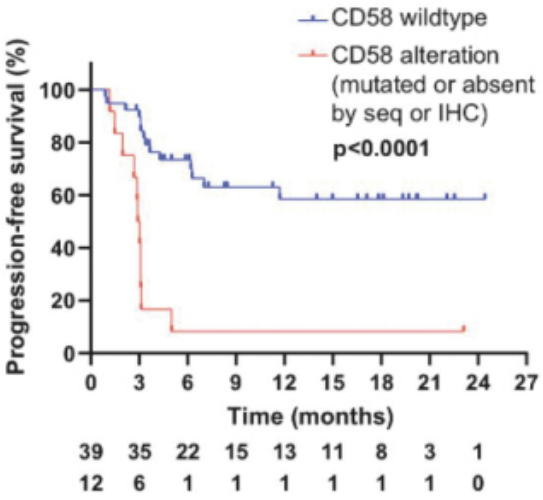


Figure 8. Alteration in CD58 expression was associated with poor prognosis in DLBCL patients treated with Yescarta.

This phenomenon is not confined to DLBCL. A study published in June 2023 demonstrated downregulation of CD58 in patient tumor samples across a wide range of hematologic malignancies including Hodgkin and non-Hodgkin lymphomas (both B-cell and T-cell), including *de novo* disease, suggesting a potential utility for our CD2 platform technology to mitigate immune escape in future therapies for a broad range of hematologic malignancies. The study also demonstrated no correlation with CD58 downregulation and any other B-cell marker (CD19, CD20, CD22 or PAX5), suggesting an independent mechanism of resistance from these cell markers. Further, we believe that this technology has the potential to lead to therapeutic benefit in other cancer indications beyond hematologic malignancies. For example, CD58 expression was reported to be reduced in melanoma patients who are resistant to checkpoint inhibitors. Similarly, sensitivity to bispecific T cell engagers (BiTEs), was reported to be dependent on CD58/CD2 signaling.

In order to combat CD58 downregulation, we are developing modified CAR constructs designed to induce CD2 intracellular signaling by a tumor antigen independent of the presence of CD58 on tumor cells, thereby alleviating the need for CD58 binding to the CD2 receptor and removing a common mechanism that may lead to resistance to CD19 CAR T-cell therapy.

The potential of our CD2 platform technology was demonstrated in a cell killing assay using NALM6 tumor cells. Because these cells express CD22, they are attacked and killed by CD22-targeted CAR T cells similar to CRG-022. Those NALM6 cells that lacked expression of CD58 resisted killing by CD22-targeted CAR T cells.

We hypothesized that restoration of CD2 stimulation would resensitize NALM6 cells that lack CD58 expression to killing by CAR T cells. To test this, we created a CAR that incorporated our CD2 technology in a CD19-targeted CAR with the intent of creating a CD2 activator that was dependent on binding to CD19 rather than CD58.

We observed that although NALM6 cells express CD19, treatment with CD19-targeted CAR with CD2 technology did not sustain long-term tumor cell killing *in vitro* on its own. However, when CAR T cells were created that contained both CD22-targeted CAR and CD19-targeted CAR with CD2 technology, we observed efficient killing of NALM6 cells, including those that lacked CD58. We believe this result suggests that a multi-specific CAR T cell incorporating CD2 technology, can improve activity against tumor cells that lack CD58 expression relative to monospecific CAR T cells.

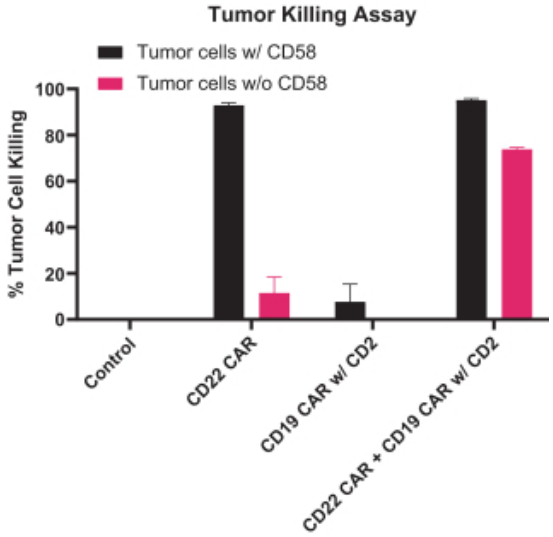


Figure 9. Multispecific CAR T cells incorporating our CD2 technology achieves sustained killing of both CD58+ and CD58- tumor cells

We believe that this CD2 platform technology has the potential to address an important mechanism that tumors employ to evade killing by CAR T cells, across a broad range of cancers.

CRG-023, a tri-specific CAR T product candidate

Critical to the long-term success of CAR T-cell therapies is the ability to increase the number of patients who achieve meaningful therapeutic benefits and for whom these benefits have long-term durability. Achieving this additional breadth will likely require approaches that target more than one tumor antigen at a time. This would, we believe, both expand the pool of eligible patients and reduce the frequency of emergence of resistance.

We are developing CRG-023, a tri-specific CAR T product candidate that targets tumor cells with three B-cell antigen targets (CD19, CD20 and CD22).

We believe that, by targeting these three antigens, we will be able to prevent relapse due to antigen down-modulation or antigen loss while giving us optionality for treating multiple types of B-cell malignancies. In addition to the CD22 CAR used in CRG-022, we plan to utilize novel, fully human CAR binders targeting CD19 and CD20 that we believe should decrease the probability of immune cell rejection by patient recipients due to

non-native elements. Finally, CRG-023 will incorporate our CD2 costimulation technology that we believe will help improve the treatment of patients that have loss or downregulation of CD58 expression on their tumor cells.

In order to evaluate the function of each independent CAR in CRG-023, three Nalm6 B-ALL cell lines were prepared, each expressing only one of the three targeted antigens (CD19, CD20 or CD22). The tri-specific CAR T cell and mono-specific control CAR T cells targeting each antigen were incubated with these Nalm6 cell lines, and the resulting IL-2 secretion – a measure of T cell function – was measured 24 hours later (Figure 15). Each CAR in CRG-023 was able to induce the T cells to secrete IL-2 in response to antigen at levels similar to the mono-specific CAR T cells, thereby demonstrating the independent function of each CAR in CRG-023.

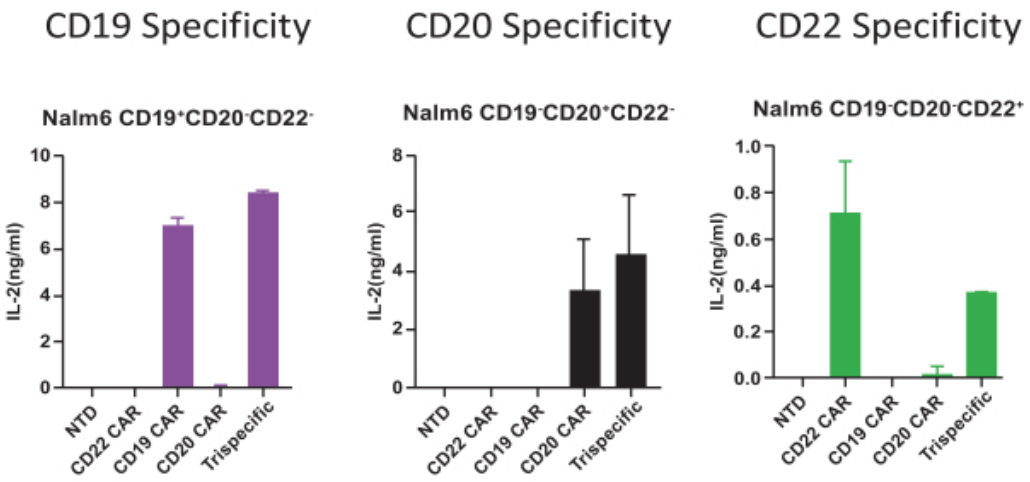


Figure 10. Each CAR in the CARGO tri-specific induced the T cells to secrete IL-2 in response to antigen at levels similar to the mono-specific CAR T.

In order to evaluate the ability of these tri-specific CAR T cells to eliminate tumors *in vivo*, we employed a mouse model in which a non-Hodgkin lymphoma B cell line called Raji was implanted into immunodeficient NSG mice. These Raji cells express all three antigens (CD19, CD20 and CD22) and were engineered to express luciferase to allow for *in vivo* quantification of tumor burden via bioluminescent flux. On day 0, Raji cells were intravenously implanted and on Day 4, three million CAR T cells were injected, and tumor burden was measured

over time. Mono-specific CAR T cells for each CAR used in CRG-023 were prepared as controls. While mono-specific CAR T cells gave partial responses at this dose, our tri-specific CAR T cells reduced bioluminescent flux values down to background levels (Figure 13).

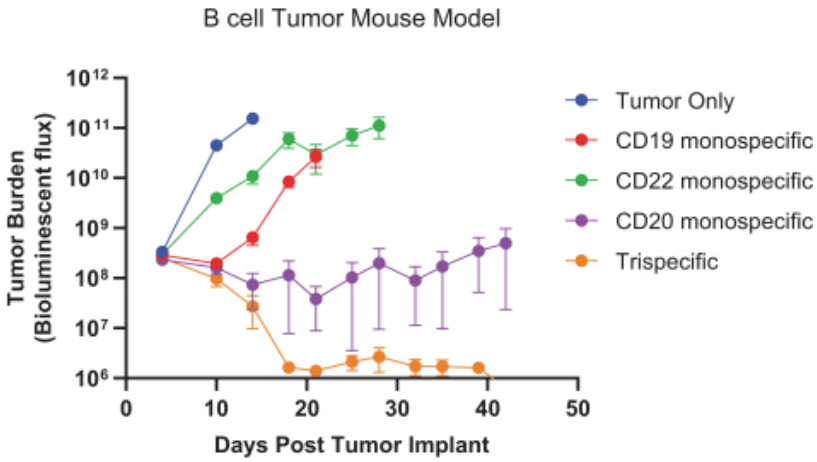


Figure 11 Our tri-specific CAR T cells showed better in vivo antitumor activity against a mouse B cell tumor model than mono-specific CAR T cells.

To understand the impact of antigen loss on our tri-specific CAR T cells, three Raji cell lines were engineered with one of the three antigens (CD19, CD20 or CD22) knocked-out (KO). A 1:1:1 mixture of these Raji cells (CD19 KO:CD20 KO:CD22 KO) was injected into immunodeficient NSG mice on day 0. On Day 4, either our tri-specific CAR T cells or monospecific CAR T-cell controls targeting either CD19 or CD22 were injected. Tumor burden was monitored over time by measuring bioluminescent flux. As expected, the mono-specific CAR T cells were unable to control the tumor due to one-third of the cells not expressing their cognate antigen. However, our tri-specific CAR T cells reduced tumor burden down to background levels (Figure 14). These data suggest that our tri-specific CAR T cells maintained activity against tumor cells that do not express one of the three target antigens.

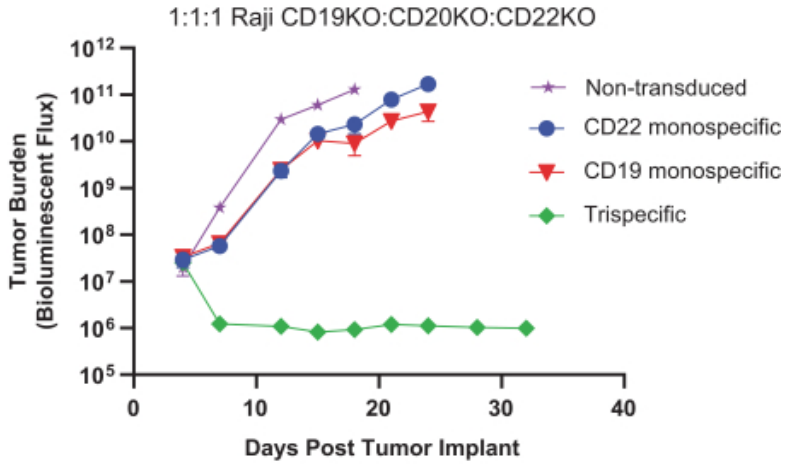


Figure 12. Our tri-specific CAR T cells reduced tumor burden to background levels in an antigen loss in vivo model.

We are initiating IND-enabling studies with CRG-023.

Our STASH platform technology, facilitating homogeneous multicomponent cell therapies

We believe CAR T cells that target more than one antigen on a tumor can address the resistance caused by antigen downregulation or loss on tumor cells, a potential point of failure for monospecific CARs. In addition, there is the potential of increasing persistence or improving tolerability of these cells by driving the expression of proteins such as cytokines that can increase the ability of immune cells to attack tumor cells. However, current technologies to deliver the constructs required to create these multicomponent cell therapies are limited by the capacity of the vectors which results in the need to introduce multiple vectors into T cells. Creating a homogenous population of T cells, each containing copies of all the desired constructs, represents a technical challenge, especially considering the challenges associated with commercial scalability. We believe our STASH technology has broad potential application in all of these scenarios by enabling the incorporation of multiple components without creating heterogeneity.

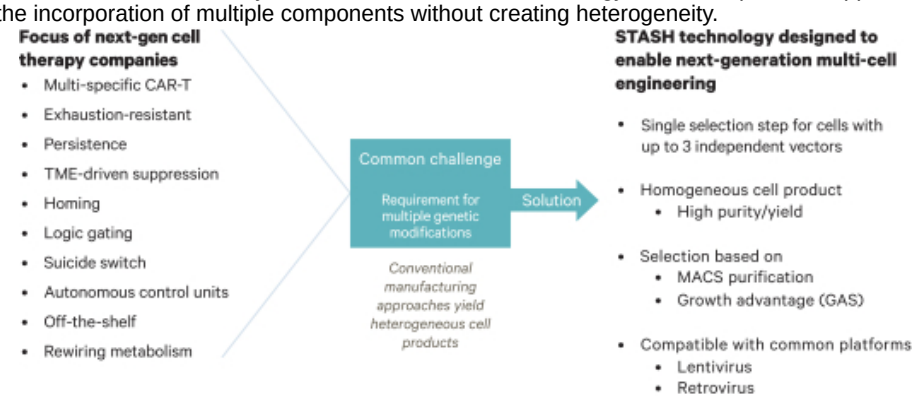


Figure 13. STASH is a technology that can potentially be applied to facilitate the manufacturing of cell therapies incorporating more than one vector.

We have exercised our exclusive option, pursuant to a license agreement between us and Stanford, to a proprietary technology called STASH that is designed to specifically address this problem and allow the manufacturing of homogenous CAR T cells that incorporate multiple vectors. STASH technology comprises proprietary elements, referred to as STASH components, that are incorporated into each vector to be delivered to the CAR T cell. One of these STASH components expresses a marker that can be used to purify the T cells. However, this marker is only expressed on the surface of the T cell when all STASH components are present inside the cell. Therefore, only T cells that have received all vectors will express this tag on the cell surface, which allows them to be purified from the remaining cells that do not express this tag on the surface.

We are committed to improving T-cell activation and persistence and addressing immunosuppressive mechanisms in the tumor microenvironment. We believe that our CD2 and STASH technologies, along with other components of our platform technologies in development, are key to the future of CAR T-cell therapies. We intend to lead the development of these next generation product candidates with our proprietary platform technologies.

Competition

Our products will compete with novel therapies developed by biopharmaceutical companies, academic research institutions, governmental agencies and public and private research institutions, in addition to standard of care treatments.

Potential competitors with autologous CAR T cell therapies that are either approved or in development include 2seventybio, Autolus Therapeutics, Bristol-Myers Squibb, Janssen and CBMG, Gilead Sciences, Gracell, ImmPACT Bio, Miltenyi, Novartis and Oncternal. Potential competitors with allogenic CAR cell therapies in development include Adicet Bio, Allogene Therapeutics, Atara Biotherapeutics, CRISPR Cellectis, Celyad, Fate, Nkarta, Precision Biosciences, Sana Biotechnology, Sorrento Therapeutics and Takeda. Autologous CAR T-cell therapies are made with cells obtained from the patient being treated. In contrast, allogenic CAR T-cell therapies are made with cells obtained from a healthy donor and typically include additional genetic modifications and other refinements intended to reduce or ideally eliminate the likelihood of immune rejection or graft versus host disease when infused into patients. Due to the promising therapeutic effect of CAR T-cell therapies in clinical trials, we anticipate increasing competition from existing and new companies developing these therapies. Competition will also arise from non-cell based immune and other pursued by small-cap biotechnology and large-cap pharmaceutical companies including Abbvie, Amgen Inc, AstraZeneca, Bristol-Myers Squibb, Genmab Incyte, Merck, Regeneron and Roche.

Many of our competitors, either alone or with their collaboration partners, have significantly greater financial resources and expertise in research and development, preclinical testing, clinical trials, manufacturing and marketing than we do. Future collaborations and mergers and acquisitions may result in further resource concentration among a smaller number of competitors.

Our commercial potential 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 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 or make our development more complicated. The key competitive factors affecting the success of all of our programs are likely to be efficacy, safety and convenience.

These competitors may also vie for a similar pool of qualified scientific and management talent, sites and patient populations for clinical trials, as well as for technologies complementary to, or necessary for, our programs.

Certain competitor data

There are three currently approved CD19 CAR T-cell therapies for the treatment of LBCL. Select published clinical data from current FDA-approved CD19 CAR T-cell therapies in development for the treatment of LBCL are presented below.

Axicabtagene ciloleucel (Yescarta)

In a Phase 2 clinical trial of ZUMA-1, a single-arm, multi-center, registrational trial, Yescarta was administered to 101 patients. After 11.6 months of follow-up, the ORR and CR rate were 72% and 51%, respectively. At 18 months, the ORR and CR rate were 82% and 54%, respectively, and Grade 3 or higher CRS and neurologic events occurred in 13% and 28% of patients, respectively. After 2 years of follow-up, the ORR, CR rate and PFS were 83%, 54% and 39%, respectively, as compared to after 5 years of follow-up, where the ORR, CR rate and PFS were 83%, 58% and 32%, respectively.

In a Phase 3 clinical trial of ZUMA-7, a randomized, open-label, multi-center trial, Yescarta was administered to 180 patients and supported the initial treatment in adults with 2L R/R LBCL. After 14.7 months of follow-up, the ORR, CR rate and PFS were 83%, 65% and 50%, respectively, and Grade 3 or higher CRS and neurologic events occurred in 7% and 25% of patients, respectively. After 4 years of follow-up, the ORR, CR rate and PFS were 83%, 65% and 42%, respectively.

Tisagenlecleucel (Kymriah)

In a Phase 2 clinical trial of JULIET, an open-label, multi-center, single-arm trial, Kymriah was administered to 68 patients. At 9.4 months, the ORR and CR rate were 50% and 32%, respectively, and Grade 3 or higher CRS and neurologic events occurred in 22% and 12% of patients, respectively. At 24 months of follow-up, the ORR and CR rate were 52% and 38%, respectively, as compared to after 40.3 months of follow-up, where the ORR and CR rate were 53% and 39%, respectively. After 36 months of follow-up, the PFS was 31%.

Lisocabtagene maraleucel (Breyanzi)

In the pivotal TRANSCEND NHL 001 clinical trial, Breyanzi was administered to 192 patients. After 18.8 months of follow-up, the ORR and CR rate were 73% and 54%, respectively, and Grade 3 or higher CRS and neurologic events occurred in 2% and 10% of patients, respectively. After 2 years of follow-up, the ORR, CR rate and PFS were 73%, 53% and 41%, respectively.

In the pivotal Phase 3 TRANSFORM clinical trial, Breyanzi was administered to 92 patients and supported the initial treatment in adults with 2L R/R LBCL. At 6.2 months, the ORR and CR rate were 84% and 66%, respectively, and Grade 3 or higher CRS and neurologic events occurred in 1% and 7% of patients, respectively. After 17.5 months of follow-up, the ORR, CR rate and PFS were 87%, 74% and 58%, respectively.

ORR and CR rate

The following reflects the published data on ORR and CR rates of CD19 CAR T-cell therapies for the treatment of 3L+ LBCL after 2 years of follow-up: Yescarta (83% ORR, 54% CR rate), Kymriah (52% ORR, 38% CR rate) and Breyanzi (73% ORR, 53% CR rate).

Intellectual property

Intellectual property rights are important to the success of our business. We rely on a combination of patent, trademark and trade secret laws in the United States and in jurisdictions outside of the United States, including Australia, Brazil, Canada, China, Europe, Hong Kong, India, Israel, Japan, Korea, Mexico, New Zealand, Russia, Singapore, South Africa and the United Kingdom, as well as license agreements, confidentiality procedures, non-disclosure agreements with third parties, and other contractual protections, to protect our intellectual property rights, including our proprietary technology, solutions, know-how and brands.

We seek to protect the intellectual property, or IP, and proprietary technology that we consider important to our business, including by pursuing patent applications that cover our technologies and product candidates and methods of using the same, as well as any other relevant inventions and improvements that are considered commercially important to the development of our business. We likewise seek to protect the IP to which we obtain rights through licenses and sublicenses and work collaboratively with our licensors to ensure patent prosecution and protection. We also rely on trademarks, copyrights, trade secrets, know- how and continuing technological innovation to develop and maintain our proprietary and IP positions. Our commercial success depends, in part, on our ability to obtain, maintain, enforce and protect our IP and other proprietary rights for the technology, inventions and improvements we consider important to our business, and to defend any patents we may own or in-license in the future, prevent others from infringing any patents we may own or in-license in the future, preserve the confidentiality of our trade secrets, and operate without infringing, misappropriating or otherwise violating the valid and enforceable IP and proprietary rights of third parties.

As of August 4, 2023, we owned six pending U.S. patent applications and two pending PCT applications comprising applications drawn to the following technical subject matter: (a) cytokine receptor switch polypeptides and uses thereof; (b) CD2-recruiting chimeric antigen receptors and fusion proteins; (c) compositions and methods for improved immunotherapies; (d) compositions and methods for allogeneic immunotherapies; (e) split receptor switch polypeptides and uses thereof; (f) multiplex cell selection compositions and uses thereof; and (g) lymphocyte-activation gene 3 constructs and uses thereof. Any patents issuing from these patent applications are expected to expire from 2043-2044, without taking into account any possible patent term adjustments or extensions. We have also exclusively licensed from NCI and Stanford or optioned six granted U.S. patents, four pending U.S. patent applications, one pending PCT application, 15 granted foreign patents (in Australia, China, Europe, Hong Kong, India, Japan and Russia), and 46 pending foreign patent applications (in Australia, Brazil, Canada, China, Europe, Hong Kong, Japan, Korea, Israel, India, Mexico, New Zealand, Singapore, South Africa and the United Kingdom) that cover a wide range of compositions of matter (including pharmaceutical compositions) and methods (including methods of use), patents and comprising applications drawn to the following technical subject matter: (a) human monoclonal antibodies specific for CD22; (b) m971 chimeric antigen receptors; (c) bicistronic chimeric antigen receptors and their uses; (d) chimeric antigen receptors with CD2 activation; (e) methods for diagnosing or treating health conditions or optimizing therapeutic efficacy of CAR T cell therapies; (f) recombinant polypeptides for regulatable cellular localization; (g) cell selection methods and related compositions. These patents and any patents issuing from these patent applications are expected to expire from 2029 to 2042, without taking into account any possible patent term adjustments or extensions.

Our ability to maintain and solidify our proprietary and IP position(s) for our product candidates and technologies will depend on our success in obtaining effective patent claims and enforcing those claims if granted. However, our pending provisional and Patent Cooperation Treaty, or PCT, patent applications, and any patent applications that we may in the future file or license from third parties, may not result in the issuance of patents and any issued patents we may obtain do not guarantee us the right to protect our technology in relation to the commercialization of our products. We also cannot predict the breadth of claims that may be allowed or enforced in any patents we may own or in-license in the future. Notwithstanding the scope of the patent protection available to us, a competitor could develop competitive technologies and products that are not covered by our IP, and we may be unable to stop such competitor from commercializing such technologies and products.

Any issued patents that we may own or in-license in the future may be challenged, invalidated, circumvented or have the scope of their claims narrowed. Because patent applications can take many years to issue, there may be applications unknown to us, which applications may later result in issued patents that our existing or future products or technologies may be alleged to infringe. Additionally, we cannot be certain of the priority of inventions covered by pending third-party patent applications. If third parties prepare and file patent applications in the United States that also claim technology and products to which we have rights, we may have to participate in interference proceedings in the United States Patent and Trademark Office, or USPTO, to determine priority of invention, which is highly unpredictable and which could result in substantial costs, even if the eventual outcome is favorable to us. In addition, because of the extensive time required for clinical development and regulatory review of technologies and product candidates we may develop, it is possible that, before any of our products can be commercialized, any patent covering a certain product may expire or remain in force for only a short period following commercialization, thereby limiting the protection such patent would afford the respective product and any competitive advantage such patent may provide.

The term of individual patents depends upon the date of filing of the patent application, the date of patent issuance and the legal term of patents in the countries in which they are obtained. In most countries, including the United States, the patent term is 20 years from the earliest filing date of a non-provisional patent

application. In the United States, a patent's term may be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the USPTO in examining and granting a patent, or may be shortened if a patent is terminally disclaimed over an earlier expiring patent.

There can be no assurance that our pending provisional or PCT patent applications will ultimately result in issued patents or that we will benefit from any patent term extension or favorable adjustments to the terms of any patents we may own or in- license in the future. In addition, the actual protection afforded by a patent varies on a product-by-product basis, from country-to-country, and depends upon many factors, including the type of patent, the scope of its coverage, the availability of regulatory-related extensions, the availability of legal remedies in a particular country and the validity and enforceability of the patent. Patent term may be inadequate to protect our competitive position on our products for an adequate amount of time.

As of August 25, 2023, we had no outstanding litigation related to our intellectual property nor any threat to initiate claims against us. In the future, we may need to engage in litigation to enforce patents issued or licensed to us, to protect our trade secrets or know-how or to defend against claims of infringement of the rights of others. Litigation could be costly and could divert our attention from other functions and responsibilities. Furthermore, even if our patents are found to be valid and infringed, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages and/or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by the infringer's competition in the market. Adverse determinations in litigation could subject us to significant liabilities to third parties, could require us to seek licenses from third parties and pay significant royalties to such third parties and could prevent us from manufacturing, selling or using our product or technologies, any of which could severely harm our business.

Although we rely on intellectual property rights, including patents, copyrights, trademarks and trade secrets, as well as contractual protections to establish and protect our proprietary rights, we believe that factors such as the technological and creative skills of our personnel, creation of new solutions, features and functionality, and frequent enhancements to our platform are also essential to establishing and maintaining our technology leadership position.

We control access to and use of our proprietary technology and other confidential information through the use of internal and external controls, including contractual protections with employees, contractors and partners. We require our employees, consultants and other third parties to enter into confidentiality and proprietary rights agreements and we control and monitor access to our solutions, documentation, proprietary technology and other confidential information. Our policy is to require all employees and independent contractors to sign agreements assigning to us any inventions, trade secrets, works of authorship, developments, processes and other intellectual property generated by them on our behalf and under which they agree to protect our confidential information. In addition, we generally enter into confidentiality agreements with our partners. See the section titled "Risk factors—Risks related to our intellectual property" for a more comprehensive description of risks related to our intellectual property.

License agreements

Stanford license agreement

In August 2022, we entered into a license agreement with the Board of Trustees of Stanford University, as amended in January 2023 (the Stanford Agreement). Pursuant to the terms of the Stanford Agreement, Stanford grants to us a worldwide, exclusive license under certain patent rights, and a worldwide non-exclusive license under certain technology, in each case, owned or controlled by Stanford University to make, use and sell products, methods or services in the field of human therapeutic and diagnostic products.

As consideration for the license granted under the Stanford Agreement, we paid a one-time, non-refundable upfront license issue fee of $50,000 and issued 67,605 shares of our common stock, of which 22,317 shares were issued to Stanford University, 27,100 shares were issued to two non-profit organizations that supported the research, and 18,188 shares were issued to various Stanford University inventors. We also agreed to pay annual license maintenance fees of up to $100,000 per year, up to $7.5 million for sales milestone payments, up to $3.98 million in development milestone payments for each therapeutic product covered by licensed patent rights that achieves specific clinical trials or regulatory approvals, up to $550,000 milestone payments upon achievement of specific commercial milestone events, a percentage of milestone payments applicable to products covered by licensed patent rights on the first two non-patented products in a range between 27% and 37% and, subject to certain royalty reductions, low single-digit percentage royalties on net sales of products that is covered by the licensed patent rights or licensed technology. Subject to the terms of the Stanford Agreement, we also agreed to pay Stanford University a certain percentage of non-royalty sublicense related revenue that we may receive from third party sublicensees.

Stanford University may terminate the Stanford Agreement in the event of a material breach, delinquency in payment or if we provide any materially false report, and any of these events remains uncured for 60 days following written notice of such event. We may terminate the Stanford Agreement in its entirety or on a field-by-field basis at any time upon 30 days' advance written notice to Stanford University.

We agreed to pay Stanford University $250,000 if we are acquired by a third party or if we sell all or substantially all of our assets to which the Stanford Agreement relates.

Oxford license and supply agreement

In June 2022, we entered into a license and supply agreement (the 2022 Oxford Agreement) with Oxford Biomedica (UK) Limited (Oxford Biomedica) for Oxford Biomedica to manufacture and supply to us certain lentiviral vectors (Vectors) for the development and commercialization of T-cells transduced with such Vectors (Licensed Products).

Pursuant to the 2022 Oxford Agreement, Oxford Biomedica agrees to provide services related to the development, manufacture and supply of the Vectors and grants to us a non-exclusive worldwide, sub-licensable, royalty-bearing license under certain of Oxford Biomedica's intellectual property rights for us to research, develop, manufacture and commercialize the Licensed Products targeting CD22, and any additional target agreed by Oxford Biomedica and us upon payment of a certain additional target fee.

As consideration for the rights and licenses granted under the 2022 Oxford Agreement, we paid Oxford Biomedica an upfront fee of $200,000. We also agreed to pay up to $0.3 million of development milestones, $1.0 million of regulatory milestones and $8.0 million of commercial milestones for each target if such milestones are achieved by Licensed Products directed to such target and up to an aggregate of $4.25 million if certain milestones related to the transfer of manufacturing capabilities are achieved for each target. Additionally, we agreed to pay low single-digit percentage royalties on the net sales of the Licensed Products.

Pursuant to the terms of the 2022 Oxford Agreement, we solely own any and all intellectual property rights generated under the 2022 Oxford Agreement that either relate solely and exclusively to a nucleic acid sequence encoding our CAR that recognizes CD22 or consist solely and exclusively of any improvement or modification of any proprietary materials that we provide to Oxford for use in the performance of services under the 2022 Oxford Agreement, or require the use of such proprietary materials or our confidential information.

Unless terminated earlier, the 2022 Oxford Agreement will expire when we have no further payments due to Oxford Biomedica under the agreement. We may terminate the 2022 Oxford Agreement without cause upon 120 days' advance written notice, but we may be subject to fees involved in cancelling manufacturing slots that Oxford Biomedica has reserved for manufacturing the Vectors under the 2022 Oxford Agreement. Either party

may terminate the 2022 Oxford Agreement or any applicable scope of work or work order in the event of a material breach that is not cured following written notice of such material breach. Either party can also terminate the 2022 Oxford Agreement upon insolvency of the other party.

2022 National Cancer Institute license agreement

In March 2022, we entered into a license agreement with the U.S. Department of Health and Human Services, as represented by The National Cancer Institute (the NCI) (the 2022 NCI License Agreement), pursuant to which the NCI grants to us a worldwide, royalty-bearing, exclusive license to make, use, sell and import products (Autologous Products) and to practice processes in the field of certain autologously derived CAR T immunotherapies for the treatment of B-cell malignancies that express CD22, and a non-sublicenseable exclusive license to make, use, and import, but not sell, products (Allogenic Products) and to practice processes in the field of certain allogenic derived CAR T immunotherapies for the treatment of B-cell malignancies that express CD22 for evaluation purposes, with an exclusive option to negotiate a non-exclusive or exclusive commercialization license, in each case, under certain patents owned by the NCI.

As consideration for the licenses granted under the 2022 NCI License Agreement, we agreed to pay the NCI a non-refundable license fee of $550,000, of which $175,000 was paid in 2022, and the remaining balance of $375,000 is payable in three equal annual installments beginning on the first anniversary of the effective date of the agreement. We accrued these non-refundable upfront fees on entering into the 2022 NCI License Agreement. We agreed to pay up to $150,000 in regulatory milestone payments upon achieving specific regulatory filing, up to $1.8 million in development milestone payments upon achieving specific clinical trials or registration trials, and up to $16.0 million in sales milestone upon achievement of specific commercial milestone events. Subject to the terms of the agreement, we also agreed to pay low single-digit percentage royalties on net sales of Autologous Products and Allogenic Products. We also agreed to pay the NCI a percentage (ranging from 5-10% on the low-end of the range to 15-25% on the high-end of the range) of non-royalty revenue received by us for granting a sublicence of the licensed patent rights. Additionally, in the event we are granted a priority review voucher (PRV), we agreed to pay the NCI a minimum of $5.0 million upon the sale, transfer or lease of each PRV or $500,000 upon submission of each PRV for use by the FDA. We also agreed to pay the NCI a percentage (ranging from 2-7% on the low-end of the range to 7-12% on the high-end of the range) of the fair market value of the consideration we receive for any assignment of the 2022 NCI License Agreement to a non-affiliate (upon the NCI's prior written consent) or an allocated portion of the fair value of consideration received in connection with a change in control.

Unless earlier terminated, the 2022 NCI License Agreement will expire upon the expiration of the last to expire licensed patent right, but the exclusive license for evaluation purposes will expire two years from the effective date of the 2022 NCI License Agreement, with an option for us to extend the exclusive license for evaluation purposes for one year upon a non-creditable, nonrefundable payment of $50,000 to the NCI. The NCI may terminate or modify the 2022 NCI License Agreement in the event of a material breach, including if we do not meet certain milestones by certain dates, or upon certain insolvency events that remain uncured within 90 days following written notice of such breach or insolvency event. We may terminate the 2022 NCI License Agreement, or any portion thereof, at our sole discretion at any time upon 60 days' advance written notice to the NCI.

2023 National Cancer Institute license agreement

In February 2023, we entered into a license agreement with the NCI (the 2023 NCI License Agreement) to acquire a worldwide, royalty-bearing, exclusive license under certain patent rights owned by the NCI to make, use, sell and import products and to practice processes in the field of certain CAR T immunotherapies for the treatment of B-cell malignancies, wherein the T cells are engineered to express CD22 in combination with both: receptors targeting CD19, CD20, and/or CD79b; and using STASH platform and/or a technology to activate CD2 signaling in the CAR T cell. As consideration for the license granted under the 2023 NCI License Agreement, we

agreed to pay the NCI a non-refundable license fee of $250,000 payable in three annual installments, and up to $90,000 in regulatory milestone payments upon achieving specific regulatory filing, up to $1.725 million in development milestone payments upon achieving specific clinical trials or registration trials, and up to $16.0 million in sales milestone upon achievement of specific commercial milestone events. Subject to the terms of the agreement, we also agreed to pay a low single-digit percentage royalties on net sales of Allogenic Products. We also agreed to pay the NCI a low double-digit percentages of non-royalty revenue received by us for granting a sublicence of the licensed patent rights. Additionally, in the event we are granted a PRV, we agreed to pay the NCI a minimum of $5 million upon the sale, transfer or lease of each PRV or $500,000 upon submission of each PRV for use by the FDA. We also agreed to pay the NCI a low single-digit percentage of the fair market value of the consideration that we receive for any assignment of the 2023 NCI License Agreement to a non-affiliate (upon the NCI's prior written consent) or an allocated portion of the fair value of consideration received in connection with a change in control.

Unless earlier terminated, the 2023 NCI License Agreement will expire upon the expiration of the last to expire licensed patent right. The NCI may terminate or modify the 2023 NCI License Agreement in the event of a material breach, including if we do not meet certain milestones by certain dates, or upon certain insolvency events that remain uncured within 90 days following written notice of such breach or insolvency event. We may terminate the 2023 NCI License Agreement, or any portion thereof, at our sole discretion at any time upon 60 days' advance written notice to the NCI.

Government regulation

The FDA and other regulatory authorities at federal, state, and local levels, as well as in foreign countries, extensively regulate, among other things, the research, development, testing, manufacture, quality control, import, export, safety, effectiveness, labeling, packaging, storage, distribution, record keeping, approval, advertising, promotion, marketing, post-approval monitoring, and post-approval reporting of biological product candidates such as those we are developing. We, along with third-party contractors, will be required to navigate the various preclinical, clinical and commercial approval requirements of the governing regulatory agencies of the countries in which we wish to conduct studies or seek approval or licensure of our product candidates. The process of obtaining regulatory approvals and the subsequent compliance with applicable federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources.

U.S. biologics development process

In the United States, biological products are subject to regulation under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act, and other federal, state, local and foreign statutes and regulations. The process required by the FDA before biologic product candidates may be marketed in the United States generally involves the following:

- completion of preclinical laboratory tests, animal studies and formulation studies in accordance with Good Laboratory Practice regulations, or GLPs, and other applicable regulations;
- submission to the FDA of an Investigational New Drug application, or IND, which must become effective before human clinical trials may begin;
- approval by an independent institutional review board, or IRB, or ethics committee at each clinical site before each trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with Good Clinical Practice regulations, or GCPs, to evaluate the safety and efficacy of the product candidate for its intended use;
- submission to the FDA of a Biologics License Application, or BLA, after completion of all pivotal trials;

- a determination by the FDA within 60 days of its receipt of a BLA to file the application for review;
- satisfactory completion of an FDA advisory committee review, if applicable;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the biologic is produced to assess compliance with current Good Manufacturing Practice requirements, or cGMPs, to assure that the facilities, methods and controls are adequate to preserve the biologic's identity, strength, quality and purity;
- satisfactory completion of potential inspection of selected clinical investigation sites to assess compliance with GCPs; and
- FDA review and approval of the BLA to permit commercial marketing of the product for particular indications for use in the United States.

Once a product candidate is identified for development, it enters the preclinical testing stage. Preclinical tests include laboratory evaluations of product chemistry, toxicity and formulation, as well as animal studies. An IND sponsor must submit the results of the preclinical tests, together with manufacturing information and analytical data, to the FDA as part of an IND. An IND is a request for authorization from the FDA to administer an investigational product to humans. An IND will also include a protocol detailing, among other things, the objectives of the clinical trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated, if the trial includes an efficacy evaluation. Some preclinical testing 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, places the IND on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Clinical holds also may be imposed by the FDA at any time before or during clinical trials due to safety concerns or non-compliance with FDA requirements, in which case clinical trials may not begin or continue until the FDA notifies the sponsor that the hold has been lifted.

In addition to the submission of an IND to the FDA, under the NIH Guidelines, supervision of certain human gene transfer trials may also require evaluation and assessment by an institutional biosafety committee, or IBC, a local institutional committee that reviews and oversees research utilizing recombinant or synthetic nucleic acid molecules at that institution. The IBC assesses the safety of the research and identifies any potential risk to the public health or the environment, and such assessment may result in some delay before initiation of a clinical trial. While the NIH Guidelines are not mandatory unless the research in question is being conducted at or sponsored by institutions receiving NIH funding of recombinant or synthetic nucleic acid molecule research, many companies and other institutions not otherwise subject to the NIH Guidelines voluntarily follow them.

Clinical trials involve the administration of the investigational product to human subjects, and must be conducted under the supervision of one or more qualified investigators in accordance with GCPs, which include, among other things, the requirement that all research subjects provide their informed consent in writing for their participation in any clinical trial. Clinical trials must be conducted under protocols detailing the objectives of the trial, dosing procedures, subject selection and exclusion criteria and the safety and effectiveness criteria to be evaluated. Each protocol must be submitted to the FDA as part of the IND, and a separate submission to the existing IND must be made for each successive clinical trial conducted during product development and for any subsequent protocol amendments. While the IND is active, progress reports summarizing the results of the clinical trials and nonclinical studies performed since the last progress report, among other information, must be submitted at least annually to the FDA, and written IND safety reports must be submitted to the FDA and investigators for serious and unexpected suspected adverse events, findings from other studies suggesting a significant risk to humans exposed to the same or similar drugs or biologics, findings from animal or in vitro testing suggesting a significant risk to humans, and any clinically important increased incidence of a serious suspected adverse reaction compared to that listed in the protocol or investigator brochure.

Furthermore, an independent IRB or ethics committee at each institution participating in the clinical trial must review and approve each protocol before a clinical trial commences at that institution and must also approve the information regarding the trial and the consent form that must be provided to each trial subject or his or her legal representative, monitor the study until completed and otherwise comply with IRB regulations. The FDA or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the biologic has been associated with unexpected serious harm to patients. In addition, some clinical trials are overseen by an independent group of qualified experts organized by the sponsor, known as a data safety monitoring board or committee. Depending on its charter, this group may determine whether a trial may move forward at designated check points based on access to certain data from the trial. There are also requirements governing the reporting of ongoing clinical studies and clinical study results to public registries, including clinicaltrials.gov.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- Phase 1: The product candidate is initially introduced into healthy human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution and excretion and, if possible, to gain an early indication of its effectiveness.
- Phase 2: The product candidate is administered to a limited patient population with a specified disease or condition to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product candidate for specific targeted diseases and to determine dosage tolerance and appropriate dosage.
- Phase 3: The product candidate is administered to an expanded patient population to further evaluate dosage, to provide substantial evidence of efficacy and to further test for safety, generally at multiple geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk-benefit ratio of the product candidate and provide an adequate basis for product labeling.

Post-approval trials, sometimes referred to as Phase 4 studies, may be conducted after BLA approval. These trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication. In certain instances, the FDA may mandate the performance of Phase 4 clinical trials as a condition of approval of a BLA.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the biologic and finalize a process for manufacturing the product in commercial quantities in accordance with cGMPs. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, the manufacturer must develop methods for testing the identity, strength, quality and purity of the final product. In addition, 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.

BLA review and approval process

Assuming successful completion of all required testing in accordance with applicable regulatory requirements, the results of product development, including among other things, results, from nonclinical studies and clinical trials, are submitted to the FDA as part of a BLA requesting approval to market the product candidate for one or more indications. The BLA must include all relevant data available from preclinical and clinical studies, including negative or ambiguous results as well as positive findings, together with detailed information relating to the product's chemistry, manufacturing, controls, and proposed labeling, among other things. Data can come

from company-sponsored clinical studies, or from a number of alternative sources, such as studies initiated by investigators or other third parties. The submission of a BLA requires payment of a substantial user fee to FDA, and the sponsor of an approved BLA is also subject to an annual program fee. A waiver of user fees may be obtained under certain limited circumstances.

The FDA conducts a preliminary review of all BLAs within the first 60 days after submission, before accepting them for filing, to determine whether they are sufficiently complete to permit substantive review. The FDA may refuse to file any BLA that it deems incomplete or not properly reviewable at the time of submission and may request additional information. In this event, the BLA must be resubmitted with the additional information before FDA will review the application. Once filed, the FDA reviews a BLA to determine, among other things, whether the biologic is safe, pure and potent and the facility in which it is manufactured, processed, packed, or held meets standards designed to assure the product's continued safety, purity and potency. Under the Prescription Drug User Fee Act, or PDUFA, guidelines that are currently in effect, the FDA has a goal of ten months from the date of "filing" of an original BLA to review and act on the submission. This review typically takes twelve months from the date the BLA is submitted to the FDA because the FDA has approximately two months to make a "filing" decision.

The FDA may refer an application for a novel biologic to an advisory committee. An advisory committee is a panel of independent experts, including clinicians and other scientific experts, that reviews, evaluates and provides 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.

Before approving a BLA, the FDA will typically inspect the facility or facilities where the product is manufactured. Additionally, before approving a BLA, the FDA may inspect one or more clinical trial sites to assure compliance with GCPs. After the FDA evaluates a BLA and conducts inspections of manufacturing facilities where the investigational product and/or its substance will be produced, the FDA may issue an approval letter or a Complete Response Letter, or CRL. An approval letter authorizes commercial marketing of the biologic with prescribing information for specific indications. A CRL indicates that the review cycle for the application is complete, and the application will not be approved in its present form. A CRL usually describes the specific deficiencies in the BLA identified by the FDA and may include requirements to conduct additional clinical trials, or other significant and time-consuming requirements related to clinical data, nonclinical studies or manufacturing. If a CRL is issued, the sponsor must resubmit the BLA, addressing all of the deficiencies identified in the letter, or withdraw the application. Even if such data and information are submitted, the FDA may decide that the BLA does not satisfy the criteria for approval.

If a product receives regulatory approval, referred to as "licensure" by the FDA, such approval may be significantly limited to specific diseases and dosages, or the indications for use may otherwise be limited, which could restrict the commercial value of the product. In addition, the FDA may require a sponsor of an approved BLA to conduct post-marketing clinical trials designed to further assess a biologic's safety, purity or potency, and may also require testing and surveillance programs to monitor the safety of the product, once commercialized, and may limit further marketing of the product based on the results of these post-marketing studies. The FDA may also place other conditions on BLA approval. including the requirement for a risk evaluation and mitigation strategy, or REMS, to assure the safe use of the product. If the FDA concludes a REMS is needed, the sponsor of the BLA must submit a proposed REMS in connection with the application. The FDA will not approve the BLA without an approved REMS, if required. A REMS could include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of commercial products.

In addition, the Pediatric Research Equity Act, or PREA, requires a sponsor to conduct pediatric clinical trials for most biologics, as well as for new indications, new dosage forms, new dosing regimens or new route of administrations. Under PREA, original BLAs and supplements must contain a pediatric assessment unless the sponsor has received a deferral or waiver. The required assessment must evaluate the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and support dosing and administration for each pediatric subpopulation for which the product is deemed safe, pure and potent. The sponsor or FDA may request a deferral of pediatric clinical trials for some or all of the pediatric subpopulations. A deferral may be granted for several reasons, including a finding that the biologic is ready for approval for use in adults before pediatric clinical trials are complete or that additional data need to be collected before the pediatric clinical trials begin. The FDA must send a non-compliance letter to any sponsor that fails to submit the required assessment, keep a deferral current or fails to submit a request for approval of a pediatric formulation.

Orphan designation

Under the Orphan Drug Act, the FDA may grant orphan designation to a biologic intended to treat a rare disease or condition, which is a disease or condition that affects fewer than 200,000 individuals in the United States or where, if the disease or condition affects more than 200,000 individuals in the United States, there is no reasonable expectation that the cost of developing and making the product available in the United States for this type of disease or condition will be recovered from sales of the product. Orphan designation must be requested before submitting a BLA. After the FDA grants orphan designation, the identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. Orphan designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product that has orphan designation subsequently receives the first FDA approval for the disease or condition 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 to market the same biologic for the same disease or condition for seven years, except in limited circumstances, such as a showing of clinical superiority to the product with orphan exclusivity or inability to manufacture the product in sufficient quantities. The designation of such biologic also entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user-fee waivers. However, competitors, may receive approval of different products for the disease or condition for which the orphan product has exclusivity, or obtain approval for the same product but for a different disease or condition for which the orphan product has exclusivity. Orphan exclusivity also could block the approval of a competing product for seven years if a competitor obtains approval of the “same drug,” as defined by the FDA, or if a the biologic is determined to be contained within the competitor’s product for the same disease or condition. In addition, if an orphan-designated product receives approval for a disease or condition broader than covered in the orphan designation, the product may not be entitled to orphan exclusivity.

Expedited development and review programs

The FDA has a number of programs intended to expedite the development or review of a marketing application for an investigational biologic. For example, the fast track designation program is intended to expedite or facilitate the process for developing and reviewing product candidates that meet certain criteria. Specifically, investigational biologics are eligible for fast track designation if they are intended to treat a serious or life-threatening disease or condition and demonstrate the potential to address unmet medical needs for the disease or condition. The sponsor of a fast track product candidate has opportunities for more frequent interactions with the applicable FDA review team during product development and, once a BLA is submitted, the application may be eligible for priority review. With regard to a fast track product candidate, the FDA may consider for review sections of the BLA on a rolling basis before the complete application is submitted, if the sponsor

provides a schedule for the submission of the sections of the BLA, the FDA agrees to accept sections of the BLA and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the BLA.

A product candidate intended to treat a serious or life-threatening disease or condition may also be eligible for Breakthrough Therapy to expedite its development and review. A product candidate can receive Breakthrough Therapy if preliminary clinical evidence indicates that the product candidate, alone or in combination with one or more other drugs or biologics, may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. The designation includes all of the fast track program features, as well as more intensive FDA interaction and guidance beginning as early as Phase 1 and an organizational commitment to expedite the development and review of the product candidate, including involvement of senior managers.

Certain biological product candidates may also be eligible for regenerative medicine advanced therapy, or RMAT, designation. This designation may be available where the product candidate qualifies as an RMAT, meaning that, with limited exceptions, the product candidate is a cell therapy, therapeutic tissue engineering product, human cell and tissue product, or any combination product using such therapies or products; the product candidate is intended to treat, modify, reverse, or cure a serious or life-threatening disease or condition; and preliminary clinical evidence indicates that the product candidate has the potential to address unmet medical needs for such a disease or condition. RMAT designation provides all the benefits of Breakthrough Therapy, including more frequent meetings with the FDA to discuss the development plan for the product candidate and eligibility for rolling review and priority review of a BLA submission. Product candidates granted RMAT designation may also be eligible for accelerated approval on the basis of a surrogate or intermediate endpoint reasonably likely to predict long-term clinical benefit, as discussed below, or through reliance upon data obtained from a meaningful number of clinical trial sites, including through expansion of trials to additional sites.

Any product candidate submitted to the FDA for approval, including a product candidate with a fast track designation or Breakthrough Therapy designation, may also be eligible for other types of FDA programs intended to expedite development and review, such as priority review and accelerated approval. A BLA is eligible for priority review if the product candidate is designed to treat a serious condition, and if approved, would provide a significant improvement in safety or efficacy compared to available therapies. The FDA will attempt to direct additional resources to the evaluation of a BLA designated for priority review in an effort to facilitate the review. The FDA endeavors to review applications with priority review designations within six months of the filing date as compared to ten months for review of original BLAs under its current PDUFA review goals.

In addition, a product candidate may be eligible for accelerated approval. A biological product candidate intended to treat serious or life-threatening diseases or conditions may be eligible for accelerated approval upon a determination that the product candidate has an effect on 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. As a condition of approval, the FDA generally requires that a sponsor of a biologic receiving accelerated approval perform adequate and well-controlled confirmatory clinical trials, and may require that such confirmatory trials be underway prior to granting accelerated approval. Biologics receiving accelerated approval may be subject to expedited withdrawal procedures if the sponsor fails to conduct the required confirmatory trials in a timely manner or if such trials fail to verify the predicted clinical benefit. In addition, the FDA currently requires as a condition of accelerated approval pre-approval of promotional materials, which could adversely impact the timing of the commercial launch of the product.

Fast track designation, Breakthrough Therapy RMAT designation, priority review, and accelerated approval do not change the standards for approval, but may expedite the development or approval process. Even if a product candidate 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.

FDA regulation of companion diagnostics

We believe that certain of our product candidates may require an in vitro diagnostic to identify appropriate patient populations for investigation and/or use of our product candidates. These diagnostics, often referred to as companion diagnostics, are regulated as medical devices. In the United States, the FDCA and its implementing regulations, and other federal and state statutes and regulations govern, among other things, medical device design and development, preclinical and clinical testing, premarket clearance or approval, registration and listing, manufacturing, labeling, storage, advertising and promotion, sales and distribution, export and import, and post-market surveillance. Unless an exemption applies, diagnostic tests require marketing clearance or approval from the FDA prior to commercial distribution. The two primary types of FDA marketing authorization applicable to a medical device are premarket notification, also called 510(k) clearance, and premarket approval (PMA). Most companion diagnostics for oncology product candidates utilize the PMA pathway.

If use of companion diagnostic is deemed essential to the safe and effective use of a drug product, then the FDA generally will require approval or clearance of the diagnostic contemporaneously with the approval of the therapeutic product. On August 6, 2014, the FDA issued a final guidance document addressing the development and approval process for “In Vitro Companion Diagnostic Devices.” According to the guidance, for novel product candidates, a companion diagnostic device and its corresponding drug candidate should be approved or cleared contemporaneously by FDA for the use indicated in the therapeutic product labeling. The guidance also explains that a companion diagnostic device used to make treatment decisions in clinical trials of a drug generally will be considered an investigational device, unless it is employed for an intended use for which the device is already approved or cleared. If used to make critical treatment decisions, such as patient selection, the diagnostic device may be considered a significant risk device under the FDA’s Investigational Device Exemption (IDE) regulations. In which case, the sponsor of the diagnostic device will be required to submit and obtain approval of an IDE application, and subsequently comply with the IDE regulations. However, according to the guidance, if a diagnostic device and a drug are to be studied together to support their respective approvals, both products can be studied in the same investigational study, if the study meets both the requirements of applicable IDE regulations and the IND regulations. The guidance provides that, depending on the details of the study plan and degree of risk posed to subjects, a sponsor may seek to submit an IND alone, or both an IND and an IDE.

The FDA has generally required companion diagnostics intended to select the patients who will respond to cancer treatment to obtain approval of a PMA for that diagnostic simultaneously with approval of the therapeutic. The PMA process, including the gathering of clinical and preclinical data and the submission to and review by the FDA, can take several years or longer. It involves a rigorous premarket review during which the applicant must prepare and provide the FDA with reasonable assurance of the device’s safety and effectiveness and information about the device and its components regarding, among other things, device design, manufacturing and labeling. In addition, PMAs for certain devices must generally include the results from extensive preclinical and adequate and well-controlled clinical trials to establish the safety and effectiveness of the device for each indication for which FDA approval is sought. In particular, for a diagnostic, the applicant must demonstrate that the diagnostic produces reproducible results when the same sample is tested multiple times by multiple users at multiple laboratories. As part of the PMA review, the FDA will typically inspect the manufacturer’s facilities for compliance with the Quality System Regulation (QSR), which imposes elaborate testing, control, documentation and other quality assurance requirements.

If the FDA's evaluation of the PMA application is favorable, the FDA may issue an approvable letter requiring the applicant's agreement to specific conditions, such as changes in labeling, or specific additional information, such as submission of final labeling, in order to secure final approval of the PMA. If the FDA's evaluation of the PMA or manufacturing facilities is not favorable, the FDA will deny approval of the PMA or issue a not approvable letter. A not approvable letter will outline the deficiencies in the application and, where practical, will identify what is necessary to make the PMA approvable. The FDA may also determine that additional clinical trials are necessary, in which case the PMA approval may be delayed for several months or years while the trials are conducted and then the data submitted in an amendment to the PMA. If and when the FDA concludes that the applicable criteria have been met, the FDA will issue a PMA for the approved indications, which can be more limited than those originally sought by the applicant. The PMA can include post-approval conditions that the FDA believes necessary to ensure the safety and effectiveness of the device, including, among other things, restrictions on labeling, promotion, sale and distribution. Once granted, PMA approval may be withdrawn by the FDA if compliance with post approval requirements, conditions of approval or other regulatory standards are not maintained or problems are identified following initial marketing.

After a device is commercialized, it remains subject to significant regulatory requirements. Medical devices may be marketed only for the uses and indications for which they are cleared or approved. Device manufacturers must also establish registration and device listings with the FDA. A medical device manufacturer's manufacturing processes and those of its suppliers are required to comply with the applicable portions of the QSR, which cover the methods and documentation of the design, testing, production, processes, controls, quality assurance, labeling, packaging and shipping of medical devices. Domestic facility records and manufacturing processes are subject to periodic unscheduled inspections by the FDA. The FDA also may inspect foreign facilities that export products to the United States.

Post-approval requirements

Biologics are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to record-keeping, reporting of adverse experiences, periodic reporting, product sampling and distribution, and advertising and promotion of the product. 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 fees for any marketed products. Biologic manufacturers and their subcontractors are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP, which impose certain procedural and documentation requirements upon us and our third-party manufacturers. Changes to the manufacturing process are strictly regulated, and, depending on the significance of the change, may require prior FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and impose reporting requirements upon us and any third-party manufacturers that we may decide to use. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain compliance with cGMP and other aspects of regulatory compliance.

The FDA may 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 a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of requirements for post-market studies or clinical studies 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 the product, complete withdrawal of the product from the market or product recalls;

- fines, warning letters, or untitled letters;
- clinical holds on ongoing or planned clinical studies;
- refusal of the FDA to approve pending applications or supplements to approved applications, or suspension or revocation of approvals;
- product seizure or detention, or refusal to permit the import or export of products;
- consent decrees, corporate integrity agreements, debarment or exclusion from federal healthcare programs;
- mandated modification of promotional materials and labeling and the issuance of corrective information;
- the issuance of safety alerts, Dear Healthcare Provider letters, press releases and other communications containing warnings or other safety information about the product; or
- injunctions or the imposition of civil or criminal penalties.

In addition, the FDA closely regulates the marketing, labeling, advertising and promotion of biological products. A company can make only those claims relating to safety and efficacy, purity and potency that are approved by the FDA 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. Failure to comply with these requirements can result in, among other things, adverse publicity, warning letters, corrective advertising and potential civil and criminal penalties. Physicians 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. Such off-label uses are common across medical specialties. Physicians may believe that such off-label uses are the best treatment for many patients in varied circumstances. The FDA does not regulate the behavior of physicians in their choice of treatments. The FDA does, however, restrict manufacturer's communications on the subject of off-label use of their products.

Biosimilars and exclusivity

The Affordable Care Act, signed into law in 2010, includes a subtitle called the BPCIA, which created an abbreviated approval pathway for biological products that are biosimilar to or interchangeable with an FDA-licensed reference biological product. Biosimilarity, which requires that there be no clinically meaningful differences between the biological product and the reference product in terms of safety, purity, and potency, can be shown through analytical studies, animal studies, and a clinical study or studies. Interchangeability requires that a product is biosimilar to the reference product and the product must demonstrate that it can be expected to produce the same clinical results as the reference product in any given patient and, for products that are administered multiple times to an individual, the biologic and the reference biologic may be alternated or switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic.

Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date that the reference product was first licensed by the FDA. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a full BLA for the competing product containing that applicant's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of its product. The BPCIA also created certain exclusivity periods for biosimilars approved as interchangeable products. At this juncture, it is unclear whether products deemed "interchangeable" by the FDA will, in fact, be readily substituted by pharmacies, which are governed by state pharmacy law.

A biological product can also obtain pediatric market exclusivity in the United States. Pediatric exclusivity, if granted, adds six months to existing exclusivity periods and patent terms. This six-month exclusivity, which runs from the end of other exclusivity protection or patent term, may be granted based on the voluntary completion of a pediatric study in accordance with an FDA-issued “Written Request” for such a study.

Other healthcare laws

Pharmaceutical companies are subject to additional healthcare regulation and enforcement by the federal government and by authorities in the states and foreign jurisdictions in which they conduct their business. Such laws include, without limitation, U.S. federal and state anti-kickback, fraud and abuse, false claims, pricing reporting, and physician payment transparency laws and regulations regarding drug pricing and payments or other transfers of value made to physicians and other licensed healthcare professionals as well as similar foreign laws in the jurisdictions outside the United States. Violation of any of such laws or any other governmental regulations that apply may result in significant penalties, including, without limitation, administrative civil and criminal penalties, damages, disgorgement fines, additional reporting requirements and oversight obligations, contractual damages, the curtailment or restructuring of operations, exclusion from participation in governmental healthcare programs and/ or imprisonment.

Coverage and reimbursement

Successful sales of our drug candidates in the U.S. market, if approved, will depend, in part, on the extent to which our drugs will be covered by third-party payors, such as government health programs or private health insurance (including managed care plans). Patients generally rely on such third-party payors to reimburse all or part of the costs associated with their prescriptions and therefore adequate coverage and reimbursement from such third-party payors are critical to new and ongoing product acceptance. Coverage and reimbursement policies for drug products can differ significantly from payor to payor as there is no uniform policy of coverage and reimbursement for drug products among third-party payors in the United States. There may be significant delays in obtaining coverage and reimbursement as the process of determining coverage and reimbursement is often time consuming and costly. Further, third-party payors are increasingly reducing reimbursements for medical drugs and services and implementing measures to control utilization of drugs (such as requiring prior authorization for coverage). For products administered under the supervision of a physician, obtaining coverage and adequate reimbursement may be particularly difficult because of the higher prices often associated with such drugs. Additionally, separate reimbursement for the product itself or the treatment or procedure in which the product is used may not be available, which may impact physician utilization.

Additionally, the containment of healthcare costs has become a priority of federal and state governments, and the prices of drugs have been a focus in this effort. The U.S. government, state legislatures and foreign governments have shown significant interest in implementing cost-containment programs, including price controls, restrictions on reimbursement and requirements for substitution of generic drugs. Adoption or expansion of price controls and cost-containment measures could further limit our net revenue and results. Decreases in third-party reimbursement for our drug candidates, if approved, or a decision by a third-party payor to not cover our drug candidates could have a material adverse effect on our sales, results of operations and financial condition.

General legislative cost control measures may also affect reimbursement for our products. If we obtain approval to market a drug candidate in the United States, we may be subject to spending reductions affecting Medicare, Medicaid or other publicly funded or subsidized health programs and/or any significant taxes or fees.

U.S. healthcare reform

The U.S. government, state legislatures, and foreign governments have shown significant interest in implementing cost containment programs to limit the growth of government-paid healthcare costs, including price-controls, restrictions on reimbursement, and requirements for substitution of generic products for branded prescription drugs.

For example, in March 2010, the Affordable Care Act, or ACA, was enacted in the United States and substantially changed the way healthcare is financed by both the government and private insurers. The ACA contains provisions that may reduce the profitability of drug products. Among other things, the ACA established an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic agents; extended manufacturers' Medicaid rebate liability to covered drugs dispensed to individuals who are enrolled in Medicaid managed care organizations; expanded eligibility criteria for Medicaid programs; expanded the entities eligible for discounts under the 340B drug pricing program; and increased the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program. Since its enactment, there have been executive, judicial and Congressional challenges to certain aspects of the ACA. On June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. Most significantly, on August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (IRA) into law. This statute marks the most significant action by Congress with respect to the pharmaceutical industry since adoption of the ACA in 2010. Among other things, the IRA requires manufacturers of certain drugs to engage in price negotiations with Medicare (beginning in 2026), with prices that can be negotiated subject to a cap; imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation (first due in 2023); and replaces the Part D coverage gap discount program with a new discounting program (beginning in 2025). The IRA permits the Secretary of the Department of Health and Human Services (HHS) to implement many of these provisions through guidance, as opposed to regulation, for the initial years. HHS has and will continue to issue and update guidance as these programs are implemented. On August 29, 2023, HHS announced the list of the first ten drugs that will be subject to price negotiations. However, the Medicare drug price negotiation program is currently subject to legal challenges. Further, in response to the Biden administration's October 2022 executive order, on February 14, 2023, HHS released a report outlining three new models for testing by the CMS Innovation Center which will be evaluated on their ability to lower the cost of drugs, promote accessibility and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future. The impact of the IRA on the pharmaceutical industry cannot yet be fully determined but is likely to be significant. Additional drug pricing proposals could appear in future legislation.

Additionally, there has been heightened governmental scrutiny in the United States of pharmaceutical pricing practices in light of the rising cost of prescription drugs and biologics. Such scrutiny has resulted in several recent Congressional inquiries, presidential executive orders and proposed and enacted federal and state 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 products.

At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or 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, 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.

Existing healthcare reform measures, as well as the implementation of additional cost containment measures or other reforms may prevent us from being able to generate revenue, attain profitability or commercialize our product candidates, if approved.

Facilities

Our corporate headquarters is located in San Mateo, California, where we lease approximately 15,400 square feet of office and laboratory space pursuant to a sublease agreement which was executed in November 2021 and expires in November 2024. In August 2022, we entered into an amendment to the sublease agreement, pursuant to which we expanded the leased premises for an additional 15,717 square feet of office and laboratory space, increasing the total leased premises to approximately 31,117 square feet at the existing San Mateo, California location through the original expiration date of November 2024.

We believe that our existing facilities are sufficient for our near-term needs but expect to need additional space as we grow. We believe that suitable additional alternative spaces will be available in the future on commercially reasonable terms, if required.

Employees and human capital resources

As of June 30, 2023, we had 74 employees. None of our employees are represented by a labor union or party to a collective bargaining agreement. We consider our relationship with our employees to be good.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and additional employees. The principal purposes of our equity incentive plans are to attract, retain and motivate selected employees, consultants and directors through the granting of stock-based compensation awards and cash-based performance bonus awards.

Legal proceedings

From time to time, we may become involved in litigation or other legal proceedings arising in the ordinary course of business. We are not currently a party to any litigation or legal proceedings that, in the opinion of our management, are probable to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on our business, financial condition, results of operations and prospects because of defense and settlement costs, diversion of management resources and other factors.

Management

Executive officers and directors

The following table sets forth information regarding our executive officers, directors and key employees as of November 2, 2023:

Name	Age	Position(s)
Executive officers and employee directors:		
Gina Chapman	56	President, Chief Executive Officer and Director
Anup Radhakrishnan	44	Chief Financial Officer
Shishir Gadam, Ph.D.	56	Chief Technical Officer
Ginna Laport, M.D.	59	Chief Medical Officer
***Non-employee directors*:**		
John Orwin, MBA[(1)(2)]	58	Director and Chairperson
Abraham Bassan	39	Director
Reid Huber, Ph.D.[(2)(3)]	51	Director
David Lubner[(1)(2)]	59	Director
Crystal Mackall, M.D.[(4)]	63	Director
Krishnan Viswanadhan, Pharm.D[(1)(3)]	45	Director
Key employees:		
Halley Gilbert, J.D.	53	Chief Legal Officer
Michael Ports, Ph.D.	42	Chief Scientific Officer

(1) Member of the audit committee.

(2) Member of the compensation committee.

(3) Member of the nominating and corporate governance committee.

(4) Dr. Mackall is expected to resign from our board of directors prior to the effectiveness of the registration statement of which this prospectus is a part.

Executive officers and employee director

Gina Chapman has served as our President and Chief Executive Officer and as a member of our board of directors since May 2022. Prior to joining our company, from August 2007 to April 2022, Ms. Chapman worked at Genentech, Inc., a privately held biotechnology company and member of the Roche Group, where she held a number of roles of increasing responsibility. Most recently, from September 2021 to April 2022, Ms. Chapman served as Senior Vice President, Business Unit Head, Specialty and Chronic Care, and from April 2020 to November 2021, as Senior Vice President, Oncology/Hematology Business Unit Head. From May 2019 to April 2020, Ms. Chapman served as Vice President, U.S. Head, Avastin/Herceptin/Rituxan, and from August 2018 to April 2019, as Vice President, U.S. Head of Hemophilia. Ms. Chapman received a B.A. in Economics and Sociology from the University of California, Santa Barbara. We believe that Ms. Chapman is qualified to serve as a member of our board of directors due to her extensive experience as an executive in the biopharmaceutical industry across numerous therapeutic areas.

Anup Radhakrishnan has served as our Chief Financial Officer since August 2022. Prior to joining our company, from July 2021 to August 2022, Mr. Radhakrishnan served as Chief Financial Officer at Dascena Labs, LLC, an infectious disease and diagnostic testing lab, until it was acquired by CirrusDx in August 2022, and from April 2021 to July 2021, Mr. Radhakrishnan served as Vice President, Finance at Dascena. Prior to that, from January 2010 to April 2021, Mr. Radhakrishnan worked at Genentech, Inc., a privately held biotechnology company and member of

the Roche Group, in roles of increasing responsibility. From January 2020 to April 2021, he served as Senior Finance Director, Head of Access and External Affairs Finance, from June 2018 to April 2021, he served as Finance Lead, U.S. Breast and Skin Cancer Franchise and from July 2016 to January 2020, as Finance Director, Head of Managed Care and Customer Operations Finance. From July 2016 to April 2021, Mr. Radhakrishnan also served as Chief Financial Officer for the Genentech Patient Foundation. Before Genentech, Mr. Radhakrishnan held R&D finance roles of increasing responsibility at Elan Pharmaceuticals, CV Therapeutics and the University of California, San Francisco. Mr. Radhakrishnan received a B.A. in Finance from the University of San Francisco.

Shishir Gadam, Ph.D. has served as our Chief Technology Officer since January 2022. Prior to joining our company, from November 2019 to January 2022, Dr. Gadam served as Vice President of Global Cell Therapy Manufacturing Science and Technology at Bristol-Myers Squibb (BMS), a publicly traded biopharmaceutical company. Prior to BMS, Dr. Gadam served as Vice President of Global Cell Therapy Manufacturing Science and Technology at Juno Therapeutics, a Celgene company, until its acquisition by BMS in November 2019. From March 2006 to June 2018, Dr. Gadam worked at Genentech, Inc., a privately held biotechnology company and member of the Roche Group, in various global leadership roles in Biologics Technical Development and Operations. Dr. Gadam received a Ph.D. in Chemical Engineering from Rensselaer Polytechnic Institute, a M.S. in Chemical Engineering from West Virginia University and a Bachelor of Chemical Engineering from the Department of Chemical Technology at the University of Bombay.

Ginna Laport, M.D. has served as our Chief Medical Officer since October 2023. Prior to joining our company, Dr. Laport served as the Vice President, Global Head of Lymphoma/CLL Clinical Development at Genentech, Inc., a biotechnology company, from January 2020 to October 2023. Prior to Genentech, from September 2018 to October 2019, Dr. Laport served as the Chief Medical Officer for Tempest Therapeutics, Inc., a clinical-stage oncology company. Prior to Tempest, Dr. Laport served as Vice President of Clinical Development for Corvus Pharmaceuticals, Inc., a biopharmaceutical company, from October 2015 to September 2018. Dr. Laport earned an M.D. from the University of Texas Health Science Center at Houston and completed a residency in internal medicine and a fellowship in hematology/oncology at the University of Chicago Medicine. She obtained a B.A. in Psychology from Baylor University.

Non-employee directors

John Orwin, MBA has served as chairperson of our board of directors since September 2022. Since April 2018, Mr. Orwin has served as President and Chief Executive Officer of Atreca, Inc., a publicly traded biopharmaceutical company. From 2013 to 2017, Mr. Orwin served as President and Chief Executive Officer of Relypsa, Inc., a biopharmaceutical company acquired by Galenica AG in 2016. Prior to that, from 2010 to 2011, Mr. Orwin served as President and Chief Executive Officer of Affymax, Inc., a publicly traded biotechnology company. From 2005 to 2010, Mr. Orwin served as Vice President, and later Senior Vice President, of the BioOncology Business Unit at Genentech, Inc., a privately held biotechnology company and member of the Roche Group. Mr. Orwin currently serves as a member of the board of directors of Atreca, Inc., Travere Therapeutics, Inc. and Seagen, Inc. Mr. Orwin previously served as a member of the board of directors of Affymax. Inc., Array BioPharma, Inc., Relypsa Inc. and NeurogesX, Inc. Mr. Orwin received a B.A. in Economics from Rutgers University and an M.B.A. from the New York University Leonard M. Stern School of Business. We believe that Mr. Orwin is qualified to serve as a member of our board of directors due to his education and extensive experience as an executive officer in the biopharmaceutical and biotechnology industries.

Abraham Bassan has served as a member of our board of directors since February 2021. Since April 2021, Mr. Bassan has served as a Principal at Samsara BioCapital, a privately held life science investment firm. From July 2017 to April 2021, Mr. Bassan served as a Vice President at Samsara BioCapital. From December 2014 to July 2017, Mr. Bassan served as Director of Program Biology at Revolution Medicines, a then privately held

oncology company. Prior to that, from 2010 to 2012, Mr. Bassan served as Associate Director of Program Management at bluebird bio, Inc., a publicly traded biotechnology company. Mr. Bassan currently serves as a member of the board of directors at Graphite Bio, Inc. Mr. Bassan received an A.B. in Molecular Biology from Princeton University and an M.S. in Developmental Biology from Stanford University. We believe that Mr. Bassan is qualified to serve as a member of our board of directors due to his education and his experience in the life sciences and oncology fields, particularly with respect to operating and investing in cell therapy companies.

Reid Huber, Ph.D. has served as a member of our board of directors since March 2023. Since December 2018, Dr. Huber has served as a Partner at Third Rock Ventures, LLC, a privately held early-stage life sciences venture capital firm. Prior to Third Rock, from 2002 to December 2018, Dr. Huber worked at Incyte Corporation, a publicly traded pharmaceutical company, where he served as Executive Vice President, Chief Scientific Officer, from 2011 to December 2018. Before joining Incyte, from 1997 to 2002, Dr. Huber held scientific research positions at DuPont Pharmaceuticals Company and BMS. Dr. Huber serves on the board of directors of Tango Therapeutics Inc. Dr. Huber received his Ph.D. in Molecular Genetics from the Washington University School of Medicine and held pre- and post-doctoral fellowships at the National Institutes of Health. We believe that Dr. Huber is qualified to serve on our board of directors due to his educational background and extensive experience in the biopharmaceutical industry.

David C. Lubner, M.S., C.P.A. has served as a member of our board of directors since July 2023. From January 2016 until June 2020, Mr. Lubner served as Executive Vice President and Chief Financial Officer of Ra Pharmaceuticals, Inc., a clinical-stage biopharmaceutical company, acquired by UCB S.A. in April 2020. Prior to joining Ra Pharmaceuticals, Mr. Lubner served as Chief Financial Officer of Tetraphase Pharmaceuticals, Inc., a biotechnology company, from 2006 through 2016, and as Chief Financial Officer of PharMetrics Inc., a patient-based pharmacy and medical claims data informatics company, from 1999 until 2006. Prior to joining PharMetrics, Mr. Lubner served as Vice President and Chief Financial Officer of ProScript, Inc. from 1996 to 1999. Mr. Lubner currently serves on the board of directors of a number of publicly traded biotechnology companies, including Arcellx, Inc., Dyne Therapeutics, Inc., POINT Biopharma, Inc. and Vor Biopharma, Inc. He was previously a member of the board of directors of Gemini Therapeutics, Inc., which merged with Disc Medicine, Inc. in December 2022, Nightstar Therapeutics plc, which was acquired by Biogen Inc. in June 2019, and Therapeutics Acquisition Corp., a blank check company focused on the healthcare industry, sponsored by RA Capital, Boston, MA. Mr. Lubner is a Certified Public Accountant in the Commonwealth of Massachusetts. Mr. Lubner received his B.S. in Business Administration from Northeastern University and M.S. in Taxation from Bentley University. We believe that Mr. Lubner is qualified to serve on our board of directors because of his extensive experience serving in senior level financial positions and his experience with biopharmaceutical companies.

Crystal Mackall, M.D. has served on our board of directors since January 2021. Since January 2016, Dr. Mackall has served as Professor of Pediatrics and Medicine at Stanford University School of Medicine. She is also Director of the Stanford Center for Cancer Cell Therapy and Director of the Parker Institute for Cancer Immunotherapy at Stanford. Prior to her time at Stanford, from 2008 to 2015, Dr. Mackall served as Chief of the Pediatric Oncology Branch at the National Cancer Institute. For more than two decades, she has led an internationally recognized translational research program focused on basic immunology and cancer immunotherapy. Dr. Mackall has also served on numerous biotechnology and pharmaceutical company scientific advisory boards and previously co-founded Lyell Immunopharma, Inc., and Link Cell Therapies Inc., which are developing CAR T cell therapies Dr. Mackall received an M.D. from Northeastern Ohio Universities College of Medicine and completed a residency in pediatrics and internal medicine at Children's Hospital Medical Center of Akron and a fellowship in pediatric hematology/oncology at the the National Cancer Institute, an Institute of the National Institutes of Health. She received a B.S. in Natural Sciences from the University of

Akron. We believe that Dr. Mackall is qualified to serve on our board of directors due to her education and extensive experience in the biotechnology, pharmaceutical and oncology sectors.

Krishnan Viswanadhan, Pharm.D. has served on our board of directors since October 2022. Since July 2021, Dr. Viswanadhan has served as President and Chief Operating Officer at Be Biopharma Inc., a privately held biopharmaceutical company. Prior to Be Biopharma, from August 2019 to July 2021, Dr. Viswanadhan was Senior Vice President, Global Cell Therapy Franchise Lead at BMS, a publicly traded biopharmaceutical company. Prior to BMS, from January 2018 to August 2019, Dr. Viswanadhan was Vice President, Business Development and Global Alliances at Celgene Corporation, a pharmaceutical oncology company that was acquired by BMS in November 2019. Dr. Viswanadhan currently serves on the board of directors of JW Therapeutics, a cell therapy company in China. Dr. Viswanadhan is a registered Pharmacist and received a Pharm.D from Rutgers University, an M.B.A. from Cornell University and a B.S. in Pharmacy and Economics from Rutgers University. We believe that Dr. Viswanadhan is qualified to serve on our board due to his education and extensive experience as a biopharmaceutical executive.

Key employees

Halley Gilbert, J.D. has served as our Chief Legal Officer since since August 2023. Prior to joining our company, from August 2021 to May 2022, Ms. Gilbert served as Chief Legal Officer for NeoGenomics Laboratories, Inc., a global cancer genomics and informatics company. Prior to NeoGenomics, from June 2020 to August 2021, Ms. Gilbert was Chief Operating Officer for Invivyd, Inc. (formerly Adagio Therapeutics, Inc.), a biopharmaceutical company. Prior to Invivyd, from February 2008 to February 2020, Ms. Gilbert worked at Ironwood Pharmaceuticals, Inc., a gastrointestinal healthcare company, in roles of increasing responsibility, including Chief Administrative Officer & SVP of Corporate Development, and Chief Legal Officer. Ms. Gilbert currently serves on the board of directors of CytomX Therapeutics, Inc., Vaxcyte, Inc. and Arcutis Biotherapeutics, Inc. Ms. Gilbert earned a J.D. from Northwestern University Pritzker School of Law and a B.A. from Tufts University.

Michael Ports, Ph.D. has served as our Chief Scientific Officer since August 2023. Prior to joining our company, Dr. Ports worked at The Janssen Pharmaceuticals Companies of Johnson & Johnson, serving as Vice President and Head of Cell Therapy Discovery from February 2022 to August 2023 and Senior Director, Cell Therapy Research from April 2020 to February 2022. Prior to Janssen, from May 2015 to April 2020, Dr. Ports worked at Juno Therapeutics, Inc. (acquired by Celgene Corporation) and Celgene Corporation (acquired by Bristol-Myers Squibb Company), where he served in roles of increasing responsibility. Dr. Ports served as a Postdoctoral Fellow at the Netherlands Cancer Institute and Fred Hutchinson Cancer Research Center. Dr. Ports obtained a Ph.D. in Cancer Biology from the University of Arizona and a B.S. in Molecular, Cellular and Developmental Biology from the University of California, Santa Barbara.

Family relationships

There are no family relationships among any of our executive officers or directors.

Board structure and composition

Director independence

Our board of directors currently consists of seven members with one member expected to resign prior to the effectiveness of the registration statement of which this prospectus is a part. Our board of directors has determined that all of our directors, other than Ms. Chapman, Mr. Bassan and Dr. Mackall, qualify as

independent directors in accordance with the Nasdaq Stock Market LLC (Nasdaq) Marketplace Rules (the Nasdaq Listing Rules). Ms. Chapman and Dr. Mackall are not considered independent by virtue of their positions as Chief Executive officer and consultant, respectively, of the company. Mr. Bassan is not considered independent by virtue of his former position as President of the company. Under the Nasdaq Listing Rules, the definition of independence includes a series of objective tests, such as that the director is not, and has not been for at least three years, one of our employees and that neither the director nor any of his or her family members has engaged in various types of business dealings with us. In addition, as required by the Nasdaq Listing Rules, our board of directors has made a subjective determination as to each independent director that no relationships exist that, in the opinion of our board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, our board of directors reviewed and discussed information provided by the directors and us with regard to each director's relationships as they may relate to us and our management.

Classified board of directors

In accordance with our amended and restated certificate of incorporation, which will be effective immediately prior to the completion of this offering, our board of directors will be divided into three classes with staggered three-year terms. At each annual general meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following election. Our directors will be divided among the three classes as follows:

- The Class I directors will be Krishnan Viswanadhan and Reid Huber, and their terms will expire at the annual meeting of stockholders to be held in 2024;
- The Class II directors will be Abraham Bassan and David Lubner, and their terms will expire at the annual meeting of stockholders to be held in 2025; and
- The Class III directors will be John Orwin and Gina Chapman, and their terms will expire at the annual meeting of stockholders to be held in 2026.

We expect that any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our management or a change in control.

Voting arrangements

The election of the members of our board of directors is currently governed by the voting agreement that we entered into with certain holders of our common stock and convertible preferred stock and the related provisions of our amended and restated certificate of incorporation. Pursuant to our voting agreement and amended and restated certificate of incorporation, our current directors were elected as follows:

- Mr. Bassan was elected as the designee of Samsara BioCapital, L.P.;
- Cassandra Gianna Luca, Ph.D., who resigned from our board of directors in October 2023, was elected as the designee of Perceptive Xontogeny Venture Fund II, LP;
- Dr. Huber was elected as the designee of Third Rock Ventures V, L.P.;
- Heath Lukatch, Ph.D., who resigned from our board of directors in October 2023, was elected as the designee of Red Tree Venture Fund, L.P.;

- Dr. Huber and Dr. Luca were elected and designated by the holders of a majority of our Series A-1 convertible preferred stock;
- Mr. Bassan and Dr. Lukatch were elected and designated by the holders of a majority of our Series Seed convertible preferred stock;
- Dr. Mackall was elected and designated by the holders of a majority of our common stock held by the founders, together with their respective affiliates;
- Ms. Chapman was elected and designated as our then serving and current Chief Executive Officer; and
- Mr. Orwin and Dr. Viswanadhan were elected and designated by the holders of a majority of our common stock and convertible preferred stock.

Our voting agreement will terminate and the provisions of our current amended and restated certificate of incorporation by which our directors were elected will be amended and restated in connection with this offering. After 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 that will become effective immediately prior to the completion of this offering. 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.

Leadership structure of the board

Our amended and restated bylaws and corporate governance guidelines provide our board of directors with flexibility to combine or separate the positions of Chairperson of the board of directors and Chief Executive Officer. Mr. Orwin currently serves as the Chairperson of the board of directors.

Our board of directors has concluded that our current leadership structure is appropriate at this time. However, our board of directors will continue to periodically review our leadership structure and may make such changes in the future as it deems appropriate.

Role of board in risk oversight process

Risk assessment and oversight are an integral part of our governance and management processes. Our board of directors encourages management to promote a culture that incorporates risk management into our corporate strategy and day-to-day business operations. Management discusses strategic and operational risks at regular management meetings, and conducts specific strategic planning and review sessions during the year that include a focused discussion and analysis of the risks facing us. Throughout the year, senior management reviews these risks with the board of directors at regular board meetings as part of management presentations that focus on particular business functions, operations or strategies, and presents the steps taken by management to mitigate or eliminate such risks.

Our board of directors does not have a standing risk management committee, but rather administers this oversight function directly through our board of directors as a whole, as well as through various standing committees of our board of directors that address risks inherent in their respective areas of oversight. While our board of directors is responsible for monitoring and assessing strategic risk exposure, our audit committee is responsible for overseeing our major financial risk exposures and the steps our management has taken to monitor and control these exposures. The audit committee also approves or disapproves any related-party transactions. Our compensation committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking. Our nominating and corporate governance committee monitors the effectiveness of our corporate governance guidelines.

Board committees

Our board of directors has three standing committees: the audit committee, the compensation committee and the nominating and governance committee. Each committee is governed by a charter that will be available on our website following completion of this offering.

Audit committee

Effective as of the date the registration statement of which this prospectus forms a part is declared effective by the SEC, the members of our audit committee will consist of David Lubner, Krishnan Viswanadhan and John Orwin. David Lubner will be the chairperson of our audit committee. The composition of our audit committee meets the requirements for independence under the current Nasdaq Listing Rules and Rule 10A-3 of the Exchange Act. Each member of our audit committee is financially literate. In addition, our board of directors has determined that David Lubner is an “audit committee financial expert” within the meaning of the SEC rules. This designation does not impose on such directors any duties, obligations, or liabilities that are greater than are generally imposed on members of our audit committee and our board of directors. Our audit committee is directly responsible for, among other things:

- appointing, retaining, compensating and overseeing the work of our independent registered public accounting firm;
- assessing the independence and performance of the independent registered public accounting firm;
- reviewing with our independent registered public accounting firm the scope and results of the firm’s annual audit of our financial statements;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the financial statements that we will file with the SEC;
- pre-approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- reviewing policies and practices related to risk assessment and management;
- reviewing our accounting and financial reporting policies and practices and accounting controls, as well as compliance with legal and regulatory requirements;
- reviewing, overseeing, approving, or disapproving any related-person and related-party transactions;
- reviewing with our management the scope and results of management’s evaluation of our disclosure controls and procedures and management’s assessment of our internal control over financial reporting, including the related certifications to be included in the periodic reports we will file with the SEC; and
- establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls, or auditing matters, or other ethics or compliance issues.

Compensation committee

Effective as of the date the registration statement of which this prospectus forms a part is declared effective by the SEC, the members of our compensation committee will consist of John Orwin, David Lubner and Reid Huber. John Orwin will be the chairperson of our compensation committee. Each of John Orwin, David Lubner and Reid Huber is a non-employee director, as defined by Rule 16b-3 promulgated under the Exchange Act and meets the requirements for independence under the current Nasdaq Listing Rules. Our compensation committee is responsible for, among other things:

- reviewing and approving the compensation of our executive officers, including reviewing and approving corporate goals and objectives with respect to compensation;
- authority to act as an administrator of our equity incentive plans;
- reviewing and approving, or making recommendations to our board of directors with respect to, incentive compensation and equity plans;
- reviewing and recommending that our board of directors approve the compensation for our non-employee board members; and
- establishing and reviewing general policies relating to compensation and benefits of our employees.

Nominating and governance committee

Effective as of the date the registration statement of which this prospectus forms a part is declared effective by the SEC, the members of our nominating and governance committee will consist of Krishnan Viswanadhan and Reid Huber. Krishnan Viswanadhan will be the chairperson of our nominating and governance committee. Krishnan Viswanadhan and Reid Huber meet the requirements for independence under the current Nasdaq Listing Rules. Our nominating and governance committee is responsible for, among other things:

- identifying and recommending candidates for membership on our board of directors, including the consideration of nominees submitted by stockholders, and on each of the board's committees;
- reviewing and recommending our corporate governance guidelines and policies;
- reviewing proposed waivers of the code of business conduct and ethics for directors and executive officers;
- overseeing the process of evaluating the performance of our board of directors; and
- assisting our board of directors on corporate governance matters.

Code of business conduct and ethics

In connection with this offering, our board of directors will adopt a code of business conduct and ethics that applies to all of our employees, officers and directors, including our Chief Executive Officer, Chief Financial Officer and other executive and senior financial officers. Upon completion of this offering, the full text of our code of business conduct and ethics will be posted on the investor relations section of our website. We intend to disclose future amendments to our code of business conduct and ethics, or any waivers of such code, on our website or in public filings.

Compensation committee interlocks and insider participation

None of our executive officers has served as a member of a compensation committee (or if no committee performs that function, the board of directors) of any other entity that has an executive officer serving as a member of our board of directors.

Director compensation

For the year ended December 31, 2022, we did not have a formalized non-employee director compensation program, but we provided compensation to our non-employee directors who are not affiliated with our investors in accordance with their individual agreements.

In connection with the commencement of their service as directors, we entered into offer letters with Mr. Orwin and Dr. Viswanadhan that provide for annual cash fees of $45,000 and $30,000, respectively, which were prorated for their period of service in 2022. Each offer letter also provides for an initial equity grant, as described below, reimbursement of business expenses, and includes a perpetual confidentiality covenant and an assignment of inventions provision.

On October 7, 2022, in accordance with the terms of his offer letter, we granted Mr. Orwin an option to purchase 15,865 shares of our common stock with an exercise price per share of $1.09, which our board of directors determined equaled fair market value on the date of grant. The option vests as to 1/48th of the number of shares subject to the option on the day of each month commencing in September 2022.

On October 27, 2022, in accordance with the terms of his offer letter, we granted Dr. Viswanadhan an option to purchase 3,173 shares of our common stock with an exercise price per share of $1.09, which our board of directors determined equaled fair market value on the date of grant. The option vests as to 1/48th of the number of shares subject to the option on the day of each month commencing in October 2022.

During 2022, Dr. Mackall received cash compensation for consulting services provided to the Company under her consulting agreement with the Company, entered into in February 2021, pursuant to which she provides advice, assistance and other expert consulting services as mutually agreed for a minimum of 192 hours per year, particularly regarding matters relating to CAR T cell therapy of B-cell malignancies, bi-specific CARs, manufacturing, clinical trial design, CAR toxicities and other scientific matters concerning CAR T cells as they arise. The consulting agreement provides for cash consulting fees at a rate of $160,000 per year, reimbursement of business expenses, and includes a perpetual confidentiality covenant, an assignment of inventions provision and non-competition and employee and customer non-solicitation covenants that apply during the term of the agreement. The term of the consulting agreement will end on February 17, 2025, subject to earlier termination by either party and may be extended by mutual agreement.

Director compensation table

The following table sets forth information concerning the compensation earned by our non-employee directors during the year ended December 31, 2022.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)[1]	Option Awards ($)[2]	All Other Compensation ($)[3]	Total ($)
John Orwin	16,151	—	12,836	—	28,986
Abraham Bassan	—	—	—	—	—
Cassandra Gianna Luca[4]	—	—	—	—	—
Reid Huber, Ph.D.	—	—	—	—	—
Crystal Mackall, M.D.	—	121,023	—	160,000	281,023
Krishnan Viswanadhan, Pharm.D.	6,575	—	2,565	—	9,140

(1) In April 2022, the performance vesting conditions applicable to 112,761 shares of restricted stock held by Dr. Mackall were removed. The amount reported represents the incremental fair value, reported as of the modification date, of that modification, computed in accordance with the Financial Accounting and Standards Board (FASB) Accounting Standards Codification Topic 718. The assumptions used in calculating the modification date fair value are described in Note 9 to our audited financial statements included elsewhere in this prospectus.

(2) The amounts reported represent the grant date fair value of option awards granted to our non-employee directors during the year ended December 31, 2022 as computed in accordance with FASB ASC 718, rather than amounts paid to or realized by the individual. The assumptions used in calculating the grant date fair value of the awards are described in Note 9 to our audited financial statements included elsewhere in this prospectus. As of December 31, 2022, Mr. Orwin and Dr. Viswanadhan held options to purchase 15,865 and 3,173 shares of our common stock, respectively, and Dr. Mackall held 172,274 shares of restricted stock. None of our other non-employee directors held option or stock awards.

(3) The amount reported represents consulting fees paid to Dr. Mackall for services provided to the Company during 2022.

(4) Dr. Luca resigned from our board of directors in October 2023.

We have adopted a compensation program for our non-employee directors to be effective on the consummation of this offering.

Executive compensation

The following is a discussion of compensation arrangements of our named executive officers (NEOs). This discussion contains forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt may differ materially from currently planned programs as summarized in this discussion. As an "emerging growth company" as defined in the JOBS Act, we are not required to include a Compensation Discussion and Analysis section and have elected to comply with the scaled disclosure requirements applicable to emerging growth companies.

We seek to ensure the total compensation paid to our executive officers is reasonable and competitive. Compensation of our executives is structured around the achievement of individual performance and near-term corporate targets as well as long-term business objectives.

Our NEOs for 2022 were as follows:

- Gina Chapman, our President and Chief Executive Officer;
- Shishir Gadam, Ph.D., our Chief Technology Officer; and
- Gregg Fine, M.D., our former Chief Medical Officer.

Ms. Chapman has served as our President and Chief Executive Officer since May 2, 2022. Dr. Gadam has served as our Chief Technology Officer since January 17, 2022. Dr. Fine served as our Chief Medical Officer through September 1, 2023 and currently serves as a Strategic Advisor to us.

2022 summary compensation table

The following table sets forth total compensation paid to our NEOs for the year ended December 31, 2022.

Name and Principal Position	Year	Salary ($)	Bonus ($)[1]	Stock awards ($)[2]	Non-equity incentive plan compensation ($)[3]	All other compensation ($)	Total ($)
Gina Chapman *Chief Executive Officer*	2022	333,333	50,000	69,928	202,500	2,850	658,612
Shishir Gadam, Ph.D. *Chief Technical Officer*	2022	383,333	45,000	19,160	245,700	—	693,193
Gregg Fine, M.D. *Chief Medical Officer*	2022	404,034	50,000	23,394	164,064	—	641,492

(1) The amounts reported represent bonuses paid to our NEOs in connection with their commencement of employment.

(2) The amounts reported represent the grant date fair value of restricted stock awards granted to our NEOs during the year ended December 31, 2022 as computed in accordance with FASB Accounting Standards Codification Topic 718, rather than amounts paid to or realized by the individual. The assumptions used in calculating the grant date fair value of the awards are described in Note 10 to our audited financial statements included in this prospectus.

(3) The amounts reported represent the annual performance-based bonuses earned by our NEOs based on the achievement of certain corporate and individual performance objectives during 2022. These amounts were paid to our NEOs in early 2023.

Narrative to summary compensation table

2022 salaries

Our NEOs each receive a base salary to compensate them for services rendered to our company. The base salary payable to each named executive officer is intended to provide a fixed component of compensation reflecting the executive's skill set, experience, role and responsibilities.

For 2022, Drs. Gadam and Fine had annual base salaries of $400,000 and $405,096, respectively. Ms. Chapman's annual base salary was established at $500,000 in connection with her appointment as our Chief Executive Officer in May 2022.

In February 2023, Ms. Chapman's, Dr. Gadam's and Dr. Fine's annual base salaries were increased to $525,000, $418,000 and $418,262, respectively.

In connection with Dr. Fine's transition to the part-time position of Strategic Advisor in September 2023, Dr. Fine's base salary was reduced to $7,000 per week.

Our board of directors and compensation committee may adjust base salaries from time to time in their discretion.

2022 bonuses

We maintain an annual performance-based cash bonus program in which each of our NEOs participated in 2022. Each NEO's target bonus is expressed as a percentage of their annual base salary which can be achieved by meeting company and individual goals at target level. The 2022 annual bonus for Dr. Gadam was targeted at 35% of his base salary and for Dr. Fine was targeted at 30% of his base salary. Ms. Chapman's 2022 annual bonus was established at 45% of her base salary in connection with her appointment as our Chief Executive Officer.

In February 2023, our board of directors, upon recommendation of the compensation committee, determined achievement under our 2022 annual bonus program and awarded bonuses to Ms. Chapman, Dr. Gadam and Dr. Fine based on corporate and individual performance in the amount of $202,500, $245,700 and $164,064, respectively.

In connection with Ms. Chapman's appointment as our Chief Executive Officer in May 2022, we agreed to assist Ms. Chapman with her transition to us by awarding her a transition bonus of $300,000, payable in six equal biannual installments of $50,000 commencing shortly after her commencement of employment with us, with each installment subject to her continued employment through the date of payment.

In connection with Dr. Gadam's commencement of employment with us as our Chief Technology Officer in January 2022, we paid Dr. Gadam a signing bonus of $45,000 shortly following his commencement of employment with us and he was eligible to earn an additional payment of $45,000 within 30 days following the first anniversary of his commencement of employment with us and $70,000 upon the initiation of a registrational trial for our lead program, in each case, subject to Dr. Gadam's continued employment with us through the applicable payment date.

In connection with Dr. Fine's commencement of employment with us as our Chief Medical Officer in September 2021, we paid Dr. Fine a transition bonus of $50,000 shortly following his commencement of employment with us and an additional payment of $50,000 following the first anniversary of his commencement of employment with us.

Our board of directors and compensation committee may adjust annual bonuses or award discretionary bonuses from time to time.

Equity-based compensation

In connection with Ms. Chapman's commencement of employment as our Chief Executive Officer, on June 24, 2022, we granted Ms. Chapman an award providing her the right to purchase 103,905 restricted shares of our common stock (restricted stock) for $1.09 per share, which our board of directors determined equaled fair market value of our common stock on the date of grant, subject to a right of repurchase at the original purchase price in connection with certain terminations of Ms. Chapman's employment. Ms. Chapman purchased the shares underlying the award on June 29, 2022. The restricted stock vests, and the right of repurchase to lapses, as to 25% of the shares on May 2, 2023 and as to 1/48th of the original number of shares each month

thereafter, subject to Ms. Chapman's continued employment with us through the applicable vesting date. Vesting is subject to acceleration upon certain terminations of Ms. Chapman's employment, as described below under the heading "—Executive compensation arrangements—Gina Chapman."

On June 24, 2022, we granted Dr. Gadam an award providing him the right to purchase 29,480 shares of restricted stock for $1.09 per share, which our board of directors determined equaled fair market value of our common stock on the date of grant, subject to a right of repurchase at the original purchase price upon certain terminations of Dr. Gadam's employment. Dr. Gadam purchased the shares underlying the award on June 30, 2022. The restricted stock vests, and the right of repurchase to lapses, as to 25% of the shares subject to the award on January 17, 2023 and as to 1/48th of the original number of shares each month thereafter, subject to Dr. Gadam's continued employment with us through the applicable vesting date. Vesting is subject to acceleration upon certain terminations of Dr. Gadam's employment, as described below under the heading "—Executive compensation arrangements—Shishir Gadam, Ph.D."
On June 24, 2022, we granted Dr. Fine an award providing him the right to purchase 29,054 shares of restricted stock for $1.09 per share, which our board of directors determined equaled fair market value of our common stock on the date of grant, subject to a right of repurchase at the original purchase price upon certain terminations of Dr. Fine's employment. Dr. Fine purchased the shares underlying the award on July 14, 2022. The restricted stock vests, and the right of repurchase lapses, as to 25% of the shares on September 30, 2023 and as to 1/48th of the original number of shares each month thereafter, subject to Dr. Fine's continued employment with us through the applicable vesting date. Vesting is subject to acceleration upon certain terminations of Dr. Fine's employment, as described below under the heading "—Executive compensation arrangements—Gregg Fine, M.D."

Also on June 24, 2022, we granted Dr. Fine an additional award providing him the right to purchase 8,435 shares of restricted stock for $1.09 per share, which our board of directors determined equaled fair market value of our common stock on the date of grant, subject to a right of repurchase at the original purchase price upon certain terminations of Dr. Fine's employment. Dr. Fine purchased the shares underlying the award on July 14, 2022. The restricted stock vests, and the right of repurchase lapses, as to 20% of the shares on September 30, 2023 and as to 1/60th of the original number of shares each month thereafter, subject to Dr. Fine's continued employment with us through the applicable vesting date and subject to accelerated vesting upon the attainment of certain clinical milestone achievements. Vesting is subject to acceleration upon certain terminations of Dr. Fine's employment, as described below under the heading "—Executive compensation arrangements—Gregg Fine, M.D."

On April 21, 2023, we granted each of our NEOs an option to purchase shares of our common stock with an exercise price per share of $5.03, which our board of directors determined equaled fair market value of our common stock on the date of grant. Each option includes three separate vesting tranches. Each tranche vests as to 25% of the shares underlying the tranche on the first anniversary of the vesting commencement date for the tranche and as to 1/48th of the shares underlying the tranche each month thereafter, subject to continued employment through the applicable vesting date. Vesting is subject to acceleration upon certain terminations of the NEOs' employment, as described below under the heading "—Executive compensation arrangements." The vesting commencement date for the first, second and third tranche coincides with the closing of the first, second and third tranche of our Series A-1 preferred stock financing. The number of shares underlying each tranche for each named executive officer are as follows:

Named Executive Officer	Tranche 1	Tranche 2	Tranche 3	Total
Gina Chapman	559,656	169,097	314,906	1,043,659
Shishir Gadam, Ph.D.	116,503	37,201	69,279	222,983
Gregg Fine, M.D.	99,096	66,064	123,870	289,030

Other elements of compensation

Retirement savings and health and welfare benefits

We currently maintain a 401(k) retirement savings plan for our employees, including our NEOs, who satisfy certain eligibility requirements. Our NEOs are eligible to participate in the 401(k) plan on the same terms as other full-time employees.

All of our full-time employees, including our NEOs, are eligible to participate in our health and welfare plans, including health, dental and vision benefits; medical and dependent care flexible spending accounts; short-term and long-term disability insurance; and life and AD&D insurance.

Perquisites and other personal benefits

We did not provide any perquisites to our NEOs during 2022 other than reimbursing Ms. Chapman for legal fees incurred in connection with negotiating her employment offer letter in connection with her appointment as our Chief Executive Officer.

Our compensation committee may from time to time approve perquisites in the future when our compensation committee determines that they are necessary or advisable to fairly compensate or incentivize our employees.

Outstanding equity awards at 2022 year end

The following table lists all outstanding equity awards held by our NEOs as of December 31, 2022.

		Stock Awards	
Name	Vesting Commencement Date[1]	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)[2]
Gina Chapman	5/5/2022	103,905	112,788
Shishir Gadam, Ph.D.	1/17/2022	29,480	32,000
Gregg Fine, M.D.	9/30/2021	19,974	21,682
	9/30/2021[3]	6,326	6,867

(1) Except as otherwise noted, each award of restricted stock vests, and the right of repurchase thereon lapses, as to 25% of the shares comprising the award on the first anniversary of the vesting commencement date and as to 1/48th of the initial number of shares comprising the award monthly thereafter, subject to accelerated vesting as set forth in the named executive officer's offer letter. Unvested shares may be repurchased for the original purchase price in the event of a termination of employment.

(2) Values reported based on $1.09 per share, which our board of directors determined equaled the fair market value of a share of our common stock as of December 31, 2022.

(3) Award of restricted stock vests, and the right of repurchase thereon lapses, as to 20% of the shares comprising the award on the first anniversary of the vesting commencement date and as to 1/60th of the initial number of shares comprising the award monthly thereafter, subject to accelerated vesting in the event certain clinical milestones are achieved and as set forth in Dr. Fine's offer letter. Unvested shares may be repurchased for the original purchase price in the event of a termination of employment.

Executive compensation arrangements

We have entered into offer letters and proprietary information and invention assignment agreements with each of our NEOs. Each offer letter sets forth the title, base salary, target bonus opportunity and initial equity awards for the executive. In addition, the offer letters provide for certain NEOs to receive transition bonuses, relocation

assistance and guaranteed equity awards and for each NEO to receive severance in the event the executive's employment with us is terminated by us without cause or by the executive for good reason, each as defined in the applicable offer letter, subject to each executive's continued compliance with additional terms as set out in each applicable offer letter. Each executive must also provide a general release of claims in order to receive severance benefits.

Gina Chapman

We entered into an offer letter with Ms. Chapman in March 2022 that provided for her to be appointed our Chief Executive Officer on May 2, 2022. Ms. Chapman's offer letter provides for her to be paid an annual base salary of $500,000, subject to increase, and an annual bonus targeted at 45% of her annual base salary, subject to pro-ration based on her partial year of service in 2022. Under the offer letter, we agreed to assist Ms. Chapman with her transition to us by awarding her a transition bonus of $300,000, payable in six equal biannual installments, with the first installment paid shortly after her commencement of employment with us. The offer letter also provided for Ms. Chapman to be granted the right to be issued 103,905 shares of restricted stock for a purchase price equal to fair market value on the date of issuance (the Initial Chapman Award), which our board of directors determined equaled $1.09 per share when granted on June 24, 2022. Any unvested shares of restricted stock are subject to repurchase by us at the original purchase price in the event of a termination of employment. The restricted stock vests, and the right of repurchase thereon lapses, as to 25% of the shares on the first anniversary of Ms. Chapman's commencement of employment, which was May 2, 2022, and as to 1/48th of the initial number of shares monthly thereafter, subject to Ms. Chapman's continued employment. The offer letter also provided for Ms. Chapman to be granted an additional equity award covering a number of shares necessary to provide Ms. Chapman with shares or rights to shares covering an aggregate of 5% of our fully diluted capitalization following the completion of our Series A convertible preferred stock financing. The offer letter also provided for Ms. Chapman to receive up to $10,000 in reimbursement of legal fees incurred in negotiating the offer letter.

In addition, Ms. Chapman's offer letter provides that in the event her employment with us is terminated at any time other than following the occurrence of a sale event (as defined in the offer letter) by us other than for cause (as defined in the offer letter), death or disability or if she resigns her employment for good reason (as defined in her offer letter), Ms. Chapman is entitled to receive: 12 months of continued base salary, a lump sum payment of any earned and unpaid bonus for the prior year and target bonus opportunity for the year in which her termination occurs, a lump sum payment of any unpaid portion of the transition bonus, a monthly payment for continued healthcare coverage for up to 12 months, accelerated vesting of 25% of the unvested equity awards with time-based vesting (any awards subject to solely performance-based vesting shall be treated as specified in the applicable award agreement) and extended exercisability for any stock options until the earlier of 3 months following Ms. Chapman's date of termination or the original expiration date applicable to such options. In the event such a termination or resignation occurs during the 12-month period commencing on a sale event, Ms. Chapman is entitled to the same payments and benefits described above except that cash severance will be paid in a single cash lump sum and the vesting of all unvested equity awards with time-based vesting will be accelerated. All severance payments and benefits are contingent on Ms. Chapman timely delivering a general release of claims against us.

On February 9, 2023, we entered into an amendment to Ms. Chapman's offer letter that clarified the anti-dilution protection provided in the original offer letter. Under the amendment, Ms. Chapman became entitled to the grant of options to purchase 1,043,659 shares of our common stock that was designed to provide Ms. Chapman with shares and options to purchase shares that, when combined with the Initial Chapman Award, constitute 5% of our fully diluted capitalization as determined on a pro-forma basis assuming that $200 million of convertible preferred stock would be sold in our Series A convertible preferred stock financing.

Our board of directors granted the option on April 21, 2023 with an exercise price per share of $5.03, which our board of directors determined equaled fair market value on the date of grant. The option vests in three tranches, each of which correlates to a closing of our Series A convertible preferred stock financing, with the number of shares subject to each tranche intended to provide Ms. Chapman with shares and options to purchase shares together constituting 5% of our fully diluted capitalization as of immediately following the applicable closing. The number of shares underlying each tranche is 559,656, 169,097 and 314,906 for tranches 1, 2 and 3, respectively. Each tranche commences vesting on the closing of the related tranche of the Series A convertible preferred stock financing, which was February 9, 2023 for tranche 1, July 7, 2023 for tranche 2 and October 27, 2023 for tranche 3. Each tranche vests as to 25% of the shares underlying the tranche on the first anniversary of the applicable vesting commencement date and as to 1/48th of the shares underlying the tranche each month thereafter, subject to Ms. Chapman's continued service to us.

Shishir Gadam, Ph.D.

We entered into an offer letter with Dr. Gadam in October 2021 that provided for him to be employed by us as our Chief Technology Officer commencing on January 17, 2022. Dr. Gadam's offer letter provides for him to be paid an annual base salary of $400,000, subject to increase, and an annual bonus targeted at 35% of his annual base salary, subject to pro-ration in 2022. Under the offer letter, we also agreed to pay Dr. Gadam a sign-on bonus of $45,000 within 30 days following his commencement of employment with us, $45,000 within 30 days following the first anniversary of his commencement of employment with us and $70,000 upon the initiation of a registrational trial for our lead program. The offer letter also provided for Dr. Gadam to be granted the right to be issued 29,480 shares of restricted stock for a purchase price equal to fair market value on the date of issuance (the Initial Gadam Award), which our board of directors determined equaled $1.09 per share when granted on June 24, 2022. Any unvested shares of restricted stock are subject to repurchase by us at the original purchase price in the event of a termination of employment. The restricted stock vests, and the right of repurchase thereon lapses, as to 25% of the shares on the first anniversary of Dr. Gadam's commencement of employment, which was January 17, 2022, and as to 1/48th of the initial number of shares monthly thereafter, subject to Dr. Gadam's continued employment.

In addition, Dr. Gadam's offer letter provides that in the event his employment with us is terminated at any time other than following the occurrence of a sale event (as defined in the offer letter) by us other than for cause (as defined in the offer letter), death or disability or Dr. Gadam resigns for good reason, Dr. Gadam is entitled to receive: 9 months of continued base salary, monthly payments for continued healthcare coverage for up to 9 months, accelerated vesting of all unvested equity awards that would have vested in the 9-month period immediately following his termination of employment, a lump sum payment of any unpaid portion of his signing bonus and payment of any earned but unpaid annual bonus. In the event such a termination or resignation occurs during the 12-month period commencing on a sale event, Dr. Gadam is entitled to receive: a lump sum payment of 12 months of his base salary, a lump sum payment of any earned and unpaid bonus for the prior year and target bonus opportunity for the year in which his termination occurs, a lump sum payment of any unpaid portion of the signing bonus, monthly payments for continued healthcare coverage for up to 12 months, accelerated vesting of all unvested equity awards with time-based vesting (any awards subject to solely performance-based vesting shall be treated as specified in the applicable award agreement) and extended exercisability for any stock options until the earlier of 3 months following Dr. Gadam's date of termination or the original expiration date applicable to such options. All severance payments and benefits are contingent on Dr. Gadam timely delivering a general release of claims against us.

On February 9, 2023, we entered into an amendment to Dr. Gadam's offer letter that provided for the grant of an option to purchase 222,983 shares of our common stock that was designed to provide Dr. Gadam with shares and options to purchase shares that, when combined with the Initial Gadam Award, constitute 1.1% of our fully diluted capitalization as determined on a pro-forma basis assuming that $200 million of convertible preferred

stock would be sold in our Series A convertible preferred stock financing. Our board of directors granted the option on April 21, 2023 with an exercise price per share of $5.03, which our board of directors determined equaled fair market value on the date of grant. The option vests in three tranches, each of which correlates to a closing of our Series A convertible preferred stock financing, with the number of shares subject to each tranche intended to provide Dr. Gadam with shares and options to purchase shares together constituting 1.1% of our fully diluted capitalization as of immediately following the applicable closing. The number of shares underlying each tranche is 116,503, 37,201 and 69,279 for tranches 1, 2 and 3, respectively. Each tranche commences vesting on the closing of the related tranche of the Series A convertible preferred stock financing, which was February 9, 2023 for tranche 1, July 7, 2023 for tranche 2 and October 27, 2023 for tranche 3. Each tranche vests as to 25% of the shares underlying the tranche on the first anniversary of the applicable vesting commencement date and as to 1/48th of the shares underlying the tranche each month thereafter, subject to Dr. Gadam's continued service to us.

Gregg Fine, M.D.

We entered into an offer letter with Dr. Fine in August 2021 that provided for him to be employed by us as our Chief Medical Officer commencing on September 30, 2021. Dr. Fine's offer letter provides for him to be paid an annual base salary of $400,000, subject to increase, and an annual bonus targeted at 30% of his annual base salary (later increased to 35%), subject to pro-ration in 2021. Under the offer letter, we also agreed to pay Dr. Fine a transition bonus of $50,000 within 30 days following his commencement of employment with us and $50,000 within 30 days following the first anniversary of his commencement of employment with us. The offer letter also provided for Dr. Fine to be granted the right to be issued 37,489 shares of restricted stock for a purchase price equal to fair market value on the date of issuance, which our board of directors determined equaled $1.09 per share when granted on June 24, 2022. Any unvested shares of restricted stock are subject to repurchase by us at the original purchase price in the event of a termination of employment. The restricted stock vests, and the right of repurchase thereon lapses, in two separate tranches. The first tranche, comprised of 29,054 shares, vests, and the right of repurchase thereon lapses as to 25% of the shares on the first anniversary of Dr. Fine's commencement of employment, which was September 30, 2021, and as to 1/48th of the initial number of shares monthly thereafter, subject to Dr. Fine's continued employment. The second tranche, comprised of 8,435 shares, vests, and the right of repurchase thereon lapses as to 20% of the shares on the first anniversary of Dr. Fine's commencement of employment, which was September 30, 2021, and as to 1/60th of the initial number of shares monthly thereafter, subject to Dr. Fine's continued employment and a portion of which was subject to accelerated vesting upon the attainment of certain clinical milestones. Dr. Fine's offer letter also provided for us to reimburse Dr. Fine up to $10,000 in legal fees incurred in negotiating the offer letter.

In addition, Dr. Fine's offer letter provides that in the event his employment with us is terminated at any time other than following or preceding the occurrence of a sale event (as defined in the offer letter) by us other than for cause (as defined in the offer letter), death or disability or Dr. Fine resigns for good reason, Dr. Fine is entitled to receive: 0.75 times his annual base salary and target bonus (or 1 times his annual base salary and target bonus if Dr. Fine's termination would have occurred in his first year of employment), monthly payments for continued healthcare coverage for up to 9 months, accelerated vesting of all unvested equity awards that would have vested in the 9-month period (or 12-month period if the termination would have occurred during the first year of Dr. Fine's employment) immediately following his termination of employment, a lump sum payment of any unpaid portion of his transition bonus and payment of any earned but unpaid annual bonus. In the event such a termination or resignation occurs during the period commencing 3 months prior to a sale event and ending 12 months after the sale event, Dr. Fine is entitled to receive: a lump sum payment of 12 months of his base salary, a lump sum payment of any earned and unpaid bonus for the prior year and target bonus opportunity for the year in which his termination occurs, a lump sum payment of any unpaid portion of the transition bonus, a monthly payment for continued healthcare coverage for up to 12 months, accelerated

vesting of all unvested equity awards with time-based or time and performance-based vesting (any awards subject to solely performance-based vesting shall be treated as specified in the applicable award agreement) and extended exercisability for any stock options until the earlier of 12 months following Dr. Fine's date of termination or the original expiration date applicable to such options. All severance payments and benefits are contingent on Dr. Fine timely delivering a general release of claims against us.

In August 2023, we entered into a transition and separation agreement with Dr. Fine, pursuant to which Dr. Fine ceased serving as our Chief Medical Officer as of September 1, 2023 and transitioned to the part-time position of Strategic Advisor, in which he is expected to serve through the earlier of the completion of this offering or December 31, 2023. Under the transition and separation agreement, we adjusted Dr. Fine's base salary to $7,000 per week while serving as Strategic Advisor and provided for his continued eligibility to participate in our benefit programs in accordance with their terms. The transition and separation agreement also modified 7,370 shares of Dr. Fine's restricted stock to vest in four equal monthly installments over the transition period, such vesting to be accelerated upon the completion of this offering or if we terminate Dr. Fine's employment for other than cause (as defined in his offer letter) or disparagement prior to December 31, 2023.

In exchange for the release included in the transition and separation agreement, we paid Dr. Fine $323,490, which constituted 9 months of his base salary and target bonus less $100,000, accelerated the vesting of his options and restricted stock with respect to that number of shares that, in the aggregate, were scheduled to vest through June 1, 2024, and reimbursed up to $10,000 of legal fees incurred in negotiating the transition and separation agreement. In the event Dr. Fine provides a second release at the end of his transition period, we have agreed to pay him $100,000, directly pay, or reimburse him for, continued healthcare premiums for up to 9 months and, if his employment terminates immediately prior to this offering, we terminate his employment for other than cause or disparagement or he remains employed part-time through December 31, 2023, extend the exercisability of his vested stock options through the first anniversary of his termination date.

Equity incentive compensation plans

The following summarizes the material terms of the equity incentive compensation plans in which our NEOs will be eligible to participate following the consummation of this offering and our 2021 Stock Option and Grant Plan, or 2021 Plan, under which we have previously made periodic grants of equity and equity-based awards to our NEOs and other key employees.

2023 incentive award plan

We have adopted the 2023 Incentive Award Plan (2023 Plan), which will be effective on the day prior to the first public trading date of our common stock. The principal purpose of the 2023 Plan is to attract, retain and motivate selected employees, consultants and directors through the granting of stock-based compensation awards and cash-based performance bonus awards. The material terms of the 2023 Plan, as it is currently contemplated, are summarized below.

Share reserve. Under the 2023 Plan, a number of shares of our common stock equal to 10% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) plus any shares of our common stock reserved for future issuance under our 2021 Plan that have not been issued pursuant to any outstanding equity grants, will be initially reserved for issuance pursuant to a variety of stock-based compensation awards, including stock options, stock appreciation rights, or SARs, restricted stock awards, restricted stock unit awards and other stock-based awards. The number of shares initially reserved for issuance or transfer pursuant to awards under the 2023 Plan will be increased by (i) the number of shares represented by awards outstanding under our prior plan (Prior Plan Awards), that become available for issuance under the counting provisions described below following the effective date and (ii) an annual increase on each January 1 beginning in 2024 and ending in 2033, equal to the lesser of (A) 5.0% of the

shares of our common stock outstanding (on an as converted basis) on the immediately preceding December 31 and (B) such smaller number of shares of stock as determined by our board of directors; provided, however, that no more than a number of shares equal to 75% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) may be issued upon the exercise of incentive stock options.

The following counting provisions will be in effect for the share reserve under the 2023 Plan:

- to the extent that an award (including a Prior Plan Award) terminates, expires or lapses for any reason or an award is settled in cash without the delivery of shares, any shares subject to the award at such time will be available for future grants under the 2023 Plan;
- to the extent shares are tendered or withheld to satisfy the grant, exercise price or tax withholding obligation with respect to any award under the 2023 Plan or Prior Plan Award, such tendered or withheld shares will be available for future grants under the 2023 Plan;
- to the extent shares subject to stock appreciation rights are not issued in connection with the stock settlement of stock appreciation rights on exercise thereof, such shares will be available for future grants under the 2023 Plan;
- to the extent that shares of our common stock are repurchased by us prior to vesting so that shares are returned to us, such shares will be available for future grants under the 2023 Plan;
- the payment of dividend equivalents in cash in conjunction with any outstanding awards or Prior Plan Awards will not be counted against the shares available for issuance under the 2023 Plan; and
- to the extent permitted by applicable law or any exchange rule, shares issued in assumption of, or in substitution for, any outstanding awards of any entity acquired in any form of combination by us or any of our subsidiaries will not be counted against the shares available for issuance under the 2023 Plan.

In addition, the sum of the grant date fair value of all equity-based awards and the maximum that may become payable pursuant to all cash-based awards to any individual for services as a non-employee director during any calendar year may not exceed $1.5 million initially and $1.0 million annually thereafter.

Administration. The compensation committee of our board of directors is expected to administer the 2023 Plan unless our board of directors assumes authority for administration. The compensation committee must consist of at least three members of our board of directors, each of whom is intended to qualify as a “non-employee director” for purposes of Rule 16b-3 under the Exchange Act and an “independent director” within the meaning of the rules of the applicable stock exchange, or other principal securities market on which shares of our common stock are traded. The 2023 Plan provides that the board or compensation committee may delegate its authority to grant awards to employees other than executive officers and certain senior executives of the company to a committee consisting of one or more members of our board of directors or one or more of our officers, other than awards made to our non-employee directors, which must be approved by our full board of directors.

Subject to the terms and conditions of the 2023 Plan, the administrator has the authority to select the persons to whom awards are to be made, to determine the number of shares to be subject to awards and the terms and conditions of awards, and to make all other determinations and to take all other actions necessary or advisable for the administration of the 2023 Plan. The administrator is also authorized to adopt, amend or rescind rules relating to administration of the 2023 Plan. Our board of directors may at any time remove the compensation committee as the administrator and revest in itself the authority to administer the 2023 Plan. The full board of directors will administer the 2023 Plan with respect to awards to non-employee directors.

Eligibility. Options, SARs, restricted stock and all other stock-based and cash-based awards under the 2021 Plan may be granted to individuals who are then our officers, employees or consultants or are the officers, employees or consultants of certain of our subsidiaries. Such awards also may be granted to our directors. Only employees of our company or certain of our subsidiaries may be granted incentive stock options, or ISOs.

Awards. The 2023 Plan provides that the administrator may grant or issue stock options, SARs, restricted stock, restricted stock units, other stock- or cash-based awards and dividend equivalents, or any combination thereof. Each award will be set forth in a separate agreement with the person receiving the award and will indicate the type, terms and conditions of the award.

- *Nonstatutory stock options* (NSOs) will provide for the right to purchase shares of our common stock at a specified price which may not be less than fair market value on the date of grant, and usually will become exercisable (at the discretion of the administrator) in one or more installments after the grant date, subject to the participant's continued employment or service with us and/or subject to the satisfaction of corporate performance targets and individual performance targets established by the administrator. NSOs may be granted for any term specified by the administrator that does not exceed ten years.
- *Incentive stock options* (ISOs) will be designed in a manner intended to comply with the provisions of Section 422 of the Code, and will be subject to specified restrictions contained in the Code. Among such restrictions, ISOs must have an exercise price of not less than the fair market value of a share of common stock on the date of grant, may only be granted to employees, and must not be exercisable after a period of ten years measured from the date of grant. In the case of an ISO granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our capital stock, the 2023 Plan provides that the exercise price must be at least 110% of the fair market value of a share of common stock on the date of grant and the ISO must not be exercisable after a period of five years measured from the date of grant.
- *Restricted stock* may be granted to any eligible individual and made subject to such restrictions as may be determined by the administrator. Restricted stock, typically, may be forfeited for no consideration or repurchased by us at the original purchase price if the conditions or restrictions on vesting are not met. In general, restricted stock may not be sold or otherwise transferred until restrictions are removed or expire. Purchasers of restricted stock, unlike recipients of options, will have voting rights and will have the right to receive dividends, if any, prior to the time when the restrictions lapse, however, extraordinary dividends will generally be placed in escrow, and will not be released until restrictions are removed or expire.
- *Restricted stock units* (RSUs) may be awarded to any eligible individual, typically without payment of consideration, but subject to vesting conditions based on continued employment or service or on performance criteria established by the administrator. Like restricted stock, restricted stock units may not be sold, or otherwise transferred or hypothecated, until vesting conditions are removed or expire. Unlike restricted stock, stock underlying restricted stock units will not be issued until the restricted stock units have vested, and recipients of restricted stock units generally will have no voting or dividend rights prior to the time when vesting conditions are satisfied.
- *Stock appreciation rights* (SARs) may be granted in connection with stock options or other awards, or separately. SARs granted in connection with stock options or other awards typically will provide for payments to the holder based upon increases in the price of our common stock over a set exercise price. The exercise price of any SAR granted under the 2023 Plan must be at least 100% of the fair market value of a share of our common stock on the date of grant. SARs under the 2023 Plan will be settled in cash or shares of our common stock, or in a combination of both, at the election of the administrator.

- *Other stock or cash-based awards* are awards of cash, fully vested shares of our common stock and other awards valued wholly or partially by referring to, or otherwise based on, shares of our common stock. Other stock or cash-based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of base salary, bonus, fees or other cash compensation otherwise payable to any individual who is eligible to receive awards. The plan administrator will determine the terms and conditions of other stock or cash-based awards, which may include vesting conditions based on continued service, performance and/or other conditions.
- *Dividend equivalents* represent the right to receive the equivalent value of dividends paid on shares of our common stock and may be granted alone or in tandem with awards other than stock options or SARs. Dividend equivalents are credited as of dividend payments dates during the period between a specified date and the date such award terminates or expires, as determined by the plan administrator. In addition, dividend equivalents with respect to shares covered by a performance award will only be paid to the participant at the same time or times and to the same extent that the vesting conditions, if any, are subsequently satisfied and the performance award vests with respect to such shares.

Any award may be granted as a performance award, meaning that the award will be subject to vesting and/or payment based on the attainment of specified performance goals.

Change in control. In the event of a change in control, unless the plan administrator elects to terminate an award in exchange for cash, rights or other property, or cause an award to accelerate in full prior to the change in control, such award will continue in effect or be assumed or substituted by the acquirer, provided that any performance-based portion of the award will be subject to the terms and conditions of the applicable award agreement. The administrator may also make appropriate adjustments to awards under the 2023 Plan and is authorized to provide for the acceleration, cash-out, termination, assumption, substitution or conversion of such awards in the event of a change in control or certain other unusual or nonrecurring events or transactions.

Adjustments of awards. In the event of any stock dividend or other distribution, stock split, reverse stock split, reorganization, combination or exchange of shares, merger, consolidation, split-up, spin-off, recapitalization, repurchase or any other corporate event affecting the number of outstanding shares of our common stock or the share price of our common stock that would require adjustments to the 2023 Plan or any awards under the 2023 Plan in order to prevent the dilution or enlargement of the potential benefits intended to be made available thereunder, the administrator will make appropriate, proportionate adjustments to: (i) the aggregate number and type of shares subject to the 2023 Plan; (ii) the number and kind of shares subject to outstanding awards and terms and conditions of outstanding awards (including, without limitation, any applicable performance targets or criteria with respect to such awards); and (iii) the grant or exercise price per share of any outstanding awards under the 2023 Plan.

Amendment and termination. The administrator may terminate, amend or modify the 2023 Plan at any time and from time to time. However, we must generally obtain stockholder approval to the extent required by applicable law, rule or regulation (including any applicable stock exchange rule). Notwithstanding the foregoing, an option may be amended to reduce the per share exercise price below the per share exercise price of such option on the grant date and options may be granted in exchange for, or in connection with, the cancellation or surrender of options having a higher per share exercise price without receiving additional stockholder approval.

No incentive stock options may be granted pursuant to the 2023 Plan after the tenth anniversary of the effective date of the 2023 Plan, and no additional annual share increases to the 2023 Plan's aggregate share limit will occur from and after such anniversary. Any award that is outstanding on the termination date of the 2021 Plan will remain in force according to the terms of the 2023 Plan and the applicable award agreement.

2021 stock option and grant plan

Our board of directors adopted the 2021 Plan on July 30, 2021 and our stockholders subsequently approved the 2021 Plan on August 16, 2021 as a restatement of the 2021 Stock Incentive Plan, which itself ceased to exist upon the approval of the 2021 Plan. The 2021 Plan provides for the grant of stock options (both ISOs and NSOs), restricted stock awards, unrestricted stock awards, RSUs, or any combination of the foregoing to officers, employees, directors, consultants and other key persons of either us or any of our subsidiaries. As of November 2, 2023, options to purchase 3,402,270 shares of common stock at a weighted average exercise price per share of $6.87 and 189,664 shares of restricted stock remained outstanding under the 2021 Plan. In connection with the effectiveness of the 2023 Plan, no further awards will be granted under the 2021 Plan, but all outstanding awards will continue to be governed by their existing terms.

Administration. Our board of directors, or a committee thereof appointed by our board of directors, has the authority to administer the 2021 Plan and grant awards thereunder. The administrator has the authority to take any actions it deems necessary or advisable for the administration of the 2021 Plan, consistent with the terms of the 2021 Plan.

Awards. The 2021 Plan provides that the administrator may grant the types of awards set forth below. Each award will be set forth in a separate agreement with the person receiving the award and will indicate the type, terms and conditions of the award.

- *Stock options*. NSOs may be granted to employees and non-employees, and ISOs may be granted only to employees. The exercise price of ISOs granted to employees who at the time of grant own stock representing more than 10% of the voting power of all classes of our common stock may not be less than 110% of the fair market value per share of our common stock on the date of grant, and the exercise price of ISOs granted to any other employees, or NSOs granted to any service provider, may not be less than 100% of the fair market value per share of our common stock on the date of grant. The maximum term of each option is ten years from the grant date, or for ISOs granted to employees who at the time of grant own stock representing more than 10% of the voting power of all classes of our common stock, five years from the grant date.
- *Restricted stock*. Restricted stock may be granted to any eligible individual and made subject to such restrictions as may be determined by the administrator. Restricted stock, typically, may be forfeited for no consideration or repurchased by us on the terms set out in the plan, if the conditions or restrictions on vesting are not met. In general, restricted stock may not be sold or otherwise transferred until restrictions are removed or expire. Purchasers of restricted stock, unlike recipients of options, will have voting rights, to the extent such shares are entitled to voting rights, and will have the right to receive dividends and any other distributions, if any, prior to the time when the restrictions lapse.
- *Unrestricted stock awards*. Unrestricted stock awards may be awarded to any eligible individual or sold at par value or such other purchase price as determined by the administrator. Unrestricted Stock Awards may be granted in respect of past services or other valid consideration or in lieu of cash compensation due to such individual.
- *RSUs*. RSUs may be awarded to any eligible individual, typically without payment of consideration, but subject to vesting conditions based on continued employment or service or on performance criteria established by the administrator. Like restricted stock, RSUs may not be sold, or otherwise transferred or hypothecated, until vesting conditions are removed or expire. Unlike restricted stock, stock underlying RSUs will not be issued until the RSUs have vested, and recipients of RSUs generally will have no voting or dividend rights prior to the time when vesting conditions are satisfied.

Adjustments of awards. In the event of any significant change that occurs with respect to our common stock (through reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar transactions), the administrator will make appropriate and proportionate adjustments to: the maximum number of shares reserved for issuance under the plan, the number and kind of shares or other securities subject to any then outstanding awards under the plan, the repurchase price, if any, per share subject to each outstanding award, and the exercise price for each share subject to any then outstanding stock options under the plan, without changing the aggregate exercise price (as to which such stock options remain exercisable).

Sale event. In the event of a sale event (as defined in the 2021 Plan), the 2021 Plan and all outstanding options shall terminate unless assumed or continued by the successor or new stock options or awards of the successor are substituted equitably and proportionately 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). Additionally, upon a sale event and in the event of the termination of the 2021 Plan, each holder will be permitted, within a set period of time prior to the consummation of the sale event and as specified by the administrator, to exercise all such options which are then exercisable or will become exercisable as of and contingent on the sale event occurring. Notwithstanding the foregoing, the administrator may make or provide for a cash payment to the holders, (without their consent) in exchange for the cancellation of the options, in accordance with the terms of the plan. For purposes of the 2021 Plan, a sale event includes the consummation of (i) the dissolution or liquidation of our company, (ii) the sale of all or substantially all of our assets to an unrelated person or entity, (iii) a merger, reorganization or consolidation pursuant to which the holders of our 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 our outstanding voting stock in a single transaction or a series of related transactions by a person or group of persons, or (v) any other acquisition of our business, as determined by our board of directors; provided, however, that this offering, any subsequent public offering or another capital raising event, or a merger effected solely to change our domicile does not constitute a sale event.

Right of first refusal. In the event that a holder decides to sell or transfer their shares (other than shares of restricted stock), the holder must first give written notice to us in accordance with the plan, including the terms of the proposed sale. At any time within 30 days of receipt of such notice, the company or our assigns may elect to purchase the shares at the price and on the terms specified in the notice.

Right of repurchase. Upon a termination of service, we or our assigns have the option to repurchase shares acquired upon exercise of a stock option and shares pursuant to a restricted stock award, in each case, that are subject to a risk of forfeiture as of the termination. The repurchase price shall be the lower of the original per share purchase price paid by the holder, subject to adjustment or the current fair market value of such shares as of the date we elect to exercise our repurchase rights.

Plan amendment or termination. The administrator has the authority, at any time, to amend or discontinue our 2021 Plan, and at any time, amend or cancel any outstanding award for the purpose of compliance with applicable law or 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 administrator 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. In connection with the effectiveness of our 2023 Plan, no further awards will be granted under the 2021 Plan.

2023 employee stock purchase plan

We have adopted the 2023 Employee Stock Purchase Plan, which we refer to as our ESPP, which will be effective on the date immediately prior to the date the registration statement relating to this offering becomes effective. The ESPP is designed to allow our eligible employees to purchase shares of our common stock, at periodic intervals, with their accumulated payroll deductions. The ESPP is intended to qualify under Section 423 of the Code. The material terms of the ESPP, as it is currently contemplated, are summarized below.

Administration. Subject to the terms and conditions of the ESPP, our compensation committee will administer the ESPP. Our compensation committee can delegate administrative tasks under the ESPP to the services of an agent and/or employees to assist in the administration of the ESPP. The administrator will have the discretionary authority to administer and interpret the ESPP. Interpretations and constructions of the administrator of any provision of the ESPP or of any rights thereunder will be conclusive and binding on all persons. We will bear all expenses and liabilities incurred by the ESPP administrator.

Share Reserve. The maximum number of shares of our common stock which will be authorized for sale under the ESPP is equal to the sum of (i) a number of shares of common stock equal to 1.0% of our outstanding common stock after this offering and (ii) an annual increase on the first day of each year beginning in 2024 and ending in 2033, equal to the lesser of (A) 1.0% of the shares of common stock outstanding (on an as converted basis) on the last day of the immediately preceding fiscal year and (B) such number of shares of common stock as determined by our board of directors; provided, however, no more than an amount of shares equal to 13.75% of our outstanding common stock after this offering (without giving effect to the underwriters option to purchase additional shares in this offering) may be issued under the ESPP. The shares reserved for issuance under the ESPP may be authorized but unissued shares or reacquired shares.

Eligibility. Employees eligible to participate in the ESPP for a given offering period generally include employees who are employed by us or one of our subsidiaries on the first day of the offering period, or the enrollment date. Our employees (and, if applicable, any employees of our subsidiaries) who customarily work less than five months in a calendar year or are customarily scheduled to work less than 20 hours per week will not be eligible to participate in the ESPP. Finally, an employee who owns (or is deemed to own through attribution) 5% or more of the combined voting power or value of all our classes of stock or of one of our subsidiaries will not be allowed to participate in the ESPP.

Participation. Employees will enroll under the ESPP by completing a payroll deduction form permitting the deduction from their compensation of at least 1.0% of their compensation but not more than 15.0% of their compensation. Such payroll deductions may be expressed as either a whole number percentage or a fixed dollar amount, and the accumulated deductions will be applied to the purchase of shares on each purchase date. However, a participant may not purchase more than 100,000 shares in each offering period and may not accrue the right to purchase shares of common stock at a rate that exceeds $25,000 in fair market value of shares of our common stock (determined at the time the option is granted) for each calendar year the option is outstanding (as determined in accordance with Section 423 of the Code). The ESPP administrator has the authority to change these limitations for any subsequent offering period.

Offering. Under the ESPP, participants are offered the option to purchase shares of our common stock at a discount during a series of successive offering periods, the duration and timing of which will be determined by the ESPP administrator. However, in no event may an offering period be longer than 27 months in length.

The option purchase price will be the lower of 85% of the closing trading price per share of our common stock on the first trading date of an offering period in which a participant is enrolled or 85% of the closing trading price per share on the purchase date, which will occur on the last trading day of each offering period.

Unless a participant has previously canceled his or her participation in the ESPP before the purchase date, the participant will be deemed to have exercised his or her option in full as of each purchase date. Upon exercise, the participant will purchase the number of whole shares that his or her accumulated payroll deductions will buy at the option purchase price, subject to the participation limitations listed above.

A participant may cancel his or her payroll deduction authorization at any time prior to the end of the offering period. Upon cancellation, the participant will have the option to either (i) receive a refund of the participant's account balance in cash without interest or (ii) exercise the participant's option for the current offering period for the maximum number of shares of common stock on the applicable purchase date, with the remaining account balance refunded in cash without interest. Following at least one payroll deduction, a participant may also decrease (but not increase) his or her payroll deduction authorization once during any offering period. If a participant wants to increase or decrease the rate of payroll withholding, he or she may do so effective for the next offering period by submitting a new form before the offering period for which such change is to be effective.

A participant may not assign, transfer, pledge or otherwise dispose of (other than by will or the laws of descent and distribution) payroll deductions credited to a participant's account or any rights to exercise an option or to receive shares of our common stock under the ESPP, and during a participant's lifetime, options in the ESPP shall be exercisable only by such participant. Any such attempt at assignment, transfer, pledge or other disposition will not be given effect.

Adjustments upon changes in recapitalization, dissolution, liquidation, merger or asset sale. In the event of any increase or decrease in the number of issued shares of our common stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the common stock, or any other increase or decrease in the number of shares of common stock effected without receipt of consideration by us, we will proportionately adjust the aggregate number of shares of our common stock offered under the ESPP, the number and price of shares which any participant has elected to purchase under the ESPP and the maximum number of shares which a participant may elect to purchase in any single offering period. If there is a proposal to dissolve or liquidate us, then the ESPP will terminate immediately prior to the consummation of such proposed dissolution or liquidation, and any offering period then in progress will be shortened by setting a new purchase date to take place before the date of our dissolution or liquidation. We will notify each participant of such change in writing at least 10 business days prior to the new exercise date. If we undergo a merger with or into another corporation or sell all or substantially all of our assets, each outstanding option will be assumed or an equivalent option substituted by the successor corporation or the parent or subsidiary of the successor corporation. If the successor corporation refuses to assume the outstanding options or substitute equivalent options, then any offering period then in progress will be shortened by setting a new purchase date to take place before the date of our proposed sale or merger. We will notify each participant of such change in writing at least ten business days prior to the new exercise date.

Amendment and termination. Our board of directors may amend, suspend or terminate the ESPP at any time. However, the board of directors may not amend the ESPP without obtaining stockholder approval within 12 months before or after such amendment to the extent required by applicable laws.

Certain relationships and related-party transactions

The following includes a summary of transactions since January 1, 2020 and any currently proposed transactions, to which we were or are to be a participant, in which (i) the amount involved exceeded or will exceed the lesser of $120,000 and 1% of our total assets; and (ii) any of our directors, executive officers or holders of more than 5% of our capital stock, or any affiliate or member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest, other than compensation and other arrangements that are described under the sections titled “Director compensation” and “Executive compensation.”

We believe the terms obtained or consideration that we paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that we would pay or receive, as applicable, in arm’s-length transactions.

Related-party agreements in effect prior to this offering

Common stock issuance

In October 2020 and November 2020, we entered into stock subscription agreements pursuant to which we issued 375,870 and 73,700 shares of our common stock at a price of $0.0136 per share to Crystal Mackall, M.D. and Samsara BioCapital, L.P. (Samsara), respectively, for an aggregate of 449,570 shares of common stock issued. In April 2022, we waived our right to repurchase 112,761 shares of common stock at a price of $0.0136 per share from Dr. Mackall. Dr. Mackall is a Co-Founder of CARGO and a member of our board of directors and Samsara is a holder of more than 5% of our capital stock. For further details, see the information provided in footnotes 9 and 1 to the table in the section titled “Principal stockholders.”

The table below sets forth the number of shares of our common stock purchased by our executive officers, directors, holders of more than 5% of our capital stock and their affiliated entities or immediate family members.

Name[1]	Common stock (#)	Aggregate purchase price ($)
Samsara BioCapital, L.P.[2]	73,700	$ 1,000
Crystal Mackall, M.D.[3]	375,870	$ 5,100

(1) For additional information regarding these stockholders and their equity holdings, see the section titled “Principal stockholders.”

(2) Samsara BioCapital, L.P. beneficially owns more than 5% of our outstanding capital. Mr. Bassan, a member of our board of directors, was designated to our board of directors by Samsara. Mr. Bassan is a Vice President at Samsara.

(3) Crystal Mackall, M.D. is a Co-Founder of CARGO and member of our board of directors.

Convertible note and convertible preferred stock financings

Convertible note purchase agreement

Between April 2022 and January 2023, we issued approximately $32.0 million in convertible promissory notes (the Convertible Notes), approximately $18.2 million and $10.9 million of which notes were issued to Samsara and Red Tree Venture Fund, L.P. (Red Tree), respectively. In February 2023, the Convertible Notes were settled with shares of our Series A-2 convertible preferred stock (the Series A-2 Preferred Stock) and we issued 3,229,851 shares of Series A-2 Preferred Stock to the holders of the Convertible Notes. Each of Samsara and Red Tree are holders of more than 5% of our capital stock. For further details, see the information provided in footnotes 1 and 2 to the table in the section titled “Principal stockholders.”

Series Seed convertible preferred stock financing

In February 2021, we entered into a Series Seed convertible preferred stock purchase agreement (the Series Seed Purchase Agreement), with various investors (the Series Seed Investors), pursuant to which we issued an aggregate of 405,350 shares of our Series Seed convertible preferred stock (the Series Seed Preferred Stock) at $13.57 per share for aggregate proceeds of $5.5 million in the initial closing.

In accordance with the terms of the Series Seed Purchase Agreement, each of the Series Seed Investors agreed to purchase additional shares of Series Seed Preferred Stock if certain Company milestone events (as set forth in the Series Seed Purchase Agreement) occurred. In January 2022, the Company milestone events occurred, and the Series Seed Investors purchased an additional 405,350 shares of Series Seed Preferred Stock at $13.57 per share for aggregate proceeds of $5.5 million in the milestone closing.

Series A-1 convertible preferred stock financing

In February 2023, we entered into a Series A-1 convertible preferred stock purchase agreement (the Series A-1 Purchase Agreement), with various investors (the Series A Investors), pursuant to which we issued an aggregate of 5,072,919 shares of our Series A-1 convertible preferred stock (the Series A-1 Preferred Stock) at $13.57 per share for aggregate proceeds of $68.8 million in two closings. The first closing occurred in February 2023, at which time we issued 4,491,745 shares of our Series A-1 Preferred Stock for gross proceeds of approximately $60.9 million. The second closing also occurred in February 2023, at which time we issued an additional 581,174 shares of our Series A-1 Preferred Stock for gross proceeds of approximately $7.9 million.

The Series A-1 Purchase Agreement also committed the Series A Investors to purchasing up to 9,723,089 additional shares of Series A-1 Preferred Stock at a fixed price of $13.57 per share in one or more subsequent closings upon (i) the occurrence of certain clinical milestones certified by the Company's board of directors and approved by holders of a majority of the then outstanding shares of Series A-1 Preferred Stock (the Requisite Holder Approval) or (ii)(A) the unanimous approval of the Company's board of directors to waive certain milestones and (B) Requisite Holder Approval.

In July 2023, upon the occurrence of certain clinical milestones, we issued an aggregate of 3,381,941 shares of our Series A-1 Preferred Stock at $13.57 per share to the Series A Investors for aggregate proceeds of $45.9 million in a second closing.

In October 2023, upon the unanimous approval of the Company's board of directors to waive certain milestones and Requisite Holder Approval, we issued an aggregate of 6,341,148 shares of our Series A-1 Preferred Stock at $13.57 per share to the Series A Investors for aggregate proceeds of $86.0 million in a third closing.

The table below sets forth the number of shares of Series Seed Preferred Stock, Series A-1 Preferred Stock and Series A-2 Preferred Stock purchased by our executive officers, directors, holders of more than 5% of our capital stock and their affiliated entities or immediate family members. Each share of Series Seed Preferred Stock, Series A-1 Preferred Stock and Series A-2 Preferred Stock in the table below will convert into one share of our common stock immediately prior to the completion of this offering.

Name[1]	Series Seed convertible preferred stock (#)	Series A-1 convertible preferred stock (#)	Series A-2 convertible preferred stock (#)	Aggregate purchase price ($)
Samsara BioCapital, L.P.[2]	663,300	884,400	1,833,623	$ 39,187,097
Red Tree Venture Fund, L.P.[3]	73,700	626,449	1,105,158	$ 20,429,032
Perceptive Xontogeny Venture Fund II, LP[4]	—	2,579,502	—	$ 35,000,000
Entities affiliated with Third Rock Ventures[5]	—	2,211,002	—	$ 30,000,000
Nextech VII Oncology SCSP[6]	—	1,842,502	—	$ 25,000,000
Janus Henderson Biotech Innovation Master Fund Limited[7]	—	1,474,001	—	$ 20,000,000
Entities affiliated with RTW Funds[8]	—	1,842,499	—	$ 25,000,000

(1) For additional information regarding these stockholders and their equity holdings, see the section titled “Principal stockholders.”

(2) Samsara beneficially owns more than 5% of our outstanding capital. Mr. Bassan, a member of our board of directors, was designated to our board by Samsara. Mr. Bassan is a Vice President at Samsara.

(3) Red Tree beneficially owns more than 5% of our outstanding capital. Dr. Lukatch, a member of our board of directors at the time of the Series A-1 convertible preferred stock financing, was designated to our board by Red Tree. Dr. Lukatch is Founder and Managing Partner of Red Tree.

(4) Perceptive Xontogeny Venture Fund II, LP (Xontogeny) beneficially owns more than 5% of our outstanding capital. Dr. Luca, a member of our board of directors who resigned from the board in October 2023, was designated to our board by Xontogeny. Dr. Luca is a Principal at Xontogeny.

(5) Third Rock Ventures V, L.P. and Third Rock Ventures VI, L.P. (collectively, Third Rock Ventures) beneficially owns more than 5% of our outstanding capital. Dr. Huber, a member of our board of directors, was designated to our board by Third Rock Ventures. Dr. Huber is a Partner at Third Rock Ventures.

(6) Nextech VII Oncology SCSP beneficially owns more than 5% of our outstanding capital.

(7) Janus Henderson Biotech Innovation Master Fund Limited beneficially owns more than 5% of our outstanding capital.

(8) RTW Biotech Opportunities Ltd., RTW Innovation Master Fund, Ltd., RTW Master Fund, Ltd. and RTW Venture Fund Limited (collectively, RTW Funds) beneficially own more than 5% of our outstanding capital.

Investors’ rights agreement

We are party to an investors’ rights agreement with the purchasers of our outstanding convertible preferred stock, including entities with which certain of our directors are affiliated. Following the consummation of this offering, the holders of approximately 18,910,251 shares of our common stock, including the shares of common stock issuable upon the conversion of our convertible preferred stock, are entitled to rights with respect to the registration of their shares under the Securities Act. For a more detailed description of these registration rights, see the section titled “Description of capital stock—Registration rights.” The investors’ rights agreement also provides for a right of first

offer in favor of certain holders of convertible preferred stock with regard to certain issuances of our capital stock. The rights of first offer will not apply to, and will terminate upon the consummation of, this offering.

Voting agreement

We are party to a voting agreement with certain holders of our common stock and convertible preferred stock. Upon the conversion of all outstanding shares of convertible preferred stock into common stock in connection with the consummation of this offering, the voting agreement will terminate. For a description of the voting agreement, see the section titled “Management—Board structure and composition—Voting arrangements.

Right of first refusal and co-sale agreement

We are party an amended and restated right of first refusal and co-sale agreement with certain holders of our common stock and convertible preferred stock. This agreement provides for rights of first refusal and co-sale relating to the shares of our common stock held by the parties to the agreement. Upon the consummation of this offering, the amended and restated right of first refusal and co-sale agreement will terminate.

Other transactions

We have entered into offer letter agreements with our executive officers that, among other things, provide for certain compensatory and change in control benefits, as well as severance benefits. For a description of these agreements with our named executive officers, see the section titled “Executive compensation—Executive compensation arrangements.”

We have also granted stock options and restricted stock to our executive officers and certain of our directors. For a description of these equity awards, see the sections titled “Executive compensation” and “Director compensation.”

Director and officer indemnification

We have entered into indemnification agreements with certain of our current executive officers and directors, and intend to enter into new indemnification agreements with each of our current executive officers and directors before the completion of this offering.

Our amended and restated certificate of incorporation also provides that, to the fullest extent permitted by law, we will indemnify any officer or director of our company against all damages, claims and liabilities arising out of the fact that the person is or was our officer or director, or served any other enterprise at our request as an officer or director. Amending this provision will not reduce our indemnification obligations relating to actions taken before an amendment.

Related-party transaction policy

We have a written related-party transaction policy, to be effective upon the completion of this offering, that applies to our executive officers, directors, director nominees, holders of more than five percent of any class of our voting securities and any member of the immediate family of, and any entity affiliated with, any of the foregoing persons. Such persons will not be permitted to enter into a related-party transaction with us without the prior consent of our audit committee, or other independent members of our board of directors in the event it is inappropriate for our audit committee to review such transaction due to a conflict of interest. Any request for us to enter into a transaction with an executive officer, director, director nominee, principal stockholder, or any of their immediate family members or affiliates, in which the amount involved exceeds $120,000 must first be presented to our audit committee for review, consideration and approval. In approving or rejecting any such proposal, our audit committee will consider the relevant facts and circumstances available and deemed relevant to our audit committee, including, but not limited to, the commercial reasonableness of the terms of the transaction and the materiality and character of the related-party’s direct or indirect interest in the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

Principal stockholders

The following table sets forth information regarding beneficial ownership of our common stock as of November 2, 2023 by:

- each person whom we know to beneficially own more than 5% of our common stock;
- each of our directors;
- each of our named executive officers; and
- all directors and executive officers as a group.

In accordance with the rules of the SEC, beneficial ownership includes voting or investment power with respect to securities and includes the shares issuable pursuant to stock options that are exercisable within 60 days of November 2, 2023. Shares issuable pursuant to stock options are deemed outstanding for computing the percentage of the person holding such options but are not outstanding for computing the percentage of any other person.

We have based our calculation of the percentage of beneficial ownership prior to this offering on 19,936,513 shares of our common stock outstanding and held of record by approximately stockholders as of November 2, 2023, which gives effect to the automatic conversion of all outstanding shares of convertible preferred stock into shares of our common stock immediately prior to the completion of this offering. We have based our calculation of the percentage of beneficial ownership after this offering on 38,686,513 shares of our common stock outstanding as of November 2, 2023, which gives effect to the adjustments described in the prior sentence and further reflects the issuance of 18,750,000 shares of common stock in this offering, assuming that the underwriters will not exercise their option to purchase up to an additional 2,812,500 shares of our common stock.

Unless otherwise indicated, the address for each listed stockholder is: c/o CARGO Therapeutics, Inc., 1900 Alameda De Las Pulgas, Suite 350, San Mateo, California 94403. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock.

Name of beneficial owner	Number of shares beneficially owned	Percentage of shares beneficially owned: Before offering	Percentage of shares beneficially owned: After offering
Greater than 5% owners:			
Samsara BioCapital, L.P.(1)	3,455,023	17.3%	8.9%
Red Tree Venture Fund, L.P.(2)	1,805,307	9.1%	4.7%
Perceptive Xontogeny Venture Fund II, LP(3)	2,579,502	12.9%	6.7%
Funds affiliated with Third Rock Ventures(4)	2,211,002	11.1%	5.7%
Nextech VII Oncology SCSP(5)	1,842,502	9.2%	4.8%
Janus Henderson Biotech Innovation Master Fund Limited(6)	1,474,001	7.4%	3.8%
Funds affiliated with RTW Funds(7)	1,842,499	9.2%	4.8%
Named executive officers and directors:			
Abraham Bassan	—	*	*
Gina Chapman(8)	103,905	*	*
Shishir Gadam, Ph.D.(9)	29,480	*	*
Reid Huber, Ph.D.	—	*	*
David Lubner(10)	2,878	*	*
Crystal Mackall, M.D.(11)	378,424	1.9%	*
John Orwin(12)	31,261	*	*
Anup Radhakrishnan(13)	7,711	*	*
Krishnan Viswanadhan, Pharm.D(14)	3,173	*	*
Ginna Laport, M.D.	—		
All executive officers and directors as a group (10 persons)(15)	556,832	2.8%	1.4%

* Represents beneficial ownership of less than 1%.

(1) Consists of (i) 73,700 shares of our common stock, (ii) 663,300 shares of our common stock issuable upon conversion of our Series Seed convertible preferred stock directly held by Samsara BioCapital, L.P. (Samsara LP), (iii) 884,400 shares of our common stock issuable upon conversion of our Series A-1 convertible preferred stock directly held by Samsara LP and (iv) 1,833,623 shares of our common stock issuable upon conversion of our Series A-2 convertible preferred stock directly held by Samsara LP. Samsara BioCapital GP, LLC (Samsara LLC) is the general partner of Samsara LP and may be deemed to beneficially own the shares held by Samsara LP. Dr. Srinivas Akkaraju, MD, Ph.D. has voting and investment power over the shares held by Samsara GP and, accordingly, may be deemed to beneficially own the shares held by Samsara LP. Samsara LLC disclaims beneficial ownership in these shares except to the extent of its respective pecuniary interest therein. The principal address for Samsara BioCapital, L.P. is 628 Middlefield Road, Palo Alto, California 94301.

(2) Consists of (i) 73,700 shares of our common stock issuable upon conversion of our Series Seed convertible preferred stock directly held by Red Tree Venture Fund, L.P. (Red Tree), (ii) 626,449 shares of our common stock issuable upon conversion of our Series A-1 convertible preferred stock directly held by Red Tree and (iii) 1,105,158 shares of our common stock issuable upon conversion of our Series A-2 convertible preferred stock directly held by Red Tree. Red Tree GP, L.P. (Red Tree GP I) is the general partner of Red Tree and may be deemed to have sole voting and dispositive power over the shares held by Red Tree. Red Tree GP I and Heath Lukatch, the Managing Director of Red Tree GP I who may be deemed to share voting and dispositive power over the reported securities, disclaim beneficial ownership of the reported securities held by Red Tree except to the extent of any pecuniary interest therein. The principal address for Red Tree Venture Fund, L.P. is 2055 Woodside Road, Suite 270, Redwood City, California 94061.

(3) Consists of 2,579,502 shares of our common stock issuable upon conversion of our Series A-1 convertible preferred stock directly held by Perceptive Xontogeny Venture Fund II, LP (Xontogeny). Perceptive Venture Advisors, LLC (the Venture Advisor) serves as the investment advisor to Xontogeny and is an affiliate of Perceptive Advisors LLC (the Advisor). Joseph Edelman is the managing member of the Advisor. The Venture Advisor, the Advisor and Mr. Edelman disclaim, for purposes of Section 16 of the Securities Exchange Act of 1934, beneficial ownership of such securities, except to the extent of his or its indirect pecuniary interest therein, and this report shall not be deemed an admission that they are the beneficial owner of such securities for purposes of Section 16 or for any other purposes. The principal address for Perceptive Xontogeny Venture Fund II, LP is 51 Astor Place, 10th Floor, New York, New York 10003.

(4) Consists of (i) 1,737,216 shares of our common stock held by Third Rock Ventures V, L.P. and (ii) 473,786 shares of our common stock held by Third Rock Ventures VI, L.P. (together with Third Rock Ventures V, L.P., Third Rock Ventures). The general partner of Third Rock Ventures is Third Rock Ventures GP V, L.P. (TRV GP V). The general partner of TRV GP V is TRV GP V, LLC (TRV GP V LLC). Abbie Celniker, Ph.D.; Robert Tepper, M.D.; Reid Huber, Ph.D.; Jeffrey Tong, Ph.D.; Kevin Gillis; Neil Exter; and Cary Pfeffer, M.D. are the

managing members of TRV GP V, LLC who collectively make voting and investment decisions with respect to shares held by Third Rock Ventures V, L.P. The principal address for Third Rock Ventures V, L.P. is 201 Brookline Avenue, Suite 1401, Boston, Massachusetts 02215.

(5) Consists of 1,842,502 shares of our common stock issuable upon conversion of our Series A-1 convertible preferred stock directly held by Nextech VII Oncology SCSP. Nextech VII GP S.à.r.l. is the general partner of Nextech VII Oncology SCSP and may be deemed to beneficially own the shares held by Nextech VII Oncology SCSP. Costas Constantinides, Ian Charoub and Rocco Sgobbo, as managers of Nextech VII GP S.à.r.l., have voting and investment power over the shares held by Nextech VII Oncology SCSP and, accordingly, may be deemed to beneficially own the shares held by Nextech VII Oncology SCSP. The principal address for Nextech VII Oncology SCSP is 8 rue Lou Hemmer, L 1748 Senningerberg, Luxembourg.

(6) Consists of 1,474,001 shares of our common stock issuable upon conversion of our Series A-1 convertible preferred stock directly held by Janus Henderson Biotech Innovation Master Fund Limited. Janus Henderson Investors US LLC is an investment adviser to Janus Henderson Biotech Innovation Master Fund Limited, and, in such capacity, exercises shared voting and dispositive power over the shares held by Janus Henderson Biotech Innovation Master Fund Limited and may be deemed to beneficially own such shares. Andrew Acker, Daniel S. Lyons and Agustin Mohedas serve as portfolio managers of Janus Henderson Biotech Innovation Master Fund Limited and as such may share voting and dispositive power over the shares held by Janus Henderson Biotech Innovation Master Fund Limited. The principal address for Janus Henderson Biotech Innovation Master Fund Limited is c/o Janus Henderson Investors US LLC, 151 Detroit Street, Denver, Colorado 80206.

(7) Consists of 1,842,499 shares of our common stock issuable upon conversion of our Series A-1 convertible preferred stock held in the aggregate by RTW Master Fund, Ltd., RTW innovation Master Fund, Ltd. and RTW Biotech Opportunities Fund Ltd. (collectively, the RTW Funds). RTW Investments, LP (RTW), in its capacity as the investment manager of the RTW Funds, has the power to vote and the power to direct the disposition of the shares held by the RTW Funds. Accordingly, RTW may be deemed to be the beneficial owner of such securities. Roderick Wong, M.D., as the Managing Partner of RTW, has the power to direct the vote and disposition of the securities held by RTW. Dr. Wong disclaims beneficial ownership of the shares held by the RTW Funds, except to the extent of his pecuniary interest therein. The address and principal office of RTW Investments, LP is 40 10th Avenue, Floor 7, New York, NY 10014, and the address of Dr. Wong and each of the RTW Funds is c/o RTW Investments, LP, 40 10th Avenue, Floor 7, New York, NY 10014.

(8) Consists of 103,905 shares of our common stock issued pursuant to the grant of restricted stock awards.

(9) Consists of 29,480 shares of our common stock issued pursuant to the grant of restricted stock awards.

(10) Consists of 2,878 shares of our common stock that may be acquired pursuant to the exercise of stock options issuable upon conversion within 60 days of November 2, 2023.

(11) Consists of 378,424 shares of our common stock held directly by Dr. Mackall.

(12) Consists of 31,261 shares of our common stock that may be acquired pursuant to the exercise of stock options issuable upon conversion within 60 days of November 2, 2023.

(13) Consists of (i) 6,446 shares of our common stock outstanding and (ii) 1,265 shares of our common stock that may be acquired pursuant to the exercise of stock options issuable upon conversion within 60 days of November 2, 2023.

(14) Consists of 3,173 shares of our common stock that may be acquired pursuant to the exercise of stock options issuable upon conversion within 60 days of November 2, 2023.

(15) Consists of (i) 518,255 shares beneficially owned by our current directors and executive officers and (ii) 38,443 shares subject to options exercisable within 60 days of November 2, 2023.

Description of capital stock

The following summary describes our capital stock and the material provisions of our amended and restated certificate of incorporation and our amended and restated bylaws, which will become effective immediately prior to the completion of this offering, the amended and restated investors' rights agreement to which we and certain of our stockholders are parties and of the Delaware General Corporation Law. Because the following is only a summary, it does not contain all of the information that may be important to you. For a complete description, you should refer to our amended and restated certificate of incorporation, amended and restated bylaws and amended and restated investors' rights agreement, copies of which have been filed as exhibits to the registration statement of which this prosSpectus is part.

General

Upon the completion of this offering and the filing of our amended and restated certificate of incorporation, our authorized capital stock will consist of 500,000,000 shares of common stock, par value $0.001 per share, and 50,000,000 shares of preferred stock, par value $0.001 per share.

Common stock

Outstanding shares

As of June 30, 2023, we had 10,199,455 shares of common stock outstanding, held of record by 44 stockholders, assuming the conversion of all of our outstanding shares of convertible preferred stock into 9,113,470 shares of common stock immediately prior to the completion of this offering.

Voting rights

Each holder of common stock is entitled to one vote for each share on all matters submitted to a vote of the stockholders, including the election of directors. Our stockholders do not have cumulative voting rights in the election of directors. Accordingly, holders of a majority of the voting shares are able to elect all of the directors. In addition, the affirmative vote of holders of 66-2/3% of the voting power of all of the then outstanding voting stock will be required to take certain actions, including amending certain provisions of our amended and restated certificate of incorporation, including the provisions relating to amending our amended and restated bylaws, the classified board and director liability.

Dividends

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of our common stock are entitled to receive dividends as may be declared from time to time by our board of directors out of legally available funds.

Liquidation

In the event of our liquidation, dissolution or winding up, holders of our common stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities, subject to the satisfaction of any liquidation preference granted to the holders of any then outstanding shares of preferred stock.

Rights, preferences and privileges

Holders of our common stock have no preemptive, conversion or subscription rights, and there are no redemption or sinking fund provisions applicable to our common stock. The rights, preferences and privileges of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that we may designate and issue in the future.

Fully paid and nonassessable

All of our outstanding shares of common stock are, and the shares of common stock to be issued in this offering will be, fully paid and nonassessable.

Preferred stock

Upon the completion of this offering, all of our currently outstanding shares of convertible preferred stock will convert into common stock, and we will not have any shares of preferred stock outstanding. Immediately prior to the completion of this offering, our amended and restated certificate of incorporation will be amended and restated to delete all references to such shares of convertible preferred stock. From and after the consummation of this offering, our board of directors will have the authority, without further action by our stockholders, to issue up to 50,000,000 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 our 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 consummation of this offering, no shares of preferred stock will be outstanding, and we have no present plan to issue any shares of preferred stock.

Stock options

As of June 30, 2023, we had outstanding options to purchase an aggregate of 2,147,565 shares of our common stock, with a weighted-average exercise price of $4.73 per share. For additional information regarding terms of our equity incentive plans, see the section titled “Executive compensation—Equity compensation plans.”

Registration rights

Upon the completion of this offering and subject to the lock-up agreements entered into in connection with this offering and federal securities laws, certain holders of shares of our common stock, including those shares of our common stock that will be issued upon the conversion of our convertible preferred stock in connection with this offering, will initially be entitled to certain rights with respect to registration of such shares under the Securities Act. These shares are referred to as registrable securities. The holders of these registrable securities possess registration rights pursuant to the terms of our amended and restated investors’ rights agreement and are described in additional detail below. The registration of shares of our common stock pursuant to the exercise of the registration rights described below would enable the holders to trade these shares without restriction under the Securities Act when the applicable registration statement is declared effective. We will pay the registration expenses, other than underwriting discounts, selling commissions and stock transfer taxes, of the shares registered pursuant to the demand, piggyback and Form S-3 registrations described below.

Generally, in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions and limitations, to limit the number of shares the holders may include. The demand, piggyback and Form S-3 registration rights described below will terminate upon the earliest of (i) the closing of a "Deemed Liquidation Event," as such term is defined in our amended and restated certificate of incorporation (as currently in effect), (ii) with respect to each stockholder, such date, on or after the completion of this offering, on which all registrable shares held by such stockholder may immediately be sold during any three-month period pursuant to Rule 144 of the Securities Act or another similar exemption and (iii) the third anniversary of the completion of this offering.

Demand registration rights

Upon the completion of this offering, holders of approximately 18,910,251 shares of our common stock issuable upon conversion of outstanding convertible preferred stock will be entitled to certain demand registration rights. Beginning 180 days following the effectiveness of the registration statement of which this prospectus is a part, certain major investors holding, collectively, holding at least 40% of registrable securities may request that we register all or a portion of their shares, subject to certain specified exceptions. If any of these holders exercises its demand registration rights, then holders of approximately 18,910,251 shares of our common stock issuable upon the shares of our convertible preferred stock in connection with this offering will be entitled to register their shares, subject to specified conditions and limitations in the corresponding offering.

Piggyback registration rights

In connection with this offering, holders of approximately 18,910,251 shares of our common stock issuable upon conversion of outstanding convertible preferred stock are entitled to their rights to notice of this offering and to include their shares of registrable securities in this offering. The requisite percentage of these stockholders are expected to waive all such stockholders' rights to notice of this offering and to include their shares of registrable securities in this offering. In the event that we propose to register any of our securities under the Securities Act in another offering, either for our own account or for the account of other security holders, the holders of registrable securities will be entitled to certain "piggyback" registration rights allowing them to include their shares in such registration, subject to specified conditions and limitations.

S-3 registration rights

Upon the completion of this offering, the holders of approximately 18,910,251 shares of our common stock issuable upon conversion of outstanding convertible preferred stock will initially be entitled to certain Form S-3 registration rights. Certain major investors holding at least 20% of registrable securities may request that we register all or a portion of their shares on Form S-3 if we are qualified to file a registration statement on Form S-3, subject to specified exceptions. Such request for registration on Form S-3 must cover securities with an aggregate offering price which equals or exceeds $5.0 million, net of selling expenses. The right to have such shares registered on Form S-3 is further subject to other specified conditions and limitations.

Election and removal of directors; vacancies

The exact number of directors will be fixed from time to time by resolution of the board. Directors will be elected by a plurality of the votes of the shares of our capital stock present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

No director may be removed except for cause, and directors may be removed for cause only by an affirmative vote of shares representing not less than a majority of the shares then entitled to vote at an election of directors.

Any vacancy occurring on the board of directors and any newly created directorship may be filled only by a majority of the remaining directors in office.

Staggered board

Upon the completion of this offering, our board of directors will be divided into three classes serving staggered three-year terms. Class I, Class II and Class III directors will serve until our annual meetings of stockholders in 2024, 2025 and 2026, respectively. At each annual meeting of stockholders, directors will be elected to succeed the class of directors whose terms have expired. This classification of our board of directors could have the effect of increasing the length of time necessary to change the composition of a majority of the board of directors. In general, at least two annual meetings of stockholders will typically be necessary for stockholders to effect a change in a majority of the members of the board of directors.

Limitation on action by written consent

Our amended and restated certificate of incorporation and our amended and restated bylaws provide that holders of our common stock will not be able to act by written consent without a meeting.

Stockholder meetings

Our amended and restated certificate of incorporation and our amended and restated bylaws provide that special meetings of our stockholders may be called only by the chairperson of the board, our chief executive officer (or president, in the absence of a chief executive officer) or a majority of the directors. Our amended and restated certificate of incorporation and our amended and restated bylaws specifically deny any power of any other person to call a special meeting.

Amendment of certificate of incorporation

The provisions of our amended and restated certificate of incorporation described under the subsections titled “—Election and removal of directors; vacancies,” “—Stockholder meetings,” “—Limitation on action by written consent,” “—Limitation of liability of directors and officers,” “—Common stock—Voting rights” and “—Forum selection” and provisions relating to amendments to our amended and restated certificate of incorporation may be amended only by the affirmative vote of holders of at least 66-2/3% of the voting power of our outstanding shares of voting stock. The affirmative vote of holders of at least a majority of the voting power of our outstanding shares of stock will generally be required to amend other provisions of our amended and restated certificate of incorporation.

Amendment of bylaws

Certain provisions of our amended and restated bylaws may generally be altered, amended or repealed, and new bylaws may be adopted, with the affirmative vote of a majority of directors present at any regular or special meeting of the board of directors called for that purpose, provided that any alteration, amendment, or repeal of, or adoption of any bylaw inconsistent with specified provisions of the bylaws, including those related to special and annual meetings of stockholders, action of stockholders by written consent, nomination of directors, transfers of capital stock and dividends requires the affirmative vote of at least 66-2/3% of all directors in office at a meeting called for that purpose.

All other provisions of our amended and restated bylaws may generally be altered, amended or repealed, and new bylaws may be adopted, with the affirmative vote of holders of 66-2/3 % of the voting power of our outstanding shares of voting stock.

Other limitations on stockholder actions

Our amended and restated bylaws impose some procedural requirements on stockholders who wish to:

- make nominations in the election of directors;
- propose that a director be removed;
- propose any repeal or change in our amended and restated bylaws; or
- propose any other business to be brought before an annual or special meeting of stockholders.

Under these procedural requirements, in order to bring a proposal before a meeting of stockholders, a stockholder must deliver timely notice of a proposal pertaining to a proper subject for presentation at the meeting to our corporate secretary along with the following:

- a description of the business or nomination to be brought before the meeting and the reasons for conducting such business at the meeting;
- the stockholder's name and address;
- any material interest of the stockholder in the proposal;
- the number of shares beneficially owned by the stockholder and evidence of such ownership; and
- the names and addresses of all persons with whom the stockholder is acting in concert and a description of all arrangements and understandings with those persons, and the number of shares such persons beneficially own.

To be timely, a stockholder must generally deliver notice:

- in connection with an annual meeting of stockholders, not less than 120 nor more than 150 days prior to the date on which the annual meeting of stockholders was held in the immediately preceding year, but in the event that the date of the annual meeting is more than 30 days before or more than 70 days after the anniversary date of the preceding annual meeting of stockholders, a stockholder notice will be timely if received by us not later than the close of business on the later of (i) not less than 70 nor more than 120 days prior to the date of the annual meeting and (ii) the 10th day following the day on which we first publicly announce the date of the annual meeting; or
- in connection with the election of a director at a special meeting of stockholders, during the period not less than 120 nor more than 150 days prior to the date of the special meeting, or the 10th day following the day on which a notice of the date of the special meeting was mailed to the stockholders or the public disclosure of that date was made.

In order to submit a nomination for our board of directors, a stockholder must also submit all information with respect to the nominee that would be required to be included in a proxy statement, as well as other information. If a stockholder fails to follow the required procedures, the stockholder's proposal or nominee will be ineligible and will not be voted on by our stockholders.

Limitation of liability of directors and officers

Our amended and restated certificate of incorporation provides that no director will be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except as required by applicable law, as in effect from time to time. Section 102(b)(7) of the Delaware General Corporation Law

permits a corporation to provide in its certificate of incorporation that 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, except for liability for:

- any breach of the director's duty of loyalty to our company or our stockholders;
- any act or omission not in good faith or which involved intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; and
- any transaction from which the director derived an improper personal benefit.

As a result, neither we nor our stockholders have the right, through stockholders' derivative suits on our behalf, to recover monetary damages against a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior, except in the situations described above.

Our amended and restated certificate of incorporation also provides that, to the fullest extent permitted by law, we will indemnify any officer or director of our company against all damages, claims and liabilities arising out of the fact that the person is or was our director or officer, or served any other enterprise at our request as a director or officer. Amending this provision will not reduce our indemnification obligations relating to actions taken before an amendment.

Forum selection

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on behalf of us; (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer, or other employee of our company to us or our stockholders; (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or our amended and restated certificate of incorporation and bylaws; or (iv) any action asserting a claim governed by the internal affairs doctrine. This provision would not apply to claims brought to enforce a duty or liability created by the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts have exclusive jurisdiction.

Furthermore, our amended and restated certificate of incorporation will also provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. Any person or entity purchasing or otherwise acquiring any interest in our shares of capital stock shall be deemed to have notice of and consented to the foregoing forum selection provisions. For the avoidance of doubt, this provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering.

Our exclusive forum provision will not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders will not be deemed to have waived our compliance with these laws, rules and regulations.

The enforceability of similar federal court choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find this type of provision to be inapplicable or unenforceable. If a court were to find either of the choice of forum provisions

contained in our amended and restated certificate of incorporation or amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions.

The choice of forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with the company or our directors, officers or other employees, which may discourage such lawsuits against the company and our directors, officers and other employees and result in increased costs for investors to bring a claim.

Delaware Business Combination Statute

We have elected to be subject to Section 203 of the Delaware General Corporation Law. Section 203 prevents an "interested stockholder," which is defined generally as a person owning 15% or more of a corporation's voting stock, or any affiliate or associate of that person, from engaging in a broad range of "business combinations" with the corporation for three years after becoming an interested stockholder unless:

- the board of directors of the corporation had previously approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, that person owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, other than statutorily excluded shares; or
- following the transaction in which that person became an interested stockholder, the business combination is approved by the board of directors of the corporation and holders of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

Under Section 203, the restrictions described above also do not apply to specific business combinations proposed by an interested stockholder following the announcement or notification of designated extraordinary transactions involving the corporation and a person who had not been an interested stockholder during the previous three years or who became an interested stockholder with the approval of a majority of the corporation's directors, if such extraordinary transaction is approved or not opposed by a majority of the directors who were directors prior to any person becoming an interested stockholder during the previous three years or were recommended for election or elected to succeed such directors by a majority of such directors.

Section 203 may make it more difficult for a person who would be an interested stockholder to effect various business combinations with a corporation for a three-year period. Section 203 also may have the effect of preventing changes in our management and could make it more difficult to accomplish transactions that our stockholders may otherwise deem to be in their best interests.

Anti-takeover effects of some provisions

Certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws could make the following more difficult:

- acquisition of control of us by means of a proxy contest, tender offer, or otherwise; or
- removal of our incumbent officers and directors.

These provisions, as well as our ability to issue preferred stock, are designed to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of increased

protection give us the potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us, and that the benefits of this increased protection outweigh the disadvantages of discouraging those proposals, because negotiation of those proposals could result in an improvement of their terms.

Listing

We have applied to list our common stock on the Nasdaq Global Select Market under the symbol “CRGX,” and this offering is contingent upon obtaining such approval.

Transfer agent and registrar

The transfer agent and registrar for the common stock will be Equiniti Trust Company, LLC. The transfer agent and registrar’s address is 6201 15th Avenue, Brooklyn, New York 11219.

Material U.S. federal income tax consequences to non-U.S. holders

The following discussion is a summary of the material U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of the purchase, ownership, and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local, or non-U.S. tax laws are not discussed. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the Code), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the IRS), in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a Non-U.S. Holder of our common stock. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership, and disposition of our common stock.

This discussion is limited to Non-U.S. Holders that hold 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 U.S. federal income tax consequences relevant to a Non-U.S. Holder’s particular circumstances, including the impact of the Medicare contribution tax on net investment income and the alternative minimum tax. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons holding our common stock as part of a hedge, straddle, or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- brokers, dealers, or traders in securities;
- “controlled foreign corporations,” “passive foreign investment companies,” and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- tax-qualified retirement plans; and
- “qualified foreign pension funds” as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds.

If an entity treated as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership, and certain determinations made at the partner level. Accordingly, partnerships holding our common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP, AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a non-U.S. holder

For purposes of this discussion, a "Non-U.S. Holder" is any beneficial owner of our common stock that is neither a "U.S. person" nor an entity treated as a partnership for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the 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 that (i) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code), or (ii) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

Distributions

As described in the section titled "Dividend policy," we do not anticipate declaring or paying dividends to holders of our common stock in the foreseeable future. However, if we do make distributions of cash or property on our common stock, such distributions 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. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a Non-U.S. Holder's adjusted tax basis in its common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described in the subsection titled "—Sale or other taxable disposition" below.

Subject to the discussion below regarding effectively connected income, dividends paid to a Non-U.S. Holder will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty, provided the Non-U.S. Holder furnishes a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate). A Non-U.S. Holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

If dividends paid to a Non-U.S. Holder are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such dividends are attributable), the Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption from withholding, the Non-U.S. Holder must furnish to the applicable withholding agent a valid IRS Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

Any such effectively connected dividends will be subject to U.S. federal income tax on a net income basis at the regular rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected dividends, as adjusted for certain items. Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Sale or other taxable disposition

A Non-U.S. Holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such gain is attributable);
- the Non-U.S. Holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our common stock constitutes a U.S. real property interest (USRPI) by reason of our status as a U.S. real property holding corporation (USRPHC) for U.S. federal income tax purposes.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular rates applicable to U.S. persons. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected gain, as adjusted for certain items.

A Non-U.S. Holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on gain realized upon the sale or other taxable disposition of our common stock, which may be offset by U.S. source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we currently are not, and do not anticipate becoming, a USRPHC. Because the determination of whether we are a USRPHC depends, however, on the fair market value of our USRPIs relative to the fair market value of our non-U.S. real property interests and our other business assets, there can be no assurance we currently are not a USRPHC or will not become one in the future. Even if we are or were to become a USRPHC, gain arising from the sale or other taxable disposition of our common stock by a Non-U.S. Holder will not be subject to U.S. federal income tax if our common stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market and such Non-U.S. Holder owned, actually and constructively, 5% or less of our common stock throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the Non-U.S. Holder's holding period.

Non-U.S. Holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

Information reporting and backup withholding

Payments of dividends on our common stock will not be subject to backup withholding, provided the Non-U.S. Holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E, or W-8ECI, or otherwise establishes an exemption. However, information returns are required to be filed with the IRS in connection with any distributions on our common stock paid to the Non-U.S. Holder, regardless of whether such

distributions constitute dividends or whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of our common stock within the United States or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting if the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such holder is a United States person or the holder otherwise establishes an exemption. Proceeds of a disposition of our common stock conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Additional withholding tax on payments made to foreign accounts

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or FATCA) on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or (subject to the proposed Treasury Regulations discussed below) gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (i) the foreign financial institution undertakes certain diligence and reporting obligations, (ii) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (i) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our common stock. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of our common stock on or after January 1, 2019, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

Shares eligible for future sale

Prior to this offering, there has been no public market for our common stock. Future sales of substantial amounts of our common stock in the public market could adversely affect market prices prevailing from time to time. Furthermore, because only a limited number of shares will be available for sale shortly after this offering due to existing contractual and legal restrictions on resale as described below, there may be sales of substantial amounts of our common stock in the public market after the restrictions lapse. This may adversely affect the prevailing market price and our ability to raise equity capital in the future.

Based on the number of shares of our common stock outstanding as of June 30, 2023 and the 3,381,941 and 6,341,148 shares of our Series A-1 redeemable convertible preferred stock issued in the second tranche closing in July 2023 and the third tranche closing in October 2023, respectively, and assuming the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of 18,836,559 shares of common stock and the related reclassification of the carrying value of the convertible preferred stock to permanent equity immediately prior to the completion of this offering, we will have 38,672,544 shares of common stock outstanding, assuming no exercise of the underwriters' option to purchase additional shares and no exercise of any options after June 30, 2023. Of these shares, 18,750,000, or 21,562,500 shares of our common stock if the underwriters exercise their option to purchase additional shares in full, sold in this offering will be freely transferable without restriction or registration under the Securities Act, except for any shares purchased by one of our existing "affiliates," as that term is defined in Rule 144 under the Securities Act. The remaining 19,922,544 shares of common stock outstanding will be "restricted shares" as defined in Rule 144. Restricted shares may be sold in the public market only if registered or if they qualify for an exemption from registration under Rules 144 or 701 of the Securities Act, which rules are summarized below.

Rule 144

In general, a person who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell such 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 Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned restricted shares of our common stock 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 of our common stock then outstanding, which will equal approximately shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares; or
- the average weekly trading volume of shares of our common stock on the Nasdaq Global Select 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 Exchange Act periodic reporting requirements 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 to the extent applicable.

Rule 701

In general, under Rule 701 as currently in effect, any of our employees, directors, officers, consultants or advisors who acquired common stock from us in connection with a written compensatory stock or option plan

or other written agreement in compliance with Rule 701 before the effective date of the registration statement of which this prospectus is a part (to the extent such common stock is not subject to a lock-up agreement) and who are not our "affiliates" as defined in Rule 144 during the immediately preceding 90 days, is entitled to rely on Rule 701 to resell such shares beginning 90 days after the date of this prospectus in reliance on Rule 144, but without complying with the notice, manner of sale, public information requirements or volume limitation provisions of Rule 144. Persons who are our "affiliates" may resell those shares beginning 90 days after the date of this prospectus without compliance with minimum holding period requirements under Rule 144 (subject to the terms of the lock-up agreement referred to below, if applicable).

Lock-up agreements

In connection with this offering, we, our directors, officers and substantially all of our securityholders have agreed with the underwriters that for a period of 180 days after the date of this prospectus, among other things and subject to certain exceptions more fully described under the section titled "Underwriting," not to sell or otherwise transfer or dispose of any of our securities during the period from the date of this prospectus continuing through the date 180 days after the date of this prospectus, except with the prior consent of J.P. Morgan Securities LLC, Jefferies LLC and Cowen and Company, LLC. See the section titled "Underwriting" for additional information.

Registration rights

Upon the completion of this offering, the holders of approximately 18,910,251 shares of our common stock will be entitled to rights with respect to the registration of their shares under the Securities Act, subject to the lock-up agreements described in the subsection titled "—Lock-up agreements" above. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act, except for shares purchased by affiliates, immediately upon the effectiveness of the registration statement of which this prospectus is a part. Any sales of securities by these stockholders could have a material adverse effect on the trading price of our common stock. The requisite percentage of these stockholders will waive all such stockholders' rights to notice of this offering and to include their shares of registrable securities in this offering. See the section titled "Description of capital stock—Registration rights."

Equity incentive plans

We intend to file with the SEC a registration statement on Form S-8 under the Securities Act covering the shares of common stock reserved for issuance under the 2021 Plan, the 2023 Plan and the ESPP. Such registration statement is expected to be filed and become effective as soon as practicable after the completion of this offering. Accordingly, shares registered under such registration statement will be available for sale in the open market following its effective date, subject to Rule 144 volume limitations and the lock-up agreements described above, if applicable.

Underwriting

We are offering the shares of common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC, Jefferies LLC and Cowen and Company, LLC are acting as joint book-running managers of the offering and as representatives of the underwriters. Truist Securities, Inc. is also acting as a book-running manager of the offering. We have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of common stock listed next to its name in the following table:

Name	Number of shares
J.P. Morgan Securities LLC	
Jefferies LLC	
Cowen and Company, LLC	
Truist Securities, Inc.	
Total	18,750,000

The underwriters are committed to purchase all the shares of common stock offered by us if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the common stock directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. After the initial offering of the shares to the public, if all of the shares of common stock are not sold at the initial public offering price, the underwriters may change the offering price and the other selling terms. Sales of any shares made outside of the United States may be made by affiliates of the underwriters.

The underwriters have an option to buy up to 2,812,500 additional shares of common stock from us to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional shares. If any shares are purchased with this option to purchase additional shares, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriters to us per share of common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Without option to purchase additional shares exercise	With full option to purchase additional shares exercise
Per share	$	$
Total	$	$

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be

approximately $. We have agreed to reimburse the underwriters for expenses relating to the clearance of this offering with the Financial Industry Regulatory Authority, Inc. in an amount up to $40,000.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed that we will not, subject to certain exceptions, (i) 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, hedge, lend, or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the SEC a registration statement under the Securities Act relating to, any shares of our common stock or any securities convertible into or exercisable or exchangeable for any shares of our common stock, or (ii) enter into any swap, hedging, or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of any shares of common stock or any such other securities, or publicly disclose the intention to undertake any of the foregoing (regardless of whether any of these transactions are to be settled by the delivery of shares of common stock or such other securities, in cash or otherwise), in each case without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Cowen and Company, LLC for a period of 180 days after the date of this prospectus, other than the shares of our common stock to be sold in this offering.

The restrictions on our actions, as described above, do not apply to certain transactions, including (i) the issuance of shares of common stock or securities convertible into or exercisable for shares of our common stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of RSUs (including net settlement), in each case outstanding on the date of the underwriting agreement and described in this prospectus; (ii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of common stock or securities convertible into or exercisable or exchangeable for shares of our common stock (whether upon the exercise of stock options or otherwise) to our employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the closing date of this offering and described in this prospectus, provided that such recipients enter into a lock-up agreement with the underwriters; (iii) the issuance of up to 5% of the outstanding shares of common stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, common stock, immediately following the closing date of this offering, in acquisitions or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the underwriters; or (iv) the filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of the underwriting agreement and described in this prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction.

Our directors, officers and substantially all of our securityholders (collectively, the lock-up parties) have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each lock-up party, with limited exceptions, for a period of 180 days after the date of this prospectus (such period, the restricted period), may not and may not cause any of their direct or indirect affiliates to, without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Cowen and Company, LLC, (i) 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, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or any securities convertible into or exercisable or exchangeable for our common stock (including without limitation, our common stock or such other securities which may be deemed to be beneficially owned by the lock-up party in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant) (collectively with the common

stock, the lock-up securities), (ii) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the lock-up securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of the lock-up securities, in cash or otherwise, (iii) make any demand for or exercise any right with respect to the registration of any the lock-up securities, or (iv) publicly disclose the intention to do any of the foregoing. Such persons or entities have further acknowledged that these undertakings preclude them from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (whether by the lock-up party or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of lock-up securities, in cash or otherwise. Such persons or entities further confirm that they have furnished the representatives with the details of any transaction such persons or entities, or any of their respective affiliates, is a party to as of the date hereof, which transaction would have been restricted by the lock-up agreements if it had been entered into by such persons or entities during the restricted period.

The restrictions described in the immediately preceding paragraph and contained in the lock-up agreements between the underwriters and the lock-up parties do not apply, subject in certain cases to various conditions, to certain transactions, including (a) transfers, distributions, dispositions or surrenders of lock-up securities: (i) as bona fide gifts, or for bona fide estate planning purposes, (ii) by will, other testamentary documents or intestacy, (iii) to any trust for the direct or indirect benefit of the lock-up party or any immediate family member, (iv) to a corporation, partnership, limited liability company or other entity of which the lock-up party and/or its immediate family members are the legal and beneficial owner of all of the outstanding equity securities or similar interests, (v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv), (vi) in the case of a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the lock-up party or its affiliates or (B) as part of a distribution to partners, direct or indirect members, stockholders or other equityholders of the lock-up party; (vii) by operation of law, (viii) to us from an employee upon death, disability or termination of employment of such employee, (ix) as part of a sale or transfer of lock-up securities acquired in this offering or in open market transactions after the completion of this offering, (x) to us in connection with the vesting, settlement or exercise of restricted stock units, options, warrants or other rights to purchase shares of our common stock (including “net” or “cashless” exercise), including for the payment of exercise price and tax and remittance payments, (xi) to us pursuant to any contractual arrangement in effect on the date of this prospectus and disclosed herein that provides for the repurchase of shares of our common stock in connection with the termination of the lock-up party’s employment with or service to us or (xii) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction approved by our board of directors and made to all stockholders involving a change in control, provided that if such transaction is not completed, all such lock-up securities would remain subject to the restrictions in the immediately preceding paragraph; (b) exercise of the options, settlement of RSUs or other equity awards, or the exercise of warrants granted pursuant to plans described in in this prospectus or filed as exhibits to our registration statement relating to this offering, provided that any lock-up securities received upon such exercise, vesting or settlement would be subject to restrictions similar to those in the immediately preceding paragraph; (c) the conversion of outstanding preferred stock, warrants to acquire preferred stock, or convertible securities into shares of our common stock or warrants to acquire shares of our common stock, provided that any common stock or warrant received upon such conversion would be subject to restrictions

similar to those in the immediately preceding paragraph; and (d) the establishment by lock-up parties of trading plans under Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of lock-up securities during the restricted period.

J.P. Morgan Securities LLC, Jefferies LLC and Cowen and Company, LLC, in their sole discretion, may release the securities subject to any of the lock-up agreements with the underwriters described above, in whole or in part at any time.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

We have applied to list our common stock on the Nasdaq Global Select Market under the symbol “CRGX,” and this offering is contingent upon obtaining such approval.

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of common stock in the open market for the purpose of preventing or retarding a decline in the market price of the common stock while this offering is in progress. These stabilizing transactions may include making short sales of common stock, which involves the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering, and purchasing shares of common stock on the open market to cover positions created by short sales. Short sales may be “covered” shorts, which are short positions in an amount not greater than the underwriters’ option to purchase additional shares referred to above, or may be “naked” shorts, which are short positions in excess of that amount.

The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares. 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 common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of raising or maintaining the market price of the common stock or preventing or retarding a decline in the market price of the common stock, and, as a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on Nasdaq, in the over-the-counter market or otherwise.

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;

- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor the underwriters can assure investors that an active trading market will develop for shares of our common stock, or that the shares will trade in the public market at or above the initial public offering price.

Other relationships

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Selling restrictions

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to prospective investors in the European Economic Area

In relation to each Member State of the European Economic Area (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 the shares may be offered to the public in that Relevant State at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or any of the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

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 shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

Notice to prospective investors in the United Kingdom

No shares have been offered or will be offered pursuant to the offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the shares which has been approved by the Financial Conduct Authority, except that the shares may be offered to the public in the United Kingdom at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

(iii) in any other circumstances falling within Section 86 of the FSMA, provided that no such offer of the shares shall require the Issuer or any Manager to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to the shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Notice to prospective investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) 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 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.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to prospective investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (SIX) or on any other stock exchange or regulated trading facility in Switzerland. This document does not constitute a

prospectus within the meaning of, and 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 document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (CISA). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to prospective investors in the Dubai International Financial Centre

This document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority (DFSA). This document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the Dubai International Financial Centre (DIFC), this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Notice to prospective investors in the United Arab Emirates

The shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

Notice to prospective investors in Australia

This prospectus:

- does not constitute a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the Corporations Act);
- has not been, and will not be, lodged with the Australian Securities and Investments Commission (ASIC), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document for the purposes of the Corporations Act; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, available under Section 708 of the Corporations Act (Exempt Investors).

The shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of shares under this document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under Section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in Section 708 applies to that resale. By applying for the shares you undertake to us that you will not, for a period of 12 months from the date of issue of the shares, offer, transfer, assign or otherwise alienate those shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to prospective investors in Japan

The shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the shares nor any interest therein may be offered or sold, 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 a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Notice to prospective investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), or the SFO, of Hong Kong and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, or the CO, or which do not constitute an offer to the public within the meaning of the CO. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, 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 to do so under the securities laws of Hong Kong) other than with respect to shares 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 thereunder.

Notice to prospective investors in Singapore

Each representative has acknowledged that this prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each representative has represented and agreed that it has not offered or sold any shares or caused the shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any shares or cause the shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, whether directly or indirectly, to any person in Singapore other than:

(i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time, or the SFA) pursuant to Section 274 of the SFA;

(ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, 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 are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) 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

(ii) 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 or securities-based derivatives contracts (each term as defined in Section 2(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 pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification—In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of the shares, the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the shares are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to prospective investors in Bermuda

Shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

Notice to prospective investors in Saudi Arabia

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority, or CMA, pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended. The CMA does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorized financial adviser.

Notice to prospective investors in the British Virgin Islands

The shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on behalf of the Company. The shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands), or BVI Companies, but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

Notice to prospective investors in China

This prospectus will not be circulated or distributed in the PRC and the shares will not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to any residents of the PRC except pursuant to any applicable laws and regulations of the PRC. Neither this prospectus nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with applicable laws and regulations.

Notice to prospective investors in Korea

The shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder, or the FSCMA, and the shares have been and will be offered in Korea as a private placement under the FSCMA. None of the shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder, or the FETL. The shares have not been listed on any of the securities exchanges in the world including, without limitation, the Korea Exchange in Korea. Furthermore, the purchaser of the shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the shares. By the purchase of the shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

Notice to prospective investors in Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the shares has been or will be registered with the Securities Commission of Malaysia, or Commission, for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services License; (iii) a person who acquires the shares, as principal, if the offer is on terms that the shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the shares is made by a holder of a Capital

Markets Services License who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Notice to prospective investors in Taiwan

The shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the shares in Taiwan.

Notice to prospective investors in South Africa

Due to restrictions under the securities laws of South Africa, no “offer to the public” (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted), or the South African Companies Act) is being made in connection with the issue of the shares in South Africa. Accordingly, this document does not, nor is it intended to, constitute a “registered prospectus” (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. The shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions stipulated in section 96 (1) applies:

Section 96 (1)(a) the offer, transfer, sale, renunciation or delivery is to:

(i) persons whose ordinary business, or part of whose ordinary business, is to deal in securities, as principal or agent;

(ii) the South African Public Investment Corporation;

(iii) persons or entities regulated by the Reserve Bank of South Africa;

(iv) authorized financial service providers under South African law;

(v) financial institutions recognized as such under South African law;

(vi) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorized portfolio manager for a pension fund, or as manager for a collective investment scheme (in each case duly registered as such under South African law); or

(vi) any combination of the person in (i) to (vi), or

Section 96 (1) (b) the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000 or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the South African Companies Act.

Information made available in this prospectus should not be considered as “advice” as defined in the South African Financial Advisory and Intermediary Services Act, 2002.

Notice to prospective investors in Israel

In the State of Israel this prospectus supplement shall not be regarded as an offer to the public to purchase shares of common stock under the Israeli Securities Law, 5728—1968, which requires a prospectus to be published and authorized by the Israel Securities Authority, if it complies with certain provisions of Section 15 of the Israeli Securities Law, 5728–1968, including, inter alia, if: (i) the offer is made, distributed or directed to not more than 35 investors, subject to certain conditions, or the Addressed Investors; or (ii) the offer is made, distributed or directed to certain qualified investors defined in the First Addendum of the Israeli Securities Law, 5728—1968, subject to certain conditions, or the "Qualified Investors." The Qualified Investors shall not be taken into account in the count of the Addressed Investors and may be offered to purchase securities in addition to the 35 Addressed Investors. We have not and will not take any action that would require us to publish a prospectus in accordance with and subject to the Israeli Securities Law, 5728—1968. We have not and will not distribute this prospectus supplement or make, distribute or direct an offer to subscribe for our shares of common stock to any person within the State of Israel, other than to Qualified Investors and up to 35 Addressed Investors.

Qualified Investors may have to submit written evidence that they meet the definitions set out in of the First Addendum to the Israeli Securities Law, 5728—1968. In particular, we may request, as a condition to be offered shares of common stock, that Qualified Investors will each represent, warrant and certify to us and/or to anyone acting on our behalf: (i) that it is an investor falling within one of the categories listed in the First Addendum to the Israeli Securities Law, 5728—1968; (ii) which of the categories listed in the First Addendum to the Israeli Securities Law, 5728—1968 regarding Qualified Investors is applicable to it; (iii) that it will abide by all provisions set forth in the Israeli Securities Law, 5728—1968 and the regulations promulgated thereunder in connection with the offer to be issued shares of common stock; (iv) that the shares of common stock that it will be issued are, subject to exemptions available under the Israeli Securities Law, 5728—1968 (A) for its own account, (B) for investment purposes only, and (C) not issued with a view to resale within the State of Israel, other than in accordance with the provisions of the Israeli Securities Law, 5728—1968; and (v) that it is willing to provide further evidence of its Qualified Investor status. Addressed Investors may have to submit written evidence in respect of their identity and may have to sign and submit a declaration containing, inter alia, the Addressed Investor's name, address and passport number or Israeli identification number.

Legal matters

The validity of the issuance of the shares of common stock offered hereby will be passed upon for CARGO Therapeutics, Inc. by Latham & Watkins LLP, Menlo Park, California. Cooley LLP, San Francisco, California, is representing the underwriters.

Experts

The financial statements of Cargo Therapeutics, Inc. as of December 31, 2022 and 2021, and for each of the two years in the period ended December 31, 2022, included in this Prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report. Such financial statements are included in reliance upon the report of such firm given their authority as experts in accounting and auditing.

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 hereby. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to the company and our common stock, reference is made to the registration statement and the exhibits and any schedules filed therewith. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. The SEC maintains a website at www.sec.gov, from which interested persons can electronically access the registration statement, including the exhibits and any schedules thereto.

As a result of the offering, we will be required to file periodic reports and other information with the SEC. We also maintain a website at www.cargo-tx.com, at which, following this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part. We have included our website address as an inactive textual reference only.

Cargo Therapeutics, Inc.

Index to financial statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Cargo Therapeutics, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Cargo Therapeutics, Inc. (the "Company") as of December 31, 2022 and 2021, the related statements of operations and comprehensive loss, stockholders' deficit, and cash flows, for each of the two years in the period ended December 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has sustained significant operating losses and negative cash flows since inception that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

San Francisco, California

September 1, 2023 (November 6, 2023, as to the effects of the reverse stock split described in Note 15)

We have served as the Company's auditor since 2023.

Cargo Therapeutics, Inc.
Balance sheets

(in thousands, except share and per share data)	December 31, 2021	December 31, 2022
Assets		
Current assets:		
Cash	$ 41	$ 1,872
Prepaid expenses and other current assets	143	2,055
Total current assets	184	3,927
Operating lease right-of-use asset	3,205	2,165
Property and equipment, net	673	3,368
Other non-current assets	442	783
Total assets	$ 4,504	$ 10,243
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	$ 818	$ 3,483
Accrued clinical and research and development expenses	299	1,646
Accrued expenses and other current liabilities	394	3,391
Operating lease liability, current	938	1,006
Convertible notes—related party	—	11,635
Convertible notes	—	9,619
Derivative liabilities	—	12,705
Financial commitment liabilities—related party	—	412
Financial commitment liabilities	—	240
Total current liabilities	2,449	44,137
Operating lease liability, non-current	2,230	1,092
Other non-current liabilities	—	250
Total liabilities	4,679	45,479
Commitments and contingencies (Note 6)		
Stockholders' deficit:		
Convertible preferred stock, $0.001 par value; 11,000,000 shares authorized at December 31, 2021 and 2022, respectively; 405,350 and 810,700 shares issued and outstanding at December 31, 2021 and 2022, respectively, (aggregate liquidation preference of $5,500 and $11,000 at December 31, 2021 and 2022, respectively)	1	1
Common stock, $0.001 par value; 25,433,526 and 29,000,000 shares authorized at December 31, 2021 and 2022, respectively; 810,699 and 1,091,800 shares issued and outstanding at December 31, 2021 and 2022, respectively	1	1
Additional paid-in capital	$ 5,871	$ 11,761
Accumulated deficit	(6,048)	(46,999)
Total stockholders' deficit	(175)	(35,236)
Total liabilities and stockholders' deficit	$ 4,504	$ 10,243

The accompanying notes are an integral part of these financial statements.

Cargo Therapeutics, Inc.
Statements of operations and comprehensive loss

(in thousands, except share and per share data)	Year ended December 31, 2021	2022
Operating expenses:		
Research and development	$ 4,461	$ 29,373
General and administrative	1,516	5,398
Total operating expenses	5,977	34,771
Loss from operations	(5,977)	(34,771)
Interest expense	—	(4,942)
Change in fair value of derivative liabilities	—	(1,216)
Other income (expense), net	127	(22)
Net loss and comprehensive loss	$ (5,850)	$ (40,951)
Net loss per share attributable to common stockholders, basic and diluted	$ (38.38)	$ (104.40)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	152,422	392,268

The accompanying notes are an integral part of these financial statements.

Cargo Therapeutics, Inc.
Statements of stockholders' deficit

	Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balances at January 1, 2021	**—**	**$ —**	**116,695**	**$ —**	**$ 2**	**$ (198)**	**$ (196)**
Issuance of Series Seed convertible preferred stock, net of issuance costs of $145	405,350	1	—	—	5,284	—	5,285
Issuance of Series Seed tranche commitment	—	—	—	—	70	—	70
Issuance of restricted stock awards	—	—	694,004	1	8	—	9
Stock-based compensation expense	—	—	—	—	507	—	507
Net loss	—	—	—	—	—	(5,850)	(5,850)
Balances at December 31, 2021	**403,350**	**1**	**810,699**	**1**	**5,871**	**(6,048)**	**(175)**
Issuance of Series Seed convertible preferred stock	405,350	—	—	—	5,500	—	5,500
Issuance of restricted stock awards	—	—	213,496	—	3	—	3
Vesting of restricted stock awards	—	—	—	—	18	—	18
Issuance of common shares for license	—	—	67,605	—	72	—	72
Stock-based compensation expense	—	—	—	—	297	—	297
Net loss	—	—	—	—	—	(40,951)	(40,951)
Balances at December 31, 2022	**810,700**	**$ 1**	**1,091,800**	**$ 1**	**$ 11,761**	**$ (46,999)**	**$ (35,236)**

The accompanying notes are an integral part of these financial statements.

Cargo Therapeutics, Inc.
Statements of cash flows

(in thousands)	Year ended December 31, 2021	2022
OPERATING ACTIVITIES		
Net loss	$(5,850)	$(40,951)
Adjustments to reconcile net loss to net cash used in operating activities:		
Noncash interest expense	—	4,942
Change in fair value of derivative liabilities	—	1,216
Amortization of operating lease right-of-use asset	130	1,040
Acquired in-process research and development	—	1,013
Depreciation	17	404
Stock-based compensation expense	507	297
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(143)	(1,912)
Other non-current assets	(442)	(267)
Accounts payable	332	2,819
Accrued clinical and research and development costs	299	1,222
Accrued expenses and other current liabilities	375	2,175
Operating lease liability	(167)	(1,070)
Net cash used in operating activities	(4,942)	(29,072)
INVESTING ACTIVITIES		
Purchase of property and equipment	(442)	(2,724)
Purchase of in-process research and development	—	(558)
Net cash used in investing activities	(442)	(3,282)
FINANCING ACTIVITIES		
Proceeds from issuance of convertible notes, net of issuance costs—related party	—	15,948
Proceeds from issuance of convertible notes, net of issuance costs	—	12,505
Proceeds from issuance of convertible preferred stock and tranche commitment, net of issuance costs	5,414	5,500
Proceeds from issuance of restricted stock awards	—	232
Net cash provided by financing activities	5,414	34,185
Net increase in cash	30	1,831
Cash, beginning of the year	11	41
Cash, end of the year	$ 41	$ 1,872
SUPPLEMENTAL NON-CASH INVESTING AND FINANCING ACTIVITIES		
Purchase of property and equipment in accounts payable and accrued expenses and other current liabilities	$ 248	$ 623
In-process research and development costs in accounts payable, accrued expenses, other current liabilities and other non-current liabilities	$ —	$ 383
Deferred issuance costs for Series A-1 redeemable convertible preferred stock in accounts payable and accrued expenses and other current liabilities	$ —	$ 74
Issuance of shares in exchange for in-process research and development	$ —	$ 72

The accompanying notes are an integral part of these financial statements.

Cargo Therapeutics, Inc.
Notes to financial statements

1. Organization

Description of the business

Cargo Therapeutics, Inc. (the "Company") was incorporated in the state of Delaware in December 2019 as Syncopation Life Sciences, Inc. and changed its name to Cargo Therapeutics, Inc. in September 2022. It is a clinical-stage biotechnology company positioned to advance next generation, potentially curative cell therapies for cancer patients. The Company's programs, platform technologies, and manufacturing strategy are designed to directly address the key limitations of approved cell therapies, including limited durability of effect, suboptimal safety and unreliable supply. The Company's lead program, CRG-022, an autologous CD22 chimeric antigen receptor ("CAR") T-cell therapy, has demonstrated robust safety, activity and manufacturability in clinical trials and is currently being studied in a potentially pivotal Phase 2 clinical trial for the treatment of large B-cell lymphoma ("LBCL"). The Company is also leveraging its proprietary cell engineering platform technologies to develop a pipeline of programs that incorporate multi-functional genetic "cargo" designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as help safeguard against tumor resistance and T-cell exhaustion.

Since its founding, the Company has devoted substantially all of its resources to organizing and staffing the Company, business planning, raising capital, establishing licensing arrangements, building its proprietary platform technologies, discovering its product candidates, establishing its intellectual property portfolio, conducting research, preclinical studies, and clinical trials, establishing arrangements with third parties for the manufacture of its product candidates and related raw materials, and providing general and administrative support for these operations.

Liquidity and going concern

Management is required to evaluate whether there are relevant conditions or events, when considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern and to meet its obligations as they become due within one year after the date the financial statements are issued.

Since inception, the Company has incurred significant operating losses and negative cash flows, and it expects that it will continue to incur losses and negative cash flows for the foreseeable future as it continues its research and development efforts, advances its product candidates through preclinical and clinical development, enhances its platforms and programs, expands its product pipeline, seeks regulatory approval, prepares for commercialization, hires additional personnel, protects its intellectual property and grows its business. As of and for the year ended December 31, 2022, the Company had an accumulated deficit of $47.0 million, cash of $1.9 million and negative cash flows from operations of $29.1 million. In February and July 2023, the Company issued and sold, primarily to existing and new investors, 5,072,919 shares and 3,381,941 shares, respectively, of its Series A-1 redeemable convertible preferred stock, resulting in aggregate net proceeds of $68.1 million and aggregate gross proceeds of $45.9 million, respectively. Based on its recurring losses from operations incurred since inception, expectation of continuing operating losses and negative cash flows for the foreseeable future, and need to raise additional capital to finance its future operations, the Company has concluded that there is substantial doubt regarding the Company's ability to continue as a going concern within one year after the date that these financial statements are issued.

The Company does not have any products approved for sale and has not generated any revenue from product sales since its inception. The Company does not expect to generate revenue from any product candidates that it

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develops until it obtains regulatory approval for one or more of such product candidates and commercialize its products or enters into collaboration agreements with third parties. The Company is seeking to complete an initial public offering ("IPO") of its common stock. In the event the Company does not complete an IPO, the Company expects to fund its operations through equity offerings or debt financings or other sources. There can be no assurance that the Company will be successful in raising additional funding. As a result, the Company has concluded that management's plans do not alleviate substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to actively pursue its development programs and maintain their scope is dependent on obtaining sufficient funding on acceptable terms when needed and management of discretionary spending.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The accompanying financial statements do not reflect any adjustments relating to the recoverability and reclassification of assets and liabilities that might be necessary if the Company is unable to continue as a going concern.

2. Summary of significant accounting policies

Basis of presentation

The Company has prepared the accompanying financial statements in accordance with U.S. generally accepted accounting principles ("GAAP"). The financial statements are presented in U.S. dollars.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting period. The Company bases its estimates on historical experience and on various other assumptions believed to be reasonable. Actual results could differ from those estimates and such differences could be material to the financial position and results of operations.

Significant estimates and assumptions reflected in these financial statements include, but are not limited to, the accrual of research and development expenses, the fair value of derivative liabilities and the initial fair value of the financial commitment liabilities related to the convertible notes, valuation of deferred tax assets, the fair value of equity instruments, equity-based instruments, stock-based compensation, and the determination of the incremental borrowing rate.

Risks and uncertainties

The Company is subject to all of the risks inherent in an early-stage company advancing new biotechnologies. These risks include, but are not limited to, the need for substantial additional financing, limited management resources, dependence upon medical acceptance of the product in development, regulatory approvals, successful clinical trials, availability, and willingness of patients to participate in human trials, and competition in the biopharmaceutical industry. The Company's operating results may be materially affected by the preceding factors.

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Segments

Operating segments are defined as components of an entity for which separate financial information is available and regularly reviewed by the chief operating decision maker, its Chief Executive Officer, in deciding how to allocate resources to an individual segment and in assessing performance. The Company has determined that it operates as one operating and reporting segment.

Concentration of credit risk and off-balance sheet risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. Cash is deposited in checking and money market accounts at one financial institution, which at times may exceed federally insured limits. The Company has not experienced any losses historically in these accounts and believes it is not exposed to significant credit risk on its cash balances. The Company has no significant off-balance sheet concentrations of credit risk.

Property and equipment, net

Property and equipment, net is stated at cost, subject to adjustments for impairment, less accumulated depreciation. Depreciation is calculated using the straight-line method over the useful lives of the assets as follows:

Asset	Estimated useful life
Equipment and furniture	Three to five years
Leasehold improvements	Shorter of useful life or remaining lease term

Maintenance and repairs are charged to expense as incurred, and improvements are capitalized and depreciated over their useful life as indicated above. Upon retirement or sale of the assets, the cost and related accumulated depreciation are removed from the balance sheet and the resulting gains or losses are recorded in the statement of operations and comprehensive loss.

Impairment of long-lived assets

The Company reviews long lived assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by comparison of the carrying amount to the future net undiscounted cash flows the assets are expected to generate. If such assets are considered to be impaired, the impairment charge is measured by the amount by which the carrying amount of the assets exceeds the projected discounted future net cash flows arising from the asset. There have been no such impairments of long-lived assets during the periods presented.

Asset acquisitions

The Company measures and recognizes asset acquisitions that are not deemed to be business combinations based on the cost to acquire the assets, which includes transaction costs. Goodwill is not recognized in asset acquisitions. In an asset acquisition, the cost allocated to acquire in-process research and development, (“IPR&D”) with no alternative future use is charged to research and development expense at the acquisition date.

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Financial commitment liabilities

The Company's convertible note purchase agreements executed in April 2022 and October 2022 ("2022 Convertible Notes") included financial commitments to issue additional convertible notes to the noteholders in tranches (see Note 7) that were determined to be freestanding instruments that should be classified as liabilities. The freestanding instruments met the scope exception from derivative accounting. The proceeds of the first tranche of each of the 2022 Convertible Notes were allocated to the convertible notes and financial commitment liabilities based on their relative fair value at the date of issuance and not subsequently remeasured. The proceeds allocated to the financial commitment liabilities create a discount on the respective convertible note that is amortized as interest expense in the statements of operations and comprehensive loss using the effective interest rate method over the term of the respective convertible note. Upon settlement of each tranche, the respective portion of the financial commitment liabilities is reclassified to the carrying amount of the respective convertible note.

Derivative liabilities

The Company's 2022 Convertible Notes contain certain embedded redemption features that are not clearly and closely related to the debt host instruments (see Note 7). These features are bifurcated from the host instruments and recorded at fair value on the date of issuance as derivative liabilities in accordance with Accounting Standards Codification ("ASC") 815-15, *Derivatives and Hedging—Embedded Derivatives*. The derivative liabilities are remeasured to fair value each reporting period until settlement or extinguishment, with changes in the fair value recorded as a change in fair value of derivative liabilities in the statements of operations and comprehensive loss. Derivative liabilities are classified in the balance sheets as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

Income taxes

The Company accounts for income taxes using the asset and liability method whereby deferred tax asset and liability accounts are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that are currently in effect. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Financial statement effects of uncertain tax positions are recognized when it is more likely than not, based on the technical merits of the position, that it will be sustained upon examination. Interest and penalties related to unrecognized tax benefits are included within the provision (benefit) for income tax. To date, there have been no interest or penalties charged in relation to the unrecognized tax benefits.

Leases

The Company is a lessee in a non-cancellable operating lease for laboratory and office facilities. The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and has the right to control how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

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For arrangements that meet the definition of a lease, the Company determines the initial classification and measurement of its right-of-use ("ROU") asset and lease liability at the lease commencement date and thereafter if modified. Operating lease ROU assets represent the Company's right to use an underlying asset for the lease term and operating lease liabilities represent the Company's obligation to make the contractual lease payments over the lease term. The operating lease ROU asset is initially measured at cost, which comprises the initial amount of the operating lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received. The operating lease liability is initially measured at the present value of the unpaid lease payments at the lease commencement date. The operating lease liability is subsequently measured at amortized cost using the effective-interest method. The lease term includes any renewal options that the Company is reasonably assured to exercise. The present value of lease payments is determined by using the interest rate implicit in the lease, if that rate is readily determinable, otherwise, the Company uses its estimated collateralized incremental borrowing rate for the lease term. The Company has elected not to record leases with an original term of 12 months or less on its balance sheets and recognizes those lease payments in operating expenses in the statements of operations and comprehensive loss.

In addition, the Company's leases may require payment of additional costs, such as utilities, maintenance, and other operating costs, which are generally referred to as non-lease components and vary based on future outcomes. The Company has elected not to separate lease and non-lease components. Only the fixed costs for lease components and their associated non-lease components are accounted for as a single lease component and recognized as part of an operating ROU asset and lease liability. Any variable expenses are recognized in operating expenses as incurred. Rent expense for an operating lease liability is recognized on a straight-line basis over the lease term and is included in operating expenses in the statements of operations and comprehensive loss.

Research and development expenses

Research and development expenses represent direct and indirect costs incurred on the Company's development programs. These expenses include employee salaries, bonuses, benefits and stock-based compensation, third-party research and development expenses, including contract manufacturing and research services, consulting expenses, laboratory supplies, and certain allocated expenses, as well as amounts incurred under license agreements. Research and development costs are expensed as incurred. Non-refundable advance payments for goods or services that will be used or rendered for future research and development activities are deferred and capitalized as prepaid expenses until the related goods are delivered or services are performed. Such payments are evaluated for current or long-term classification based on when such services are expected to be received.

The Company estimates preclinical study and clinical trial and research and development expenses based on the services performed, pursuant to contracts with research institutions and third-party service providers that conduct and manage preclinical studies and clinical trials and research services on its behalf. The Company records the costs of research and development activities based on the estimated services provided but not yet invoiced and includes these costs in accrued expenses and other current liabilities in the balance sheets. These costs are a component of the Company's research and development expenses.

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The Company accrues these costs based on factors such as estimates of the work completed in accordance with agreements established with its third-party service providers. The Company makes judgments and estimates in determining the accrued expenses balance. As actual costs become known, the Company adjusts its accrued expenses. The Company has not experienced any material differences between accrued costs and actual costs incurred. However, the status and timing of actual services performed may vary from the Company's estimates, resulting in adjustments to expenses in future periods. Changes in these estimates that result in material changes to the Company's accrued expenses could materially affect the Company's results of operations. Contingent milestone payments, if any, are expensed when the milestone results are probable and estimable, which is generally upon the achievement of the milestone.

Stock-based compensation

The Company provides share-based payments in the form of stock options and restricted stock awards. For awards only subject to service conditions, the Company uses the straight-line attribution method for recognizing compensation expense over the requisite service period, which is generally the vesting period of the award. Compensation expense is recognized on awards ultimately expected to vest. Forfeitures are recorded when they occur.

For awards with performance vesting conditions, the Company evaluates the probability of achieving the performance condition at each reporting date. No compensation expense is recognized for awards subject to performance conditions until it is probable that the performance condition will be met. If the performance condition is probable of being achieved, the Company recognizes expense for such performance awards over the requisite service period using the accelerated attribution method.

The Company estimates the fair value of stock option awards and restricted stock awards on the grant date using a Black-Scholes option pricing model. The Company estimates the expected option lives using the simplified method, volatility using stock prices of peer companies, risk-free rates using the implied yield currently available on U.S. Treasury zero-coupon issues with a remaining term equal to the expected term, and dividend yield based on the Company's history of paying no dividends and expectation of paying no cash dividends on its common stock.

Net loss per share attributable to common stockholders

The Company follows the two-class method when computing net loss per share as the Company has issued shares that meet the definition of participating securities. The two-class method determines net loss per share for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common stockholders for the period to be allocated between common and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed.

Basic net loss per share attributable to common stockholders is computed using the weighted-average number of shares of common stock outstanding during the period excluding unvested restricted stock subject to repurchase. Diluted net loss per share attributable to common stockholders is computed using the sum of the weighted-average number of shares of common stock outstanding during the period and the effect of dilutive securities.

The Company's convertible preferred stock contractually entitles the holders of such shares to participate in dividends but does not contractually require the holders of such shares to participate in losses of the Company.

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Accordingly, in periods in which the Company reports a net loss, such losses are not allocated to such participating securities. As the Company was in a net loss position for the years ended December 31, 2021 and 2022, diluted net loss per share attributable to common stockholders is the same as basic net loss per share attributable to common stockholders because the effects of potentially dilutive securities are antidilutive.

Comprehensive loss

Comprehensive loss represents the change in the Company's stockholders' deficit from all sources other than investments by or distributions to stockholders. The Company has no items of other comprehensive loss; as such, net loss equals comprehensive loss.

Emerging growth company status

The Company is an emerging growth company ("EGC"), 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 after the enactment of the JOBS Act until 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 (i) is no longer an EGC or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, these financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

Recently adopted accounting pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842), or ASC 842, which requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. ASC 842 establishes an ROU model that requires a lessee to recognize an ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases are classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement.

On January 1, 2021, the Company early adopted ASC 842 using the modified retrospective transition method and elected the package of practical expedients which permitted, which among other things, permits entities not to reassess: (i) whether any expired or existing contracts are or contain leases, (ii) lease classification for any expired or existing leases and, (iii) initial direct costs for any existing leases. Upon adoption of ASC 842 on January 1, 2021, the Company did not have any existing leases in place and the Company did not recognize any impact as a result of adoption, including no adjustment to the opening balance sheet or accumulated deficit.

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ("ASU 2019-12"). ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. ASU 2019-12 is effective for the Company beginning on January 1, 2022, with early adoption permitted. The Company adopted this standard on January 1, 2022. The adoption did not have a material impact on the Company's financial statements.

In August 2020, the FASB issued ASU No. 2020-06, *Debt—Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging— Contracts in Entity's Own Equity* (Subtopic 815-40): *Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*, which simplifies the accounting for convertible instruments by eliminating the requirement to separate embedded conversion features from the host contract when the conversion features are not required to be accounted for as derivatives under Topic 815, Derivatives

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and Hedging, or that do not result in substantial premiums accounted for as paid-in capital. By removing the separation model, a convertible debt instrument will be reported as a single liability instrument with no separate accounting for embedded conversion features. This new standard also removes certain settlement conditions that are required for contracts to qualify for equity classification and simplifies the diluted earnings per share calculations by requiring that an entity use the if-converted method and that the effect of potential share settlement be included in diluted earnings per share calculations. The Company early adopted this standard on January 1, 2021. The adoption did not have a material impact on the Company's financial statements.

In May 2021, the FASB issued ASU No. 2021-04, *Earnings Per Share (Topic 260), Debt—Modifications and Extinguishments (Subtopic 470-50), Compensation—Stock Compensation (Topic 718), and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options*. The amendments in ASU No. 2021-04 provide guidance to clarify and reduce diversity in an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options (for example, warrants) that remain equity classified after modification or exchange. The Company adopted ASU 2021-04 on January 1, 2022. The adoption did not have a material impact on the Company's financial statements.

Recently issued accounting pronouncements not yet adopted

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which replaces the existing incurred loss impairment model with an expected credit loss model and requires a financial asset measured at amortized cost to be presented at the net amount expected to be collected. The Company adopted ASU 2016-13 on January 1, 2023, using a modified retrospective approach. The adoption did not have a material impact on the Company's financial statements.

3. Fair value measurement

The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Company determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Carrying amounts of certain of the Company's financial instruments including, cash, prepaid expenses and other current assets, accounts payable and accrued expenses and other current liabilities approximate fair value due to the short-term nature of these instruments.

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On a recurring basis, the Company measures certain financial liabilities at fair value. The Company has no Level 1, 2 or 3 financial assets or liabilities carried at fair value as of December 31, 2021. There were no transfers between levels during the years ended December 31, 2021 and 2022. The following table summarizes the Company's financial liabilities measured at fair value on a recurring basis by level within the fair value hierarchy:

	December 31, 2022			
(in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Liabilities:				
Derivative liabilities	$ —	$ —	$12,705	$12,705
Total financial liabilities	$ —	$ —	$12,705	$12,705

Derivative liabilities

In April and October 2022, the Company executed convertible note purchase agreements with its existing investors (see Note 7). The 2022 Convertible Notes contained certain embedded features requiring bifurcation as a single compound derivative instrument for each tranche funded. The derivative liabilities were measured at fair value using Level 3 inputs. The fair value of the derivative liabilities was estimated using a "with-and-without" method. The "with-and-without" methodology involves valuing the whole instrument on an as-is basis and then valuing the instrument without the embedded derivative. The difference between the entire instrument with the embedded derivatives compared to the instrument without the embedded derivatives is the fair value of the derivative liabilities. The estimated probability and timing of underlying events triggering the exercisability of the put option and conversion features contained within the 2022 Convertible Notes, forecasted cash flows and the discount rate were significant unobservable inputs used to determine the estimated fair value of the entire instrument with the embedded derivative. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement. The derivative liabilities are remeasured at each reporting period and the changes are recognized as a change in fair value of derivative liabilities on the statement of operations and comprehensive loss.

The following table summarizes the significant inputs used in the valuation of the derivative liabilities:

	On issuance	**December 31, 2022**
Expected term to underlying triggering event (in years)	0.2 – 0.9	0.2 – 0.3
Probability of achievement of triggering event	0.0% – 95.0%	0.0% – 95.0%
Discount rate	74.4% – 75.0%	75.0%

The following table provide a summary of the change in the estimated fair value of the Company's derivative liabilities during the year ended December 31, 2022:

(in thousands)	**Derivative liabilities**
Balance as of January 1, 2022	$ —
Initial fair value of derivative liabilities	11,489
Change in fair value of derivative liabilities	1,216
Balance as of December 31, 2022	$ 12,705

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Financial commitment liabilities

The 2022 Convertible Notes included financial commitments to issue additional convertible notes to the noteholders in tranches (see Note 7). The proceeds of the issuance of the first tranche of each of the convertible notes issued in April 2022 and October 2022 were allocated to the convertible notes and financial commitment liabilities based on their relative fair value of $0.7 million and $1.2 million, respectively, of which $0.4 million and $0.7 million were associated with a related party, respectively, at the date of issuance and not subsequently remeasured. The fair value of the financial commitment liabilities on issuance was measured using the “with-and-without” method based on Level 3 inputs. The estimated probability and timing of underlying events triggering the closing of the subsequent tranches, forecasted cash flows and the discount rate were significant unobservable inputs used to determine the estimated fair value of the entire instrument.

The following table summarizes the significant inputs used in the valuation of the financial commitment liabilities on issuance:

	April 2022 convertible notes	October 2022 convertible notes
Expected term to achievement of milestone (in years)	0.3 – 0.5	0.1 – 0.3
Probability of achievement of milestone	81.0% – 90.0%	90.3% – 95.0%
Discount rate	1.2% – 1.9%	3.9% – 4.4%

Series Seed tranche commitment

The Series Seed stock purchase agreement included an obligation to issue additional shares of Series Seed convertible preferred stock in a future closing (see Note 8). The Series Seed tranche commitment was recorded at relative fair value upon the issuance of shares in the first closing and was not subsequently remeasured. The Series Seed tranche commitment is considered a contingent forward and the standard forward pricing model was used to measure the fair value on issuance using Level 3 inputs as follows:

	Series Seed tranche commitment
Expected term to achievement of milestone (in years)	0.9
Probability of achievement of milestone	90.0%
Discount rate	0.1%

4. Balance sheet components

Prepaid expenses and other current assets

Prepaid expenses and other current assets consisted of the following:

	December 31,	
(in thousands)	2021	2022
Prepaid research and development	$108	$1,428
Other receivables	—	476
Prepaid other	35	151
Total prepaid expenses and other current assets	$143	$2,055

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Property and equipment, net

Property and equipment, net consisted of the following:

(in thousands)	December 31, 2021	December 31, 2022
Furniture and equipment	$255	$2,793
Leasehold improvements	17	105
Construction in progress	418	891
Property and equipment at cost	690	3,789
Less: accumulated depreciation	(17)	(421)
Property and equipment, net	$673	$3,368

Depreciation expense for the years ended December 31, 2021 and 2022 was $17,000 and $0.4 million, respectively.

Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consisted of the following:

(in thousands)	December 31, 2021	December 31, 2022
Accrued compensation and related expenses	$294	$2,385
Accrued purchases of property and equipment	—	623
Other	100	383
Total accrued expenses and other current liabilities	$394	$3,391

5. Leases

In November 2021, the Company entered into a three-year operating lease for 15,400 square feet of lab and office space in San Mateo, California. The agreement provides one option to renew for one year, which the Company is not reasonably certain to exercise. The Company's variable lease cost is comprised primarily of the Company's proportionate share of operating expenses, property taxes and insurance as the Company elected not to separate lease and non-lease components. The Company paid $0.2 million in deposits upon execution of the lease which is recorded in other assets on the balance sheet. The Company is a sublessor in two agreements with initial terms of six months for a combined 2,300 square feet of the Company's leased premises. The future payments associated with the Company's operating lease liability as of December 31, 2022 were as follows:

(in thousands)	Amount
2023	$ 1,187
2024	1,147
Total undiscounted lease payments	2,334
Less: imputed interest	(236)
Total operating lease liability balance	$ 2,098

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A summary of total lease costs and other information for the periods relating to the Company's operating leases was as follows:

(in thousands)	Year ended December 31, 2021	2022
Operating lease cost	$183	$1,282
Variable lease cost	40	317
Short-term lease cost	88	—
Sublease income	—	(240)
Total lease cost	$311	$1,359

	December 31, 2021	2022
Other information:		
Remaining lease term (in years)	2.9	1.9
Discount rate	9.6%	9.6%

Supplemental cash flow and noncash information related to the Company's operating leases were as follows:

(in thousands)	Year ended December 31, 2021	2022
Cash flows from operating activities:		
Cash paid for amounts included in the measurement of lease liabilities	$ 220	$1,312
Right-of-use assets obtained in exchange for lease obligations:		
Total right-of-use assets capitalized	$3,335	$ —

The disclosures above exclude the lease of an additional premises of 15,717 square feet that was executed in August but had not yet commenced as of December 31, 2022. This additional lease expands the total leased premises at the Company's San Mateo, California headquarters to 31,117 square feet and commenced in February 2023. The total undiscounted lease payments related to this lease are $2.6 million, of which $1.3 million is due within 12 months.

6. Commitments and contingencies

Indemnification agreements

In the ordinary course of business, the Company may provide indemnifications of varying scope and terms to vendors, lessors, business partners, members of its Board of Directors ("Board of Directors"), officers, and other parties with concerning certain matters, including, but not limited to, losses arising out of breach of such agreements, services to be provided by the Company, negligence or willful misconduct of the Company, violations of law by the Company, or from intellectual property infringement claims made by third parties. In

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addition, the Company has entered into indemnification agreements with directors and certain officers and employees that will require the Company, among other things, to indemnify them against certain liabilities that may arise because of their status or service as directors, officers, or employees.

No demands have been made upon the Company to provide indemnification under such agreements, and thus, there are no claims that the Company is aware of that could have a material effect on the Company's balance sheets, statements of operations and comprehensive loss, or statements of cash flows.

Litigation

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. There are no matters currently outstanding for which any liabilities have been accrued. The Company was not a defendant in any lawsuit for the years ended December 31, 2021 and 2022.

7. Convertible notes

In April 2022, the Company executed a convertible note purchase agreement with its existing investors for total proceeds of up to $25.0 million (the "April 2022 Convertible Notes"). The investors committed to purchase the notes in three tranches upon achievement of certain milestones, which were funded in April, August and October 2022 for aggregate gross proceeds of $20.0 million, of which $10.6 million was from a related party (see Note 12). The Company incurred $0.1 million in issuance costs for the April 2022 Convertible Notes. All three tranches had a maturity date of April 26, 2023. The Company had the option to request a fourth tranche of up to $5.0 million at the discretion of the investors under certain specific criteria. In February 2023, the April 2022 Convertible Notes were settled in connection with the Series A redeemable convertible preferred stock financing (see Note 15) and the option to request the fourth tranche expired.

In October 2022, the Company executed a convertible note purchase agreement with the same terms and with the same investors as the April 2022 Convertible Notes for total proceeds of up to $12.0 million (the "October 2022 Convertible Notes"), of which $5.4 million was from a related party. The investors committed to purchase the notes in three tranches upon achievement of certain milestones, of which the first two tranches were issued in October and December 2022 for aggregate gross proceeds of $8.5 million. The Company incurred $16,000 in issuance costs for the funded October 2022 Convertible Notes. As of December 31, 2022, the milestone for the third tranche had not been met. Subsequent to December 31, 2022, the third tranche for gross proceeds of $3.5 million was funded upon achieving the third milestone in January 2023 (see Note 15). All three tranches had a maturity date of October 28, 2023. In February 2023, the October 2022 Convertible Notes were settled in connection with the Series A-1 redeemable convertible preferred stock financing (see Note 15).

The 2022 Convertible Notes bear simple interest at 6.0% per annum. The principal and accrued interest can only be repaid prior to maturity upon consent of a majority of the investors or immediately upon demand.

The 2022 Convertible Notes are subject to automatic conversion upon the next financing whereby the Company issues preferred equity securities and raises aggregate gross proceeds of at least $50.0 million (a "Qualified Financing"). On automatic conversion, the outstanding principal and accrued interest automatically converts into the convertible preferred stock issued in the Qualified Financing at 75% of the lowest cash price per share. The 2022 Convertible Notes are also subject to settlement by way of voluntary conversion that is not a Qualified Financing (a "Non-Qualified Financing") where a majority of the active investors (investors who have fulfilled their

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funding commitments) may elect to convert the outstanding principal and interest into convertible preferred stock issued at 75% of the lowest cash price per share. In the event of a “Strategic Transaction” such as upon a change in control whereby another entity acquires the Company or the Company disposes of substantially all its assets upon sale, lease, liquidation, dissolution or winding up, whether voluntary or involuntary, or an IPO, then each active investor may choose to convert their note into the Company’s common stock at a conversion price of $20.36 per share or redeem the note in cash for 200% of the outstanding balance and 100% of accrued and unpaid interest. For investors who have not fulfilled their funding commitments related to the second and third tranches where the respective milestone conditions have been met, upon a Qualified Financing, a Non-Qualified Financing or a Strategic Transaction, the outstanding principal and interest of the note will automatically convert into shares of common stock at 10% of the then current common stock price.

The Company determined that the financial commitments to issue future tranches were freestanding instruments that do not meet the definition of a derivative and should be classified as liabilities. Upon issuance of the first tranche of the April 2022 Convertible Notes and October 2022 Convertible Notes, the Company recognized $0.7 million and $1.2 million, respectively, for the relative fair value of the financial commitment liabilities, of which $0.4 million and $0.7 million, respectively, were associated with a related party (see Note 3). Upon settlement of the financial commitments, for the year ended December 31, 2022, $1.2 million in financial commitment liabilities were reclassified to the carrying amount of the respective convertible notes, and as of December 31, 2022, $0.7 million of financial commitment liabilities remained on the balance sheet, of which $0.4 million was associated with a related party.

Due to the conversion and redemption features embedded within the 2022 Convertible Notes, the Company bifurcated compound derivative liabilities related to all tranches funded through to December 31, 2022 (see Note 3). The aggregate fair value at issuance of the derivative liabilities was $11.5 million and is subsequently remeasured each reporting period. The allocation of proceeds of the 2022 Convertible Notes to the financial commitment liabilities and embedded derivatives created a discount on the respective convertible note that is amortized using the effective interest rate method over the term of the respective note. For the year ended December 31, 2022, the Company recognized $4.9 million of interest expense, including accrued interest, amortization of the debt discount and amortization of debt issuance costs, in the statement of operations and comprehensive loss.

8. Convertible preferred stock

In February 2021, the Company entered into a Series Seed stock purchase agreement for issuance of up to 810,700 shares of the Company’s Series Seed convertible preferred stock at a purchase price of $13.57 per share (the “Original Issuance Price”) in two closings. Concurrent with the execution of the agreement, the Company completed its first closing. In the first closing, the Company issued 405,350 shares of its Series Seed convertible preferred stock for aggregate gross proceeds of $5.5 million, less issuance costs of $0.1 million.

On issuance, the Company determined that its obligation to issue 405,350 shares of Series Seed convertible preferred stock in a future closing was a freestanding instrument that met the requirements of equity classification in accordance with ASC 815-40, *Derivatives and Hedging — Contracts in Entity’s Own Equity*, as it was indexed to the Company’s shares and could only be settled in shares. The proceeds of the issuance of the Series Seed convertible preferred stock and issuance costs were allocated to the Series Seed convertible preferred stock and the Series Seed tranche commitment based on their relative fair value. The Company recognized $0.1 million of the proceeds of the Series Seed convertible preferred stock in equity for the relative

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fair value of the Series Seed tranche commitment on issuance, with the remaining proceeds allocated to the Series Seed convertible preferred stock. No subsequent remeasurement of the freestanding instrument was required (see Note 3).

In January 2022, the Company completed the second closing and received aggregate net proceeds of $5.5 million for the issuance of 405,350 shares of Series Seed convertible preferred stock at a purchase price of $13.57 per share. Upon the second closing, the $0.1 million related to the Series Seed tranche commitment was reclassified to the carrying value of the Series Seed convertible preferred stock.

Convertible preferred stock consisted of the following:

	December 31, 2021				
(in thousands, except shares and per share amounts)	Shares authorized	Shares issued and outstanding	Original issue price	Liquidation preference	Carrying value
Series Seed	11,000,000	405,350	$ 13.57	$ 5,500	$ 5,285
Total	11,000,000	405,350		$ 5,500	$ 5,285

	December 31, 2022				
(in thousands, except shares and per share amounts)	Shares authorized	Shares issued and outstanding	Original issue price	Liquidation preference	Carrying value
Series Seed	11,000,000	810,700	$ 13.57	$ 11,000	$ 10,855
Total	11,000,000	810,700		$ 11,000	$ 10,855

The holders of convertible preferred stock have various rights, preferences and privileges as follows:

Voting rights

The holders of convertible preferred stock shares are entitled to vote on all matters on which the common stockholders are entitled to vote. Holders of convertible preferred and common stock vote together as a single class, not as separate classes. Each holder of convertible preferred stock is entitled to the number of votes equal to the number of whole shares of common stock into which the shares held by such holder are convertible. Holders of shares of convertible preferred stock are entitled to elect two directors of the Company. Holders of shares of common stock are entitled to elect three directors of the Company. Holders of convertible preferred stock and common stock, voting together as a single class on an as-converted basis, are entitled to elect the balance of the total number of directors of the Company.

As long as any convertible preferred stock shares remain outstanding, the Company must obtain approval from a majority of the holders of the then outstanding shares of convertible preferred stock to alter or change the rights, preferences and privileges of convertible preferred stock, change the authorized number of convertible preferred and common stock, create a new class or series of shares having any rights, preferences or privileges superior to or on parity with any outstanding shares of convertible preferred stock, declare or pay any distribution, merge, consolidate with or implement a reorganization that would result in the transfer of 50% of the voting power of the Company, sell all or substantially all of the Company's assets, voluntarily dissolve or liquidate the Company, change the authorized number of directors, incur indebtedness greater than $0.3 million and appoint or remove the chief executive officer.

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Dividends

The Company's certificate of incorporation permits the holders of shares of convertible preferred stock to receive, only when, as and if declared by the Board of Directors, dividends at a rate of 8% of the applicable original issue price of $13.57 per share, as adjusted for stock dividend, stock split, combination or other similar recapitalization (the "Original Issue Price"), prior and in preference to any declaration or payment of any other dividend (other than dividends on shares of common stock payable in common stock). Such dividends are non-cumulative. The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company (other than dividends on shares of common stock payable in common stock) unless the holders of convertible preferred stock then outstanding shall first receive, or simultaneously received, in addition to the 8% dividend noted above, an equal dividend on an as converted basis, if the dividend is declared on common stock or securities convertible in common stock. If the dividend is declared on non-common stock or securities not convertible in common stock, the holders of convertible preferred stock then outstanding must also receive an equal dividend to the dividend of such class, divided by its issuance price and multiplied by the applicable Original Issue Price, provided that if the Company declares a dividend on the same date on shares on more than one class or series of stock the dividend payable to the convertible preferred stockholders shall be based on the dividend on the class or series that would result in the highest preferred dividend. No dividends were declared as of December 31, 2021 and 2022.

Liquidation

In the event of any liquidation, dissolution or winding up of the Company, including a merger or consolidation in which the Company or a subsidiary of the Company is a constituent party and the Company issues its shares as a part of such merger of consolidation, or the sale of substantially all of the assets of the Company, or any other transaction or series of transactions in which more than 50% of the voting power of the Company is disposed of, the holders of convertible preferred stock will receive in preference to any distribution of assets to the holders of common stock, an amount per share equal the Original Issue Price, plus any declared and unpaid dividends. If the assets available for distribution are insufficient then proceeds will be distributed ratably among the holders of convertible preferred stock in proportion to the full preferential amount that each such holder is entitled to receive. If there are remaining assets of the Company legally available for distribution after the payment of the full liquidation preference of the convertible preferred stock, those remaining assets shall be distributed ratably to the holders of common stock and convertible preferred stock on an as-if-converted to common stock basis, provided however that if the aggregate amount which the holders of convertible preferred stock are entitled to receive shall exceed $40.71 per share, then the holder of convertible preferred stock will receive an amount per share equal to the greater of (i) $40.71 and (ii) the amount that would have been payable if all shares of convertible preferred stock had been converted into common stock immediately prior to the liquidation event.

Conversion

Each share of convertible preferred stock is convertible, at the option of the holder, into the number of shares of common stock into which such shares are convertible at the then-effective conversion ratio. The conversion ratio is determined by dividing the applicable Original Issue Price by the then applicable conversion price. The initial conversion price per share for convertible preferred stock is the Original Issue price of $13.57 per share.

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The initial conversion price is subject to adjustment from time to time. Each share of convertible preferred stock shall automatically be converted into fully-paid, non-assessable shares of common stock at the then-effective conversion rate for such share (i) immediately prior to the closing of a firm commitment underwritten IPO pursuant to an effective registration statement filed under the Securities Act of 1933, as amended, covering the offer and sale of the Company's common stock, provided that the offering price per share is not less than $67.85 (as adjusted for stock dividend, stock split, combination or other similar recapitalization) and the aggregate gross proceeds to the Company are not less than $75.0 million, or (ii) at the date and time, or occurrence, of an event specified in a vote or written consent of the holders of the majority of the outstanding shares of convertible preferred stock.

Classification

A liquidation or winding up of the Company, including a merger or consolidation in which the Company or a subsidiary of the Company is a constituent party and the Company issues its shares as a part of such merger of consolidation, or the sale of substantially all of the assets, sales or exclusive license of all or substantially all of the intellectual property of the Company, or any other transaction or series of transactions in which more than 50% of the voting power of the Company is disposed of would constitute a redemption event. These redemption events were deemed to be within the control of the Company, and all shares of convertible preferred stock have accordingly been presented within permanent equity.

9. Common stock

Each share of common stock is entitled to one vote. The holders of common stock are also entitled to receive dividends whenever funds are legally available and when declared by the Board of Directors, subject to prior rights of the convertible preferred stockholders. Common stock issued and outstanding on the balance sheets and statements of stockholders' deficit includes shares related to restricted stock that are subject to repurchase and therefore are excluded from the reserved common stock in the table below.

The Company's reserved common stock on an as-converted basis for issuance was as follows:

	December 31,	
	2021	2022
Convertible preferred stock	405,350	810,700
Common stock options issued and outstanding under the Plan	—	167,882
Remaining shares available for issuance under the Plan	187,445	22,928
Total reserved common stock	592,795	1,001,510

The 2022 Convertible Notes, which are excluded from the table above, converted into shares of Series A-2 redeemable convertible preferred stock subsequent to December 31, 2022 (see Note 15).

10. Stock-based compensation

2021 stock option and grant plan

In July 2021, the Company established its 2021 Stock Option and Grant Plan (the "Plan") which provides for the granting of stock options, restricted and unrestricted stock units and restricted and unrestricted stock awards to employees and consultants of the Company. Options granted under the Plan may be either incentive stock

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options (“ISOs”) or nonqualified stock options (“NSOs”). ISOs may be granted only to Company employees (including officers and directors who are also employees). NSOs may be granted to Company employees and consultants. The number of shares of common stock available for issuance under the Plan may be increased from time to time by the Board of Directors. In 2022, the Board of Directors amended shares authorized for issuance under the Plan. As of December 31, 2022, shares authorized for issuance under the Plan were 393,268.

The exercise price of an ISO and NSO shall not be less than 100% of the estimated fair value of the shares on the date of grant, as determined by the Board of Directors. The exercise price of an ISO granted to an employee who at the time of grant is a 10% stockholder shall not be less than 110% of the estimated fair value of the shares on the date of grant, as determined by the Board of Directors. To date, options have a term of ten years and generally vest over a four-year period.

Stock options

Stock option activity for year ended December 31, 2022 was as follows:

	Number of options	Weighted-average exercise price	Weighted-average remaining contractual term (in years)	Aggregate intrinsic value (in thousands)
Outstanding at December 31, 2021	—	$ —	—	$ —
Granted	167,882	$ 1.09		
Outstanding at December 31, 2022	167,882	$ 1.09	9.65	$ —
Vested and expected to vest, December 31, 2022	167,882	$ 1.09	9.65	$ —
Exercisable at December 31, 2022	71,931	$ 1.09	9.77	$ —

Aggregate intrinsic value in the above table is calculated as the difference between the exercise price of the options and the Company’s estimated fair value of its common stock as of December 31, 2022.

The estimated weighted-average grant-date fair value of options granted during the year ended December 31, 2022 was $0.79 per share. As of December 31, 2022, there was $0.1 million of unrecognized stock-based compensation related to stock options, which is expected to be recognized over a weighted-average period of 3.2 years.

The Company did not grant any stock options as of and prior to December 31, 2021.

Restricted stock awards

The Company has issued restricted stock awards to certain employees, directors and consultants in exchange for cash consideration equal to the fair value of common stock on the grant date. The restricted stock awards are subject to the repurchase right upon termination of services at a repurchase price equal to lower of (i) the fair market value on the date of repurchase or (ii) their original purchase price no later than six months after such termination. Shares purchased by employees pursuant to restricted stock awards are not deemed, for accounting purposes, to be issued until those shares vest according to their respective vesting schedules.

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Proceeds received from issuance of restricted stock awards are recorded as a share repurchase liability within accrued expenses and other current liabilities on the balance sheet and reclassified to additional paid-in capital as such awards vest.

In conjunction with the closing of the first closing of the Series Seed convertible preferred stock in February 2021, the Company entered into restricted stock agreements with the principal owners and directors of the Company (the "Founders") to grant 694,004 shares of restricted stock awards to the Founders (the "Founder Awards"). Under the Founder restricted stock agreements, 472,906 shares of the Founder Awards vest based on continuous service (the "Service Awards") and 221,098 shares vest based on both continuous service and achievement of performance conditions (the "Performance Awards"). All unvested shares were subject to repurchase by the Company upon termination of continuous service at a repurchase price equal to lower of (i) the fair market value on the date of repurchase or (ii) their original purchase price. As the Founder Awards vest based on continuous service, the Founder Awards were accounted as a compensatory arrangement under *ASC Topic 718, Compensation-Stock Compensation* ("ASC 718"). The Company determined that the service condition of the Founder Awards was not substantive and immediately expensed $0.5 million, the grant date fair value of the Service Awards on issuance in February 2021. For the Performance Awards, the Company determined that achievement of the performance condition was not probable as of December 31, 2021 and did not recognize any stock-based compensation expense for these awards for the year ended December 31, 2021.

In April 2022, the Performance Awards were modified to remove the performance condition which was accounted for as an improbable-to-probable modification. As the Company determined that the service condition for these awards was not substantive, the Company recorded $0.2 million of stock-based compensation expense equal to the fair value of the modified awards in April 2022.

The following table summarizes the Company's restricted stock activity;

	Number of awards		Weighted-average grant date fair value
Unvested as of December 31, 2021	586,564	$	1.08
Issued	213,496		0.65
Vested	(270,950)		1.04
Unvested as of December 31, 2022	529,110	$	0.93

The purchase price of the restricted stock awards is the fair value of common stock as determined by the Board of Directors at the issuance date. The shares generally vest monthly over four years from the grant date.

The Company recorded $8,000 and $0.2 million in share repurchase liability for restricted stock awards in accrued expenses and other current liabilities in the balance sheets as of December 31, 2021 and 2022, respectively. No restricted stock awards were repurchased or cancelled during the years ended December 31, 2021 and 2022.

As of December 31, 2022, unrecognized stock-based compensation expense related to outstanding unvested restricted stock awards was $0.1 million, which is expected to be recognized over a weighted-average period of 3.1 years.

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Stock-based compensation expense

Total stock-based compensation expense recorded in the statements of operations and comprehensive loss was as follows:

(in thousands)	Year ended December 31, 2021	2022
General and administrative	$ 426	$ 217
Research and development	81	80
Total stock-based compensation expense	$ 507	$ 297

The determination of the fair value of share-based payment awards on the date of grant is affected by the stock price, as well as assumptions regarding a number of complex and subjective variables. These variables include expected stock price volatility over the term of the awards, the expected period of time that stock options are expected to be outstanding, risk-free interest rates, and expected dividends. Estimating the fair value of equity-settled awards as of the grant date using valuation models, such as the Black-Scholes option pricing model, is affected by assumptions regarding a number of complex variables. These inputs include:

Fair Value of Common Stock—The fair value of the common stock underlying the stock awards was determined by the Company's Board of Directors. Given the absence of a public trading market, the Board of Directors considered numerous objective and subjective factors to determine the fair value of the Company's common stock at each meeting at which awards were approved. These factors included, but were not limited to (i) contemporaneous third-party valuations of common stock; (ii) the rights, preferences, and privileges of convertible preferred stock relative to common stock; (iii) the Company's financial condition and operating results; (iv) the conditions of the biotechnology industry and the economy in general, (v) the stock price performance and volatility of comparable public companies; and (vi) the lack of marketability of the Company's common stock.

Expected Term—The expected term assumption represents the weighted-average period that the Company's share-based awards are expected to be outstanding. The Company has opted to use the "simplified method" for estimating the expected term of the options, whereby the expected term equals the arithmetic average of the vesting term and the original contractual term of the option. The expected term of restricted stock awards was determined using the vesting term of the award.

Expected Volatility—For all stock awards granted to date, the volatility data was estimated based on a study of publicly traded industry peer companies. To identify these peer companies, the Company considered the industry, stage of development, size, and financial leverage of potential comparable companies.

Expected Dividend—The Black-Scholes option pricing model calls for a single expected dividend yield as an input. The Company has no history or expectation of paying cash dividends on its common stock.

Risk-Free Interest Rate—The risk-free interest rate is based on the yield available on U.S. Treasury zero-coupon issues similar in duration to the expected term of the equity-settled award.

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The estimated grant-date fair value of awards granted was calculated based on the following assumptions:

	Year ended December 31,	
	2021	2022
Expected term (in years)	3.6	2.8 – 6.1
Expected volatility	97.1%	84.6% – 89.8%
Expected dividend	—	—
Risk-free interest rate	0.3%	3.0% – 4.7%

11. License and research and development agreements

Stanford license agreement

In August 2022, the Company entered into a license agreement with the Board of Trustees of the Leland Stanford Junior University ("Stanford University") relating to the Company's platform technologies relating to CAR T-cell therapies (the "Stanford License Agreement"). Pursuant to the Stanford License Agreement, Stanford University granted the Company a worldwide, exclusive license under certain patent rights, and a worldwide non-exclusive license under certain technology, in each case, owned or controlled by Stanford University, to make, use and sell products, methods or services in the field of human therapeutic and diagnostic products.

As consideration for the licenses granted under the Stanford License Agreement, the Company made an upfront payment of $50,000 and issued 67,605 shares of its common stock with a fair value of $0.1 million, of which 22,317 shares were issued to Stanford University, 27,100 shares were issued to two non-profit organizations that supported the research, and 18,188 shares were issued to various Stanford University inventors. The Company determined that the purchase of the licenses under the Stanford License Agreement represented an asset acquisition as it did not meet the definition of a business. As the acquired licenses represented IPR&D assets with no alternative future use, the Company recorded the upfront consideration of $0.2 million as research and development expense in August 2022, upon entering into the Stanford License Agreement.

In addition to annual license maintenance fees of up to $0.1 million per year, the Company may be required to pay up to $7.5 million for sales milestone payments, up to $4.0 million in development milestone payments for each product covered by licensed patent rights that achieves specific clinical trials or regulatory approvals, up to $0.6 million in milestone payments upon achievement of commercial milestone events and double-digit percentage milestone payments on non-patented products and, subject to certain royalty reductions, low single-digit percentage royalties on net sales of products. Subject to the terms of the Stanford License Agreement, the Company also agreed to pay Stanford University a certain percentage of non-royalty sublicense-related revenue that the Company may receive from third-party sublicensees.

Crystal Mackall and Robbie Majzner, who were the Company's principal owners and directors when the Company entered into the license agreement, are employees and faculty members leading CAR T-cell therapy research programs at Stanford University.

Oxford license and supply agreement

In June 2022, the Company entered into a License and Supply Agreement (the "Oxford Agreement"), with Oxford Biomedica (UK) Limited ("Oxford") for the manufacture and supply of lentiviral vectors for clinical and potentially commercial purposes by the Company. Pursuant to the Oxford Agreement, Oxford granted to the Company a non-exclusive worldwide, sub-licensable, royalty-bearing license under certain intellectual property

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rights for the purposes of research, development and commercialization of products transduced with the vectors manufactured by Oxford or by the Company following a technology transfer by Oxford, which products are directed against certain initial targets, and upon payment of certain fees, additional targets as agreed by Oxford and the Company.

As consideration for the license granted under the Oxford Agreement, the Company paid an upfront license fee of $0.2 million. The Company determined that the purchase of the license under the Oxford Agreement represented an asset acquisition as it did not meet the definition of a business. As the acquired license represented IPR&D assets with no alternative future use, the Company recorded the upfront payment of $0.2 million as research and development expense in June 2022, upon entering into the Oxford Agreement.

The Company may be required to pay up to $0.3 million of development milestones, $1.0 million of regulatory milestones and $8.0 million of commercial milestones for each target if such milestones are achieved by licensed products directed to such target. Additionally, the Company is obligated to pay an earned royalty on net sales of products manufactured with the Oxford vector at a low single-digit percentage.

Unless terminated earlier, the Oxford Agreement will expire when no further payments are due to Oxford. The Company can terminate the agreement at will upon advance written notice and may be subject to certain manufacturing slot cancellation fees.

National Cancer Institute

In March 2022, the Company entered into an exclusive license agreement (the “2022 NCI License Agreement”) with the U.S. Department of Health and Human Services, as represented by The National Cancer Institute (“NCI”), pursuant to which the Company obtained a worldwide, royalty-bearing, exclusive license under certain patent rights to make, use, sell, offer for sale, and import certain autologous products covered by such licensed patents in the field of CAR-T immunotherapies for the treatment of B-cell malignancies that express CD22, and a non-sublicenseable exclusive license to make, use, and import, but not sell, certain allogenic products and to practice processes in the field of certain CAR-T immunotherapies for the treatment of B-cell malignancies that express CD22 for evaluation purposes, with an exclusive option to negotiate a non-exclusive or exclusive commercialization license.

As consideration for the licenses granted under the 2022 NCI License Agreement, the Company is required to pay NCI a non-refundable license fee of $0.6 million, of which $0.2 million was paid in 2022, and the remaining balance of $0.4 million is payable in three equal annual installments beginning on the first anniversary of the effective date of the agreement. The Company determined that the purchase of the license under the 2022 NCI License Agreement represented an asset acquisition as it did not meet the definition of a business. As the acquired license represented IPR&D assets with no alternative future use, the Company recorded the initial consideration of $0.6 million under the 2022 NCI License Agreement as research and development expense in March 2022, upon entering into the 2022 NCI License Agreement. The Company accrued the non-refundable fees of $0.4 million payable upon entering into the 2022 NCI License Agreement of which $0.3 million is classified as other non-current liabilities on the balance sheet as of December 31, 2022.

The Company agreed to pay up to $0.2 million in regulatory milestone payments upon achieving specific regulatory filings, up to $1.8 million in development milestone payments upon achieving specific clinical trials or registration trials, and up to $16.0 million in sales milestones upon achievement of specific commercial milestone events for up to three distinct licensed products, and an earned royalty on net sales of autologous

cell therapy products covered by the licensed patent rights at a low single-digit percentage, depending on the amount of annual net sales and subject to the terms of the 2022 NCI License Agreement. The Company is also required to make minimum annual royalty payments of $50,000 per year, which will be creditable against royalties due for sales in that year. In addition, the Company is obligated to pay the NCI a percentage of non-royalty revenue received by the Company from its right to sublicense. Additionally, in the event the Company is granted a priority review voucher ("PRV"), the Company would be obligated to pay NCI a minimum of $5.0 million upon the sale, transfer or lease of the PRV or $0.5 million upon submission of the PRV for use by the U.S. Food and Drug Administration ("FDA"). The Company is also obligated to pay NCI a percentage of the fair market value of the consideration the Company receives for any assignment of the 2022 NCI License Agreement to a non-affiliate (upon NCI's prior written consent) or an allocated portion of the fair value of consideration received in connection with a change in control.

NCI may terminate or modify the 2022 NCI License Agreement in the event of an uncured material breach, including, but not limited to, if the Company does not meet certain milestones by certain dates, or upon certain insolvency events that remain uncured following the date that is 90 days following written notice of such breach or insolvency event. The Company may terminate the license, or any portion thereof, at its sole discretion at any time upon 60 days written notice to NCI.

12. Related parties

The 2022 Convertible Notes (see Note 7) were issued in part to a related party, a significant investor, for an aggregate principal amount of $16.0 million. As of December 31, 2022, $16.4 million in principal and accrued interest was outstanding to the related party.

Apart from the transactions and balances detailed in Note 7 and Note 11, the Company has no other significant or material related party transactions during the years ended December 31, 2022 and 2021.

13. Income taxes

The loss before provision for income taxes for the years ended December 31, 2021 and 2022 is entirely domestic. The Company has no current or deferred income tax expense for federal or state purposes for the years ended December 31, 2021 and 2022.

The reconciliation of the effective tax rate for income taxes from the federal statutory rate were as follows:

	Year ended December 31,	
	2021	2022
U.S. federal taxes at statutory rate	21.0%	21.0%
State tax – net of federal	1.8	(1.8)
Federal tax credits	—	7.8
Change in valuation allowance	(21.2)	(23.4)
Stock-based compensation	—	(0.1)
Non-deductible expenses	(0.7)	(3.2)
Other	(0.9)	(0.3)
Total	—%	—%

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The income tax effect of temporary differences that give rise to significant portions of the Company's deferred tax assets at December 31, 2021 and 2022 is presented below:

(in thousands)	December 31, 2021	December 31, 2022
Deferred tax assets:		
Depreciation and amortization	$ (52)	$ 1,220
Capitalized research and development costs	—	6,009
Net operating loss carryforwards	560	1,244
Accrued expenses and other current liabilities	730	97
Operating lease liabilities	680	441
Tax credit carryforwards	83	2,350
Right of use assets	(688)	(465)
Stock-based compensation	—	3
Total net deferred tax assets	1,313	10,899
Less: valuation allowance	(1,313)	(10,899)
Net deferred tax assets	$ —	$ —

As of December 31, 2022, the Company has net operating loss carryforwards of approximately $5.9 million and $2.3 million available to reduce future taxable income, if any, for Federal and California income tax purposes, respectively. The Federal net operating loss carryforwards do not expire and are limited to 80% of taxable income and California net operating loss carryforwards begin to expire in 2040.

The Company has established a full valuation allowance against its deferred tax assets due to the uncertainty surrounding realization of such assets. The net increase in the valuation allowance for the years ended December 31, 2021 and 2022 was $1.2 million and $9.6 million, respectively. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax-planning strategies in making this assessment. Based on these factors, management has provided a full valuation allowance for its deferred tax assets.

As of December 31, 2022, the Company has Federal and California research and development credit carryforwards of $1.8 million and $1.7 million, respectively. The Federal research and development credit carryforwards will expire beginning in 2042 if not utilized. The California research and development credits have no expiration date.

Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the "IRC"), if a corporation undergoes an "ownership change" (generally defined as a greater than 50 percentage points change (by value) in the ownership of its equity over a rolling three-year period), the corporation's ability to use its pre-change net operating loss carryforwards and certain other pre-change tax attributes to offset its post-change income and taxes may be limited. California has similar rules. The Company has not conducted an analysis and the Company may have experienced ownership changes in the past or may experience the change in the future.

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A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

(in thousands)	December 31, 2021	December 31, 2022
Balance at the beginning of the year	$ —	$ 35
Increases based on tax positions related to current year	35	837
Balance at end of year	$ 35	$ 872

As of December 31, 2022, the Company had $0.9 million of unrecognized tax benefits which are comprised of federal of $0.5 million and California of $0.4 million. The Company's unrecognized gross tax benefits would not reduce its annual effective tax rate if recognized because the Company has recorded a full valuation allowance on deferred tax assets. The Company does not foresee any material changes to its gross unrecognized tax benefit within the next 12 months. The Company recognizes interest and/or penalties related to income tax matters in income tax expense. The Company did not recognize any accrued interest and penalties related to gross unrecognized tax benefits related to the years ended December 31, 2021, and 2022. All years are open for examination by federal and state authorities. The Company currently has no federal or state tax examinations in progress.

14. Net loss per share

A reconciliation of net loss attributable to common stockholders and the number of shares in the calculation of basic and diluted loss per share was as follows:

(in thousands, except share and per share amounts)	Year ended December 31, 2021	Year ended December 31, 2022
Numerator:		
Net loss attributable to common stockholders	$ (5,850)	$ (40,951)
Denominator:		
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	152,422	392,268
Net loss per share attributable to common stockholders, basic and diluted	$ (38.38)	$ (104.40)

The following potentially dilutive shares were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented, because including them would have been anti-dilutive (on an as-converted basis):

	December 31, 2021	December 31, 2022
Convertible preferred stock, as converted	405,350	810,700
2022 Convertible Notes, as converted	—	2,870,397
Outstanding stock options	—	167,882
Restricted stock awards subject to repurchase	586,564	529,110
Total	991,914	4,378,089

Cargo Therapeutics, Inc.
Notes to financial statements

15. Subsequent events

Management has reviewed and evaluated material subsequent events from the balance sheet date of December 31, 2022 through September 1, 2023, the day the financial statements were available for issuance, and November 6, 2023 for the reverse stock split discussed below.

Issuance of convertible notes

In January 2023, the third tranche of the convertible note purchase agreement executed in October 2022 (see Notes 3 and 7) was issued for gross proceeds of $3.5 million, including $2.2 million issued to a related party. The Company allocated a portion of the proceeds to an embedded derivative liability at fair value of $2.1 million, creating a debt discount to the convertible note to be amortized using the effective interest rate method. The Company reclassified the outstanding financial commitment liabilities of $0.7 million to the carrying amount of the third tranche of the convertible note.

Series A redeemable convertible preferred stock financing

In February 2023, the Company's existing and new investors executed the Series A Preferred Stock Purchase Agreement (the "Series A Agreement") pursuant to which the Company is obligated to issue and sell shares of its redeemable convertible preferred stock for $13.57 per share immediately at execution and through a second and third tranche. In February 2023, the Company issued 5,072,919 shares of its Series A-1 redeemable convertible preferred stock as part of the first tranche and received aggregate net proceeds of approximately $68.1 million.

Pursuant to the Series A Agreement, through the second tranche, the Company is obligated to sell 3,381,941 shares of its Series A-1 redeemable convertible preferred stock upon satisfaction of certain developmental milestones by the end of the third quarter of 2023. For the third tranche, the Company is obligated to sell 6,341,148 shares of its Series A-1 redeemable convertible preferred stock upon the satisfaction of certain developmental milestones by the middle of the first quarter of 2024.

Concurrent with the closing of the Series A-1 redeemable convertible preferred stock, the Company amended the terms of the 2022 Convertible Notes to convert those notes into shares of the Company's Series A-2 redeemable convertible preferred stock at a conversion price of $10.18 per share. The $32.9 million in outstanding principal and accrued interest was converted into 3,229,851 shares of Series A-2 redeemable convertible preferred stock, of which $18.7 million related to a related party converted into 1,833,623 shares.

Upon closing of the first tranche of shares of Series A-1 redeemable convertible preferred stock and conversion of the 2022 Convertible Notes to shares of Series A-2 redeemable convertible preferred stock, the redeemable convertible preferred stockholders collectively have the ability to elect a majority of the directors on the Company's Board of Directors such that a redemption event pursuant to the various rights of shares of the Series Seed convertible preferred stock (see Note 9) is no longer within the control of the Company. In accordance with ASC 480, *Distinguishing Liabilities from Equity*, equity instruments with redemption features that are not solely within the control of the issuer must be classified outside of permanent equity. Accordingly, all shares of Series Seed convertible preferred stock were reclassified from permanent equity to mezzanine equity prospectively.

In July 2023, pursuant to the Series A Agreement, upon satisfaction of certain developmental milestones, the Company issued and sold 3,381,941 shares of its Series A-1 redeemable convertible preferred stock as part of the second tranche and received aggregate gross proceeds of approximately $45.9 million.

Cargo Therapeutics, Inc.
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Amendment and restatement of certificate of incorporation

In conjunction with the Series A redeemable convertible preferred stock financing, in February 2023, the Company amended and restated its Certificate of Incorporation to increase the authorized shares of common stock to 320,000,000 shares and to authorize issuable shares of Series A-1 and Series A-2 redeemable convertible preferred stock of 200,760,000 and 43,824,255 shares, respectively. The Company also amended the election of the Board of Directors in the Certificate of Incorporation. The holders of Series A redeemable convertible preferred stock are entitled to elect two directors. Prior to the closing of the third tranche of Series A-1 redeemable convertible preferred stock, the holders of Series Seed convertible preferred stock are entitled to elect two directors. Subsequent to the closing of the third tranche of Series A-1 redeemable convertible preferred stock, the holders of Series Seed convertible preferred stock are entitled to elect one director. The holders of common stock are entitled to elect one director and one director will be the Company's Chief Executive Officer. The remaining two directors will be independent directors that are elected by stockholder vote and must be mutually acceptable to the other directors.

Additionally, the Company amended the Plan to increase the shares reserved and available for issuance under the Plan from 393,268 to 3,268,399 shares.

2023 NCI license agreement

In February 2023, the Company entered into an exclusive license agreement (the "2023 NCI License Agreement") with NCI, pursuant to which the Company obtained to acquire a worldwide, royalty-bearing, exclusive license under certain patent rights to research, develop and commercialize products covered by such licensed patents owned by NCI to make, use, sell and import products and to practice processes in the field of certain CAR-T immunotherapies for the treatment of B-cell malignancies, wherein the T cells are engineered to express CD22 in combination with both: receptors targeting CD19, CD20, and/or CD79b; and using STASH platform and/or a technology to activate CD2 signaling in the CAR T cell.

As consideration for the licenses granted under the 2023 NCI License Agreement, the Company must pay NCI a non-refundable license fee of $0.3 million in three installments, whereby the first installment is payable within 60 days of the execution of the agreement and the remaining two payments due on the first and second anniversaries of the effective date of the agreement. Additionally, the Company must reimburse NCI for $0.1 million in expenses incurred by NCI prior to January 1, 2022 related to the preparation, filing, prosecution, and maintenance of all patent applications and patents included in the license under the 2023 NCI Agreement.

The Company agreed to pay up to $0.1 million in regulatory milestone payments upon achieving specific regulatory filings, up to $1.7 million in development milestone payments upon achieving specific clinical trials or registration trials, and up to $16.0 million in sales milestones upon achievement of specific commercial milestone events. Subject to the terms of the 2023 NCI License Agreement, the Company also agreed to pay a low single-digit percentage on earned royalties on net sales of products covered by the licensed patent rights. The Company also agreed to make minimum annual royalty payments of $50,000 per year, which will be creditable against royalties due for sales in that year. In addition, the Company is obligated to pay the NCI a percentage of non-royalty revenue received by the Company from its right to sublicense at defined percentages. Additionally, if the Company is granted a PRV, the Company would be obligated to pay NCI a minimum of $5.0 million upon the sale, transfer or lease of the PRV or $0.5 million upon submission of the PRV for use by the FDA. The Company is also obligated to pay NCI a percentage of the fair market value of the consideration the Company receives for any assignment of the 2023 NCI License Agreement to a non-affiliate (upon NCI's prior

Cargo Therapeutics, Inc.
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written consent) or an allocated portion of the fair value of consideration received in connection with a change in control.

Unless earlier terminated, the 2023 NCI License Agreement will expire upon the expiration of the last to expire licensed patent right. NCI may terminate or modify the 2023 NCI License Agreement in the event of an uncured material breach, including, but not limited to, if the Company does not meet certain milestones by certain dates, or upon certain insolvency events that remain uncured following the date that is 90 days following written notice of such breach or insolvency event. The Company may terminate the license, or any portion thereof, at its sole discretion at any time upon 60 days written notice to NCI.

Silicon Valley Bank

On March 10, 2023, Silicon Valley Bank ("SVB") was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation as receiver. The balance of the Company's cash accounts at SVB was $62.6 million at the time of SVB's closure. The Company received access to all of its cash on March 13, 2023. The Company has since diversified the financial institutions where its cash and money market accounts are held.

Grant of stock options

In April and August 2023, the Company granted options for 1,985,027 and 1,078,806 shares of the Company's common stock to its employees, with exercise prices of $5.03 and $9.50 per share, respectively.

Amendment to the Plan

In July 2023, the Company amended the Plan to increase shares reserved and available for issuance under the Plan from 3,268,399 to 3,618,904 shares.

Reverse Stock Split

In November 2023, the Company's board of directors approved an amended and restated certificate of incorporation to effect a reverse split of shares of the Company's common stock and convertible preferred stock on a 13.5685-for-1 basis (the "Reverse Stock Split"), which was effected on November 3, 2023. The authorized shares and the par value of the common stock and convertible preferred stock were not adjusted as a result of the Reverse Stock Split. Accordingly, all share data and per share data amounts for all periods presented in the financial statements and notes thereto have been retrospectively adjusted to reflect the effect of the Reverse Stock Split.

Cargo Therapeutics, Inc.
Condensed balance sheets

(in thousands, except share and per share data)	December 31, 2022 (Note 2)	June 30, 2023 (Unaudited)
Assets		
Current assets:		
Cash and cash equivalents	$ 1,872	$ 42,371
Prepaid expenses and other current assets	2,055	2,351
Redeemable convertible preferred stock tranche asset	—	2,016
Total current assets	3,927	46,738
Operating lease right-of-use asset	2,165	3,413
Property and equipment, net	3,368	5,912
Other non-current assets	783	4,434
Total assets	$ 10,243	$ 60,497
Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Deficit		
Current liabilities:		
Accounts payable	$ 3,483	$ 5,822
Accrued clinical and research and development expenses	1,646	6,677
Accrued expenses and other current liabilities	3,391	3,088
Operating lease liabilities, current	1,006	2,495
Redeemable convertible preferred stock tranche liability	—	10,025
Convertible notes—related party	11,635	—
Convertible notes	9,619	—
Derivative liabilities	12,705	—
Financial commitment liabilities—related party	412	—
Financial commitment liabilities	240	—
Total current liabilities	44,137	28,107
Operating lease liabilities, non-current	1,092	978
Other non-current liabilities	250	225
Total liabilities	45,479	29,310
Redeemable convertible preferred stock, $0.001 par value; 255,584,255 shares authorized and 9,113,470 shares issued and outstanding at June 30, 2023, respectively, (aggregate liquidation preference of $112,700 at June 30, 2023)	—	106,166
Stockholders' deficit:		
Convertible preferred stock, $0.001 par value; 11,000,000 shares authorized and 810,700 issued and outstanding at December 31, 2022 (aggregate liquidation preference of $11,000 at December 31, 2022)	1	—
Common stock, $0.001 par value; 29,000,000 and 320,000,000 shares authorized at December 31, 2022 and June 30, 2023, respectively; 1,091,800 and 1,085,985 shares issued and outstanding at December 31, 2022 and June 30, 2023, respectively	1	1
Additional paid-in capital	11,761	2,618
Accumulated deficit	(46,999)	(77,598)
Total stockholders' deficit	(35,236)	(74,979)
Total liabilities, redeemable convertible preferred stock and stockholders' deficit	$ 10,243	$ 60,497

The accompanying notes are an integral part of these unaudited condensed financial statements.

Cargo Therapeutics, Inc.
Condensed statements of operations and comprehensive loss

(in thousands, except share and per share data) (unaudited)	Six months ended June 30, 2022	2023
Operating expenses:		
Research and development	$ 11,673	$ 26,491
General and administrative	2,044	6,552
Total operating expenses	13,717	33,043
Loss from operations	(13,717)	(33,043)
Interest expense	(776)	(1,604)
Net change in fair value of redeemable convertible preferred stock tranche obligations	—	(692)
Change in fair value of derivative liabilities	(407)	6,453
Loss on extinguishment of convertible notes	—	(2,316)
Other income (expense), net	(17)	603
Net loss and comprehensive loss	$ (14,917)	$ (30,599)
Net loss per share attributable to common stockholders, basic and diluted	$ (50.01)	$ (48.21)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	298,296	634,704

The accompanying notes are an integral part of these unaudited condensed financial statements.

Cargo Therapeutics, Inc.
Condensed statements of stockholders' deficit

	Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balances at January 1, 2022	**405,350**	**$ 1**	**810,699**	**$ 1**	**$ 5,871**	**$ (6,048)**	**$ (175)**
Issuance of Series Seed convertible preferred stock	405,350	—	—	—	5,500	—	5,500
Issuance of restricted stock awards	—	—	139,649	—	2	—	2
Stock-based compensation expense	—	—	—	—	241	—	241
Net loss	—	—	—	—	—	(14,917)	(14,917)
Balances at June 30, 2022	**810,700**	**$ 1**	**950,348**	**$ 1**	**$ 11,614**	**$ (20,965)**	**$ (9,349)**

The accompanying notes are an integral part of these unaudited condensed financial statements.

Cargo Therapeutics, Inc.
Condensed statements of redeemable convertible preferred stock and stockholders' deficit

	Redeemable Convertible Preferred Stock		Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
Balances at January 1, 2023	**— $**	**—**	**810,700 $**	**1**	**1,091,800 $**	**1**	**$ 11,761**	**$ (46,999)**	**$ (35,236)**
Reclassification of Series Seed redeemable convertible preferred stock	810,700	9,830	(810,700)	(1)	—	—	(9,829)	—	(9,830)
Issuance of Series A-1 redeemable convertible preferred stock, net of issuance costs of $755 and redeemable convertible preferred stock tranche obligations of $7,317	5,072,919	60,760	—	—	—	—	—	—	—
Issuance of Series A-2 redeemable convertible preferred stock upon conversion of convertible notes	3,229,851	35,576	—	—	—	—	—	—	—
Exercise of stock options	—	—	—	—	1,695	—	2	—	2
Issuance of restricted stock awards	—	—	—	—	1,874	—	—	—	—
Vesting of restricted stock awards	—	—	—	—	—	—	61	—	61
Repurchase of restricted stock awards	—	—	—	—	(9,384)	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	623	—	623
Net loss	—	—	—	—	—	—	—	(30,599)	(30,599)
Balances at June 30, 2023	**9,113,470 $**	**106,166**	**— $**	**—**	**1,085,985 $**	**1**	**$ 2,618**	**$ (77,598)**	**$ (74,979)**

The accompanying notes are an integral part of these unaudited condensed financial statements.

Cargo Therapeutics, Inc.
Condensed statements of cash flows

(in thousands) (unaudited)	Six months ended June 30, 2022	2023
OPERATING ACTIVITIES		
Net loss	$(14,917)	$(30,599)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on extinguishment of convertible notes	—	2,316
Amortization of operating lease right-of-use asset	527	1,043
Noncash interest expense	776	1,604
Net change in fair value of redeemable convertible preferred stock tranche obligations	—	692
Acquired in-process research and development	850	466
Stock-based compensation expense	241	623
Depreciation	125	499
Change in fair value of derivative liabilities	407	(6,453)
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(1,176)	(296)
Other non-current assets	(100)	(3,836)
Accounts payable	2,887	1,384
Accrued clinical and research and development expenses	1,387	5,031
Accrued expenses and other current liabilities	215	(523)
Operating lease liabilities	(468)	(916)
Net cash used in operating activities	(9,246)	(28,965)
INVESTING ACTIVITIES		
Purchase of property and equipment	(1,185)	(2,054)
Purchase of in-process research and development	(257)	(59)
Net cash used in investing activities	(1,442)	(2,113)
FINANCING ACTIVITIES		
Proceeds from issuance of convertible notes, net of issuance costs—related party	6,354	2,212
Proceeds from issuance of convertible notes, net of issuance costs	5,636	1,286
Proceeds from issuance of convertible preferred stock and tranche commitment, net of issuance costs	5,500	—
Proceeds from issuance of redeemable convertible preferred stock and tranche obligations, net of issuance costs	—	68,077
Proceeds from exercise of stock options	—	2
Net cash provided by financing activities	17,490	71,577
Net increase in cash and cash equivalents	6,802	40,499
Cash and cash equivalents at beginning of period	41	1,872
Cash and cash equivalents at end of period	$ 6,843	$ 42,371

Cargo Therapeutics, Inc.
Condensed statements of cash flows—(Continued)

(in thousands) (unaudited)	Six months ended June 30, 2022	2023
SUPPLEMENTAL NON-CASH INVESTING AND FINANCING ACTIVITIES		
Conversion of convertible notes to shares of Series A-2 redeemable convertible preferred stock	$ —	$35,576
Reclassification of shares of Series Seed redeemable convertible preferred stock to mezzanine equity	$ —	$ 9,830
Purchase of property and equipment in accounts payable, accrued expenses and other current liabilities	$279	$ 1,612
In-process research and development costs in accounts payable, accrued expenses, other current liabilities and other non-current liabilities	$593	$ 790
Deferred offering costs related to initial public offering included in accounts payable, accrued expenses and other current liabilities	$ —	$ 218
Deferred issuance costs for the second tranche of Series A-1 redeemable convertible preferred stock in accounts payable, accrued expenses and other current liabilities	$ —	$ 33
Convertible notes payable issuance costs in accounts payable, accrued expenses and other current liabilities	$ 27	$ —

The accompanying notes are an integral part of these unaudited condensed financial statements.

Cargo Therapeutics, Inc.
Notes to unaudited condensed financial statements

1. Organization

Description of the business

Cargo Therapeutics, Inc. (the "Company") was incorporated in the state of Delaware in December 2019 as Syncopation Life Sciences, Inc. and changed its name to Cargo Therapeutics, Inc. in September 2022. It is a clinical-stage biotechnology company positioned to advance next generation, potentially curative cell therapies for cancer patients. The Company's programs, platform technologies, and manufacturing strategy are designed to directly address the key limitations of approved cell therapies, including limited durability of effect, suboptimal safety and unreliable supply. The Company's lead program, CRG-022, an autologous CD22 chimeric antigen receptor ("CAR") T-cell therapy, has demonstrated robust safety, activity and manufacturability in clinical trials and is currently being studied in a potentially pivotal Phase 2 clinical trial for the treatment of large B-cell lymphoma ("LBCL"). The Company is also leveraging its proprietary cell engineering platform technologies to develop a pipeline of programs that incorporate multi-functional genetic "cargo" designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as help safeguard against tumor resistance and T-cell exhaustion.

Since its founding, the Company has devoted substantially all of its resources to organizing and staffing the Company, business planning, raising capital, establishing licensing arrangements, building its proprietary platform technologies, discovering its product candidates, establishing its intellectual property portfolio, conducting research, preclinical studies, and clinical trials, establishing arrangements with third parties for the manufacture of its product candidates and related raw materials, and providing general and administrative support for these operations.

Liquidity and going concern

Management is required to evaluate whether there are relevant conditions or events, when considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern and to meet its obligations as they become due within one year after the date the financial statements are issued.

Since inception, the Company has incurred significant operating losses and negative cash flows, and it expects that it will continue to incur losses and negative cash flows for the foreseeable future as it continues its research and development efforts, advances its product candidates through preclinical and clinical development, enhances its platforms and programs, expands its product pipeline, seeks regulatory approval, prepares for commercialization, hires additional personnel, protects its intellectual property and grows its business. As of and for the six months ended June 30, 2023, the Company had an accumulated deficit of $77.6 million, cash and cash equivalents of $42.4 million and negative cash flows from operations of $29.0 million. In July 2023, the Company issued and sold, primarily to existing and new investors, 3,381,941 shares of its Series A-1 redeemable convertible preferred stock, resulting in aggregate gross proceeds of $45.9 million. Based on its recurring losses from operations incurred since inception, expectation of continuing operating losses for the foreseeable future, and need to raise additional capital to finance its future operations, the Company has concluded that there is substantial doubt regarding the Company's ability to continue as a going concern within one year after the date that these financial statements are issued.

The Company does not have any products approved for sale and has not generated any revenue from product sales since its inception. The Company does not expect to generate revenue from any product candidates that it develops until it obtains regulatory approval for one or more of such product candidates and commercialize its

Cargo Therapeutics, Inc.
Notes to unaudited condensed financial statements

products or enters into collaboration agreements with third parties. The Company is seeking to complete an initial public offering ("IPO") of its common stock. In the event the Company does not complete an IPO, the Company expects to fund its operations through equity offerings or debt financings or other sources. There can be no assurance that the Company will be successful in raising additional funding. As a result, the Company has concluded that management's plans do not alleviate substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to actively pursue its development programs and maintain their scope is dependent on obtaining sufficient funding on acceptable terms when needed and management of discretionary spending.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The accompanying financial statements do not reflect any adjustments relating to the recoverability and reclassification of assets and liabilities that might be necessary if the Company is unable to continue as a going concern.

2. Summary of significant accounting policies

Basis of presentation

The Company has prepared the accompanying condensed financial statements in accordance with U.S. generally accepted accounting principles ("GAAP") and the requirements of the Securities and Exchange Commission ("SEC") for interim reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by GAAP can be condensed or omitted. The financial statements are presented in U.S. dollars.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting period. The Company bases its estimates on historical experience and on various other assumptions believed to be reasonable. Actual results could differ from those estimates and such differences could be material to the financial position and results of operations.

Significant estimates and assumptions reflected in these financial statements include, but are not limited to, the accrual of research and development expenses, the fair value of derivative liabilities, the initial fair value of the financial commitment liabilities related to the convertible notes, valuation of the redeemable convertible preferred stock tranche asset and liability, valuation of deferred tax assets, the fair value of equity instruments, equity-based instruments, stock-based compensation, and the determination of the incremental borrowing rate.

Unaudited interim condensed financial statements

The interim condensed balance sheet as of June 30, 2023 and the interim condensed statements of operations and comprehensive loss, redeemable convertible preferred stock and stockholders' deficit, and cash flows for the six months ended June 30, 2022 and 2023 are unaudited. These unaudited interim condensed financial

Cargo Therapeutics, Inc.
Notes to unaudited condensed financial statements

statements have been prepared on the same basis as the Company's annual financial statements and, in the opinion of management, reflect all adjustments (consisting only of normal recurring adjustments) that are necessary for the fair statement of the Company's financial position, results of operations and cash flows for the interim periods presented. The condensed results of operations for the six months ended June 30, 2023 are not necessarily indicative of the results to be expected for the full year or for any other future annual or interim period. The condensed balance sheet as of December 31, 2022 included herein was derived from the audited financial statements as of that date. These interim condensed financial statements should be read in conjunction with the Company's audited financial statements included elsewhere in this prospectus.

Cash and cash equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less on the date of purchase to be cash equivalents. Cash equivalents primarily consist of money market funds that are stated at fair value.

Issuance costs related to equity

The Company allocates issuance costs between the individual freestanding instruments identified on a relative fair value basis. Issuance costs associated with the issuance of stock or equity contracts (i.e., redeemable convertible preferred stock) are recorded as a charge against the gross proceeds of the offering.

Financial commitment liabilities

The Company's convertible note purchase agreements executed in April 2022 and October 2022 ("2022 Convertible Notes") included financial commitments to issue additional convertible notes to the noteholders in tranches (see Note 6) that were determined to be freestanding instruments that should be classified as liabilities. The freestanding instruments met the scope exception from derivative accounting. The proceeds of issuance of the first tranche of each of the 2022 Convertible Notes were allocated to the convertible notes and financial commitment liabilities based on their relative fair value at the date of issuance and not subsequently remeasured. The proceeds allocated to the financial commitment liabilities create a discount on the respective convertible note that is amortized as interest expense in the statements of operations and comprehensive loss using the effective interest rate method over the term of the respective convertible note. Upon settlement of each tranche, the respective portion of the financial commitment liabilities is reclassified to the carrying amount of the respective convertible note.

Derivative liabilities

The 2022 Convertible Notes contain certain embedded redemption features that are not clearly and closely related to the debt host instruments (see Note 6). These features are bifurcated from the host instruments and recorded at fair value on the date of issuance as derivative liabilities in accordance with Accounting Standards Codification ("ASC") 815-15, Derivatives and Hedging—Embedded Derivatives. The derivative liabilities are remeasured to fair value each reporting period until settlement or extinguishment, with changes in the fair value recorded as a change in fair value of derivative liabilities in the statements of operations and comprehensive loss. Derivative liabilities are classified in the balance sheets as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

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Notes to unaudited condensed financial statements

Redeemable convertible preferred stock tranche obligations

The obligations to issue additional shares of the Company's Series A-1 redeemable convertible preferred stock in two tranches at a fixed price at future dates were determined to be freestanding financial instruments within the scope of ASC 480, Distinguishing Liabilities From Equity ("ASC 480"). On issuance, the Company recorded the redeemable convertible preferred stock tranche asset and liability on the balance sheet at their respective fair values. These tranche obligations are subject to remeasurement at each balance sheet date, with the net change in fair value recognized as a gain or loss on remeasurement within net change in fair value of redeemable convertible preferred stock tranche obligations in the statements of operations and comprehensive loss until settlement or extinguishment.

Recently adopted accounting pronouncements

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments—Credit Losses (Topic 326)*: *Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which replaces the existing incurred loss impairment model with an expected credit loss model and requires a financial asset measured at amortized cost to be presented at the net amount expected to be collected. The Company adopted ASU 2016-13 on January 1, 2023, using a modified retrospective approach. The adoption did not have a material impact on the Company's financial statements.

Recently Issued accounting pronouncements not yet adopted

From time to time, new accounting pronouncements are issued by the FASB or other standard-setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on the accompanying financial statements and disclosures.

3. Fair Value Measurement

The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Company determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Carrying amounts of certain of the Company's financial instruments including, cash and cash equivalents, prepaid expenses and other current assets, accounts payable and accrued expenses and other current liabilities approximate fair value due to the short-term nature of these instruments.

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On a recurring basis, the Company measures certain financial liabilities at fair value. There were no transfers between levels during the six months ended June 30, 2023 and year ended December 31, 2022. The following tables summarize the Company's financial assets and financial liabilities measured at fair value on a recurring basis by level within the fair value hierarchy:

	December 31, 2022			
(in thousands)	Level 1	Level 2	Level 3	Total
Liabilities:				
Derivative liabilities	$ —	$ —	$12,705	$12,705
Total financial liabilities	$ —	$ —	$12,705	$12,705

	June 30, 2023			
(in thousands)	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	$38,790	$ —	$ —	$38,790
Redeemable convertible preferred stock tranche asset	—	—	2,016	2,016
Total financial assets	$38,790	$ —	$ 2,016	$40,806
Liabilities:				
Redeemable convertible preferred stock tranche liability	$ —	$ —	$10,025	$10,025
Total financial liabilities	$ —	$ —	$10,025	$10,025

Derivative liabilities

In April and October 2022, the Company executed convertible note purchase agreements with its existing investors (see Note 6). The 2022 Convertible Notes contained certain embedded features requiring bifurcation as a single compound derivative instrument for each tranche funded. The derivative liabilities were measured at fair value using Level 3 inputs. The fair value of the derivative liabilities was estimated using a "with-and-without" method. The "with-and-without" methodology involves valuing the whole instrument on an as-is basis and then valuing the instrument without the embedded derivative. The difference between the entire instrument with the embedded derivatives and the instrument without the embedded derivatives is the fair value of the derivative liabilities. The estimated probability and timing of underlying events triggering the exercisability of the put option and conversion features contained within the 2022 Convertible Notes, forecasted cash flows and the discount rate were significant unobservable inputs used to determine the estimated fair value of the entire instrument with the embedded derivative. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement. The derivative liabilities are remeasured at each reporting period and the changes are recognized as a change in fair value of derivative liabilities on the statement of operations and comprehensive loss. The derivative liabilities were settled in February 2023 upon conversion of the 2022 Convertible Notes into Series A-2 redeemable convertible preferred stock (see Note 6).

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The following table summarizes the significant inputs used in the valuation of the derivative liabilities:

	On issuance date of January 18, 2023	February 9, 2023
Expected term to achievement underlying triggering event (in years)	0.1 – 0.2	—
Probability of achievement of triggering event	0.0% – 95.0%	100.0%
Discount rate	75.0%	75.0%

The following table summarizes the changes in the derivative liabilities:

(in thousands)	Derivative liabilities
Balance as of December 31, 2022	$ 12,705
Additions[1]	2,133
Change in fair value	(6,453)
Settlement	(8,385)
Balance as of June 30, 2023	$ —

(1) The additions to derivative liabilities in the six months ended June 30, 2023 relate to the embedded derivative bifurcated from the final tranche of the 2022 Convertible Notes that was issued in January 2023.

Redeemable convertible preferred stock tranche obligations

The fair value of the Company's redeemable convertible preferred stock tranche asset and liability (see Note 7) was calculated using an option pricing model using Level 3 inputs not observable in the market. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement. The redeemable convertible preferred stock tranche obligations are considered a contingent forward and the standard forward pricing model was used with the following key assumptions:

	Redeemable convertible preferred stock tranche asset		Redeemable convertible preferred stock tranche liability	
	On issuance date February 9, 2023	As of June 30, 2023	On issuance date February 9, 2023	As of June 30, 2023
Expected term to achievement of milestone (in years)	0.4	—	0.8	0.4
Probability of achievement of milestone	90.0%	97.5%	63.0%	68.3%
Discount rate	4.9%	5.5%	4.9%	5.5%

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The following table summarizes the changes in the fair value of the redeemable convertible preferred stock tranche asset and liability:

(in thousands)	Redeemable convertible preferred stock tranche asset	Redeemable convertible preferred stock tranche liability
Balance as of December 31, 2022	$ —	$ —
Initial recognition	1,788	(9,105)
Change in fair value	228	(920)
Balance as of June 30, 2023	$ 2,016	$ (10,025)

4. Balance sheet components

Prepaid expenses and other current assets

Prepaid expenses and other current assets consisted of the following:

(in thousands)	December 31, 2022	June 30, 2023
Prepaid research and development	$ 1,428	$ 1,794
Other receivables	476	475
Prepaid other	151	82
Total prepaid expenses and other current assets	$ 2,055	$ 2,351

Property and equipment, net

Property and equipment, net consisted of the following:

(in thousands)	December 31, 2022	June 30, 2023
Furniture and equipment	$ 2,793	$ 6,388
Leasehold improvements	105	105
Construction in progress	891	339
Property and equipment at cost	3,789	6,832
Less: accumulated depreciation	(421)	(920)
Property and equipment, net	$ 3,368	$ 5,912

Depreciation expense for the six months ended June 30, 2022 and 2023 was $0.1 million and $0.5 million, respectively.

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Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consisted of the following:

(in thousands)	December 31, 2022	June 30, 2023
Accrued compensation and related expenses	$ 2,385	$ 1,426
Accrued purchases of property and equipment	623	623
Other	383	1,039
Total accrued expenses and other current liabilities	$ 3,391	$ 3,088

5. Leases

In November 2021, the Company entered into a three-year operating lease for 15,400 square feet of lab and office space in San Mateo, California. The agreement provides for one option to renew for one year which the Company is not reasonably certain to exercise. In February 2023, the operating lease commenced for an additional premises for 15,717 square feet of lab and office space, increasing the total leased premises to 31,117 square feet at the existing San Mateo, California location. The new lease has a term of two years. The Company paid an additional $0.3 million in deposits upon commencement of the new lease which is recorded in other assets on the balance sheet. The Company is a sublessor in two agreements with initial terms of six months for a combined 2,300 square feet of the Company's leased premises. The future payments associated with the Company's operating lease liabilities as of June 30, 2023 were as follows:

(in thousands)	Amount
2023 (remaining six months)	$ 1,367
2024	2,404
Total undiscounted lease payments	3,771
Less: imputed interest	(298)
Total operating lease liabilities	$ 3,473

A summary of total lease costs and other information for the periods relating to the Company's operating leases was as follows:

(in thousands)	Six months ended June 30, 2022	2023
Operating lease cost	$636	$1,246
Variable lease cost	160	308
Sublease income	—	(220)
Total lease cost	$796	$1,334

	December 31, 2022	June 30, 2023
Other information:		
Weighted-average remaining lease term (in years)	1.9	1.4
Weighted-average discount rate	9.6%	11.6%

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Supplemental cash flow and noncash information related to the Company's operating leases were as follows:

(in thousands)	Six months ended June 30, 2022	2023
Cash flows from operating activities:		
Cash paid for amounts included in the measurement of lease liabilities	$684	$1,127
Right-of-use assets obtained in exchange for lease obligations:		
Total right-of-use assets capitalized	$ —	$2,291

6. Convertible notes

In April 2022, the Company executed a convertible note purchase agreement with its existing investors for total proceeds of up to $25.0 million (the "April 2022 Convertible Notes"). The investors committed to purchase the notes in three tranches upon achievement of certain milestones, which occurred in April, August and October 2022 for aggregate gross proceeds of $20.0 million, of which $10.6 million was from a related party (see Note 11). The Company incurred $0.1 million in issuance costs for the April 2022 Convertible Notes. All three tranches had a maturity date of April 26, 2023. The Company had the option to request a fourth tranche of up to $5.0 million at the discretion of the investors under certain specific criteria. In February 2023, the April 2022 Convertible Notes were settled in connection with the Series A redeemable convertible preferred stock financing (see Note 7) and the option to request the fourth tranche expired.

In October 2022, the Company executed a convertible note purchase agreement with the same terms and with the same investors in the April 2022 Convertible Notes for total proceeds of up to $12.0 million (the "October 2022 Convertible Notes"), of which $5.4 million was from a related party. The investors committed to purchase the notes in three tranches upon achievement of certain milestones, of which the first two tranches were issued in October and December 2022 for aggregate gross proceeds of $8.5 million. The Company incurred $16,000 in issuance costs for the funded October 2022 Convertible Notes. In January 2023, the third tranche was issued upon achieving the third milestone for gross proceeds of $3.5 million, including $2.2 million issued to a related party. All three tranches had a maturity date of October 28, 2023. In February 2023, the October 2022 Convertible Notes were settled in connection with the Series A redeemable convertible preferred stock financing (see Note 7).

The 2022 Convertible Notes bear simple interest at 6.0% per annum. The principal and accrued interest can only be repaid prior to maturity upon consent of a majority of the investors or immediately upon demand.

The 2022 Convertible Notes are subject to automatic conversion upon the next financing whereby the Company issues its preferred equity securities and raises aggregate gross proceeds of at least $50.0 million (a "Qualified Financing"). On automatic conversion, the outstanding principal and accrued interest automatically convert into the convertible preferred stock issued in the Qualified Financing at 75% of the lowest cash price per share. The 2022 Convertible Notes are also subject to settlement by way of voluntary conversion that is not a Qualified Financing (a "Non-Qualified Financing") where a majority of the active investors (investors who have fulfilled their funding commitments) may elect to convert the outstanding principal and interest into convertible preferred stock issued at 75% of the lowest cash price per share. In the event of a "Strategic Transaction" such as upon a change in control whereby another entity acquires the Company or the Company disposes of

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substantially all its assets upon sale, lease, liquidation, dissolution or winding up, whether voluntary or involuntary or an IPO, then each active investor may choose to convert the note into the Company's common stock at a conversion price of $20.36 per share or redeem the note in cash for 200% of the outstanding balance and 100% of accrued and unpaid interest. For investors who have not fulfilled their funding commitments related to the second and third tranches, where the respective milestone conditions have been met, upon a Qualified Financing, a Non-Qualified Financing or a Strategic Transaction, the outstanding principal and interest of the note will automatically convert into shares of common stock at 10% of the then current common stock price.

The Company determined that the financial commitments to issue future tranches were freestanding instruments that do not meet the definition of a derivative and should be classified as liabilities. Upon issuance of the first tranche of the April 2022 Convertible Notes and October 2022 Convertible Notes, the Company recognized $0.7 million and $1.2 million, respectively, for the relative fair value of the financial commitment liabilities, of which $0.4 million and $0.7 million, respectively, were associated with a related party (see Note 3). Upon settlement of the financial commitments, for the year ended December 31, 2022 and the six months ended June 30, 2023, $1.2 million and $0.7 million in financial commitment liabilities, respectively, were reclassified to the carrying amount of the respective convertible notes.

Due to the conversion and redemption features embedded within the 2022 Convertible Notes, the Company bifurcated compound derivative liabilities related to all tranches issued through to June 30, 2023 (see Note 3). The aggregate fair value at issuance of the derivative liabilities was $13.6 million and is subsequently remeasured each reporting period. The allocation of proceeds of the 2022 Convertible Notes to the financial commitment liabilities and embedded derivatives created a discount on the respective convertible note that is amortized using the effective interest rate method over the term of the respective note. For the six months ended June 30, 2022 and 2023, the Company recognized $0.8 million and $1.6 million, respectively, of interest expense, including accrued interest, amortization of the debt discount and amortization of debt issuance costs, in the statements of operations and comprehensive loss.

In February 2023, concurrent with the Series A redeemable convertible preferred stock financing (see Note 7), the terms of the 2022 Convertible Notes were amended to specify that the notes would convert into Series A-2 redeemable convertible preferred stock. The other contractual terms including the settlement method and the conversion price of $10.18 per share remained unchanged. Pursuant to the share settled redemption features as per the original contractual terms of the 2022 Convertible Notes, the Company issued 3,229,851 shares thereby settling $32.9 million in outstanding principal and accrued interest. Upon settlement, the carrying values of the 2022 Convertible Notes of $24.9 million and the derivative liabilities of $8.4 million were derecognized and the Series A-2 redeemable convertible preferred stock was recorded at its fair value of $35.6 million. The Company recognized a loss on extinguishment of $2.3 million in the statement of operations and comprehensive loss for the six months ended June 30, 2023.

7. Convertible preferred stock

In February 2023, the Company's existing and new investors executed the Series A Preferred Stock Purchase Agreement (the "Series A Agreement") pursuant to which the Company is obligated to sell shares of its redeemable convertible preferred stock immediately at execution and through a second and third tranche. In February 2023, the Company received net proceeds of $68.1 million from the issue and sale of 5,072,919

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shares of Series A-1 redeemable convertible preferred stock and issued 3,229,851 shares of Series A-2 redeemable convertible preferred stock upon conversion of the 2022 Convertible Notes (see Note 6).

Pursuant to the Series A Agreement, through the second tranche, the Company is obligated to sell 3,381,941 shares of its Series A-1 redeemable convertible preferred stock for $13.57 per share ("Series A-1 Tranche 2") upon the satisfaction of certain developmental milestones by the end of the third quarter of 2023. Additionally, the Company is obligated to sell 6,341,148 shares of its Series A-1 redeemable convertible preferred stock for $13.57 per share ("Series A-1 Tranche 3") upon the satisfaction of certain developmental milestones by the middle of the first quarter of 2024.

On issuance, the Company determined that its obligation to issue additional shares of its Series A-1 redeemable convertible preferred stock in future closings were freestanding instruments in accordance with ASC 480. The Series A-1 Tranche 2 obligation was determined to be an asset as the issuance price was deemed to be in excess of the estimated fair value of the stock on the expected milestone achievement date. Conversely, the Series A-1 Tranche 3 obligation was determined to be a liability as the estimated fair value of the stock on the expected milestone achievement date was deemed to be in excess of the issuance price. Accordingly, the Company recognized $1.8 million and $9.1 million for the fair value of the redeemable convertible preferred stock tranche asset and liability, respectively, on the balance sheet and the remaining proceeds were allocated to the first tranche of Series A-1 redeemable convertible preferred stock. Changes in fair value of redeemable convertible preferred stock tranche asset and liability in subsequent reporting periods are recognized as a component of change in fair value of preferred stock tranche obligations in the statement of operations and comprehensive loss (see Note 3).

Convertible preferred stock consisted of the following:

	December 31, 2022				
(in thousands, except shares and per share amounts)	**Shares authorized**	**Shares issued and outstanding**	**Original issue price**	**Liquidation preference**	**Carrying value**
Series Seed	11,000,000	810,700	$ 13.57	$ 11,000	$ 10,855
Total	11,000,000	810,700		$ 11,000	$ 10,855

Redeemable convertible preferred stock consisted of the following:

	June 30, 2023				
(in thousands, except shares and per share amounts)	**Shares authorized**	**Shares issued and outstanding**	**Original issue price**	**Liquidation preference**	**Carrying value**
Series Seed	11,000,000	810,700	$ 13.57	$ 11,000	$ 9,830
Series A-1	200,760,000	5,072,919	$ 13.57	$ 68,832	$ 60,760
Series A-2	43,824,255	3,229,851	$ 10.18	$ 32,868	$ 35,576
Total	255,584,255	9,113,470		$ 112,700	$ 106,166

The holders of redeemable convertible preferred stock have various rights, preferences and privileges as follows:

Voting rights

The holders of redeemable convertible preferred stock shares are entitled to vote on all matters on which the common stockholders are entitled to vote. Each holder of redeemable convertible preferred stock is entitled to

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the number of votes equal to the number of whole shares of common stock into which the shares held by such holder are convertible. Holders of the shares of Series A-1 redeemable convertible preferred stock, as a separate class, are entitled to elect two directors of the Company. Holders of the shares of Series Seed convertible preferred stock, as a separate class, are entitled to elect (i) prior to the issuance of the third tranche, two directors of the Company and (ii) on or after the issuance of the third tranche, one director of the Company. The holders of common stock are entitled to elect one director and one director will be the Company's Chief Executive Officer. The remaining two directors will be independent directors that are elected by stockholder vote and must be mutually acceptable to the other directors.

As long as at least 1,909,071 shares of redeemable convertible preferred stock shares remain outstanding, the Company must obtain approval from a majority of the holders of the then outstanding shares of redeemable convertible preferred stock, provided that prior to the issuance of third tranche such approval must include the affirmative vote of the holders of a majority of the outstanding shares of Series A-1 redeemable convertible preferred stock, to alter or change the rights, preferences and privileges of redeemable convertible preferred stock, change the authorized number of redeemable convertible preferred and common stock, create a new class or series of shares having any rights, preferences or privileges superior to or on parity with any outstanding shares of redeemable convertible preferred stock, declare or pay any distribution, merge, consolidate with or implement a reorganization that would result in the transfer of 50% of the voting power of the Company, sell all or substantially all of the Company's assets, voluntarily dissolve or liquidate the Company, change the authorized number of directors, incur indebtedness greater than $0.3 million and appoint or remove the chief executive officer.

Dividends

The Company's certificate of incorporation permits the holders of shares of redeemable convertible preferred stock to receive, only when, as and if declared by the Board of Directors, dividends at a rate of 8% of the applicable original issuance price of $13.57 per share for shares of Series Seed and Series A-1 redeemable convertible preferred stock and $10.18 per share for shares of Series A-2 redeemable convertible preferred stock, as adjusted for stock dividend, stock split, combination or other similar recapitalization (the "Original Issue Price"). Such dividend may be received prior and in preference to any declaration or payment of any other dividend (other than dividends on shares of common stock payable in common stock). Such dividends are non-cumulative. The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company (other than dividends on shares of common stock payable in common stock) unless the holders of redeemable convertible preferred stock then outstanding shall first receive, or simultaneously received, in addition to the 8% dividend noted above, an equal dividend on an as converted basis, if the dividend is declared on common stock or securities convertible in common stock. If the dividend is declared on non-common stock or securities not convertible in common stock, the holders of redeemable convertible preferred stock then outstanding must also receive an equal dividend to the dividend of such class, divided by its issuance price and multiplied by the applicable Original Issue Price, provided that if the Company declares a dividend on the same date on shares on more than one class or series of stock the dividend payable to the redeemable convertible preferred stockholders shall be based on the dividend on the class or series that would result in the highest preferred dividend. No dividends were declared as of December 31, 2022 and June 30, 2023.

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Liquidation

In the event of any liquidation, dissolution or winding up of the Company, including a merger or consolidation in which the Company or a subsidiary of the Company is a constituent party and the Company issues its shares as a part of such merger of consolidation, or the sale of substantially all of the assets of the Company, or any other transaction or series of transactions in which more than 50% of the voting power of the Company is disposed of, the holders of redeemable convertible preferred stock will receive in preference to any distribution of assets to the holders of common stock, an amount per share equal to the greater of (i) per share equal the Original Issue Price, plus any declared and unpaid dividends, or (ii) such amount as would have been payable had all shares of the redeemable convertible preferred stock been converted into common stock. If the assets available for distribution are insufficient then proceeds will be distributed ratably among the holders of redeemable convertible preferred stock in proportion to the full preferential amount that each such holder is entitled to receive. If there are remaining assets of the Company legally available for distribution after the payment of the full liquidation preference of the preferred stock, those remaining assets shall be distributed ratably to the holders of common stock based on the number of shares held by each common stockholder.

Conversion

Each share of redeemable convertible preferred stock is convertible, at the option of the holder, into the number of shares of common stock into which such shares are convertible at the then-effective conversion ratio. The conversion ratio is determined by dividing the applicable Original Issue Price by the then applicable conversion price. The initial conversion price per share is $13.57 for Series Seed preferred stock, $13.57 for Series A-1 preferred stock, and $10.18 for the Series A-2 preferred stock. The initial conversion price is subject to adjustment from time to time. Each share of redeemable convertible preferred stock shall automatically be converted into fully-paid, non-assessable shares of common stock at the then-effective conversion rate for such share (i) immediately prior to the closing of a firm commitment underwritten IPO pursuant to an effective registration statement filed under the Securities Act of 1933, as amended , resulting in at least $50.0 million of gross proceeds and in which the pre-money valuation of the Company is at least $400.0 million and in connection with such offering the common stock is listed for trading on the Nasdaq Stock Market's National Market or the New York Stock Exchange (ii) immediately prior to the consummation of a transaction by merger, consolidation, share exchange or otherwise in which the pre-money valuation of the Company is at least $400.0 million, with a publicly-traded special purpose acquisition company (a "SPAC"), immediately following the consummation of which the common stock or share capital of the SPAC or its successor entity is listed on the Nasdaq Stock Market or the New York Stock Exchange or another exchange approved by the Board of Directors, or (iii) at the date and time, or occurrence, of an event specified in a vote or written consent of the holders of the majority of the outstanding shares of redeemable convertible preferred stock.

Classification

A liquidation or winding up of the Company, including a merger or consolidation in which the Company or a subsidiary of the Company is a constituent party and the Company issues its shares as a part of such merger of consolidation, or the sale of substantially all of the assets, sales or exclusive license of all or substantially all of the intellectual property of the Company, or any other transaction or series of transactions in which more than 50% of the voting power of the Company is disposed of would constitute a redemption event. As of December 31, 2022, these redemption events were deemed to be within the control of the Company; therefore, in accordance with ASC 480, all shares of Series Seed convertible preferred stock were presented within permanent equity.

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Upon closing of the first tranche of shares of Series A-1 redeemable preferred stock and conversion of the 2022 Convertible Notes to shares of Series A-2 redeemable preferred stock on February 7, 2023, the convertible preferred stockholders collectively had the ability to elect a majority of the directors on the Company's Board of Directors such that a redemption event pursuant to the various rights of shares of the convertible preferred stock was no longer within the control of the Company. In accordance with ASC 480, all shares of Series Seed convertible preferred stock were reclassified from permanent equity to mezzanine equity at fair value, and, on issuance, all shares of Series A-1 and A-2 redeemable convertible preferred stock were classified as mezzanine equity.

The Company has elected not to adjust the carrying values of the redeemable convertible preferred stock to the redemption value of such shares, since it is not probable that a redemption event will occur. Subsequent adjustments to increase the carrying value to the redemption values will be made when it becomes probable that such redemption will occur.

8. Common stock

Each share of common stock is entitled to one vote. The holders of common stock are also entitled to receive dividends whenever funds are legally available and when declared by the Board of Directors, subject to prior rights of the redeemable convertible preferred stockholders. In February 2023, the Company amended and restated its certificate of incorporation to increase the authorized shares of common stock to 320,000,000.

Common stock issued and outstanding on the balance sheets and statements of stockholders' deficit includes shares related to restricted stock that are subject to repurchase and therefore are excluded from the reserved common stock in the table below.

The Company's reserved common stock, on an as-converted basis for issuance was as follows:

	December 31, 2022	June 30, 2023
Redeemable convertible preferred stock	—	9,113,470
Convertible preferred stock	810,700	—
Common stock options issued and outstanding under the Plan	167,882	2,147,565
Remaining shares available for issuance under the Plan	22,928	502,192
Total reserved common stock	1,001,510	11,763,227

The 2022 Convertible Notes, which are excluded from the table above as of December 31, 2022, converted into shares of Series A-2 redeemable convertible preferred stock in February 2023 (see Notes 6 and 7).

9. Stock-based compensation

2021 Stock Option and Grant Plan

In July 2021, the Company established its 2021 Stock Option and Grant Plan (the "Plan") which provides for the granting of stock options, restricted and unrestricted stock units and restricted and unrestricted stock awards to employees and consultants of the Company. In October 2022 and February 2023, the Board of Directors

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amended shares authorized for issuance under the Plan. As of December 31, 2022 and June 30, 2023, shares authorized for issuance under the Plan were 393,268 and 3,268,399, respectively.

Stock options

Stock option activity for the six months ended June 30, 2023 was as follows:

	Number of options	Weighted-average exercise price	Weighted-average remaining contractual term (in years)	Aggregate intrinsic value (in thousands)
Outstanding at December 31, 2022	167,882	$ 1.09	9.65	$ —
Granted	1,985,027	$ 5.03		
Exercised	(1,695)	$ 1.09		
Cancelled and forfeited	(3,649)	$ 1.43		
Outstanding at June 30, 2023	2,147,565	$ 4.73	9.76	$ 641
Vested and expected to vest, June 30, 2023	2,147,565	$ 4.73	9.76	$ 641
Exercisable at June 30, 2023	53,479	$ 1.48	9.21	$ 190

Aggregate intrinsic value in the above table is calculated as the difference between the exercise price of the options and the Company's estimated fair value of its common stock as of June 30, 2023.

The aggregate intrinsic value of options exercised during the six months ended June 30, 2023 was $7,000. No options were exercised during the six months ended June 30, 2022. The estimated weighted-average grant-date fair value of options granted during the six months ended June 30, 2022 and 2023 was $0.79 and $3.71 per share, respectively. As of June 30, 2023, there was $6.9 million of unrecognized stock-based compensation related to stock options, which is expected to be recognized over a weighted-average period of 2.7 years.

Restricted stock awards

The Company has issued restricted stock awards to certain employees, directors and consultants in exchange for cash consideration equal to the fair value of common stock on the grant date. The restricted stock awards are subject to the repurchase right upon termination of services at a repurchase price lower of (i) the fair market value on the date of repurchase or (ii) their original purchase price no later than six months after such termination. Shares purchased by employees pursuant to restricted stock awards are not deemed, for accounting purposes, to be issued until those shares vest according to their respective vesting schedules. Proceeds received from issuance of restricted stock awards are recorded as a share repurchase liability within accrued expenses and other current liabilities on the balance sheet and reclassified to additional paid-in capital as such awards vest.

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The following table summarizes the Company's restricted stock activity;

	Number of awards	Weighted-average grant date fair value
Unvested as of December 31, 2022	529,110	$ 0.93
Issued	1,874	3.94
Repurchased	(9,384)	0.64
Vested	(148,914)	0.96
Unvested as of June 30, 2023	372,686	$ 0.93

The purchase price of the restricted stock awards is the fair value of common stock as determined by the Board of Directors at the issuance date. The shares generally vest monthly over four years from the grant date.

The Company recorded $0.2 million and $0.1 million as a share repurchase liability for restricted stock awards in accrued expenses and other current liabilities on the balance sheets as of December 31, 2022 and June 30, 2023, respectively.

As of June 30, 2023, unrecognized stock-based compensation expense related to outstanding unvested restricted stock awards was $0.1 million, which is expected to be recognized over a weighted-average period of 2.6 years.

Stock-based compensation expense

Total stock-based compensation expense recorded in the statements of operations and comprehensive loss was as follows:

	Six months ended June 30,	
(in thousands)	**2022**	**2023**
General and administrative	$ 200	$ 427
Research and development	41	196
Total stock-based compensation expense	$ 241	$ 623

The estimated grant-date fair value of awards granted during the six months ended June 30, 2022 and 2023 was calculated based on the following assumptions:

	Six months ended June 30,	
	2022	**2023**
Expected term (in years)	3.6 – 6.1	5.7 – 6.3
Expected volatility	84.6% – 88.7%	85.5% – 86.8%
Expected dividend	—	—
Risk-free interest rate	0.6% – 3.2%	3.6%

10. License and research and development agreements

Stanford license agreement

In August 2022, the Company entered into a license agreement with the Board of Trustees of the Leland Stanford Junior University ("Stanford University") relating to the Company's platform technologies relating to

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CAR T-cell therapies (the “Stanford License Agreement”). Pursuant to the Stanford License Agreement, Stanford University granted the Company a worldwide, exclusive license under certain patent rights, and a worldwide non-exclusive license under certain technology, in each case, owned or controlled by Stanford University, to make, use and sell products, methods or services in the field of human therapeutic and diagnostic products.

As consideration for the licenses granted under the Stanford License Agreement, the Company made an upfront payment of $50,000 and issued 67,605 shares of its common stock with a fair value of $0.1 million, of which 22,317 shares were issued to Stanford University, 27,100 shares were issued to two non-profit organizations that supported the research, and 18,188 shares were issued to various Stanford University inventors. The Company determined that the purchase of the licenses under the Stanford License Agreement represented an asset acquisition as it did not meet the definition of a business. As the acquired licenses represented in-process research and development (“IPR&D”) assets with no alternative future use, the Company recorded the upfront consideration of $0.2 million as research and development expense in August 2022, upon entering into the Stanford License Agreement.

In addition to annual license maintenance fees of up to $0.1 million per year, the Company may be required to pay up to $7.5 million for sales milestone payments, up to $4.0 million in development milestone payments for each product covered by licensed patent rights that achieves specific clinical trials or regulatory approvals, up to $0.6 million in milestone payments upon achievement of commercial milestone events and double-digit percentage milestone payments on non-patented products, and, subject to certain royalty reductions, low single-digit percentage royalties on net sales of products. Subject to the terms of the Stanford License Agreement, the Company also agreed to pay Stanford University a certain percentage of non-royalty sublicense-related revenue that the Company receives from third-party sublicenses.

Crystal Mackall and Robbie Majzner, who were the Company’s principal owners and directors when the Company entered into the Stanford License Agreement, are employees and faculty members leading CAR T-cell therapy research programs at Stanford University.

Oxford license and supply agreement

In June 2022, the Company entered into a License and Supply Agreement (the “Oxford Agreement”), with Oxford Biomedica (UK) Limited (“Oxford”) for the manufacture and supply of lentiviral vectors for clinical and potentially commercial purposes by the Company. Pursuant to the Oxford Agreement, Oxford granted to the Company a non-exclusive worldwide, sub-licensable, royalty-bearing license under certain intellectual property rights for the purposes of research, development and commercialization of products transduced with the vectors manufactured by Oxford or by the Company following a technology transfer by Oxford, which products are directed against certain initial targets, and upon payment of certain fees, additional targets as agreed by Oxford and the Company.

As consideration for the license granted under the Oxford Agreement, the Company paid an upfront license fee of $0.2 million. The Company determined that the purchase of the license under the Oxford Agreement represented an asset acquisition as it did not meet the definition of a business. As the acquired license represented IPR&D assets with no alternative future use, the Company recorded the upfront payment of $0.2 million as research and development expense in June 2022, upon entering into the Oxford Agreement. No research and development expense related to the license was recognized during the six months ended June 30, 2023.

Cargo Therapeutics, Inc.
Notes to unaudited condensed financial statements

The Company may be required to pay up to $0.3 million of development milestones, $1.0 million of regulatory milestones and $8.0 million of commercial milestones for each target if such milestones are achieved by licensed products directed to such target. Additionally, the Company is obligated to pay an earned royalty on net sales of products manufactured with the Oxford vector at a low single-digit percentage.

Unless terminated earlier, the Oxford Agreement will expire when no further payments are due to Oxford. The Company can terminate the agreement at will upon advance written notice and may be subject to certain manufacturing slot cancellation fees.

National Cancer Institute

In March 2022, the Company entered into an exclusive license agreement (the "2022 NCI License Agreement") with the U.S. Department of Health and Human Services, as represented by The National Cancer Institute (the "NCI"), pursuant to which the Company obtained a worldwide, royalty-bearing, exclusive license under certain patent rights to make, use, sell, offer for sale, and import certain autologous products covered by such licensed patents in the field of CAR-T immunotherapies for the treatment of B-cell malignancies that express CD22, and a non-sublicenseable exclusive license to make, use, and import, but not sell, certain allogenic products and to practice processes in the field of certain CAR-T immunotherapies for the treatment of B-cell malignancies that express CD22 for evaluation purposes, with an exclusive option to negotiate a non-exclusive or exclusive commercialization license.

As consideration for the licenses granted under the 2022 NCI License Agreement, the Company is required to pay NCI a non-refundable license fee of $0.6 million, of which $0.2 million was paid in 2022, and the remaining balance of $0.4 million is payable in three equal annual installments beginning on the first anniversary of the effective date of the agreement. The Company accrued the non-refundable upfront fees of $0.4 million upon entering into the 2022 NCI License Agreement of which $0.3 million and $0.1 million are classified as other non-current liabilities on the balance sheet as of December 31, 2022 and as of June 30, 2023, respectively. The Company determined that the purchase of the license under the 2022 NCI License Agreement represented an asset acquisition as it did not meet the definition of a business. As the acquired license represented IPR&D assets with no alternative future use, the Company recorded the initial consideration of $0.6 million under the 2022 NCI License Agreement as research and development expense in March 2022, upon entering into the 2022 NCI License Agreement. During the six months ended June 30, 2023, the Company recorded research and development expense of $0.1 million related to the minimum annual royalty and the achievement of the first clinical milestone.

The Company agreed to pay up to $0.2 million in regulatory milestone payments upon achieving specific regulatory filings, up to $1.8 million in development milestone payments upon achieving specific clinical trials or registration trials, and up to $16.0 million in sales milestones upon achievement of specific commercial milestone events for up to three distinct licensed products, and an earned royalty on net sales of autologous cell therapy products covered by the licensed patent rights at a low single-digit percentage, depending on the amount of annual net sales and subject to the terms of the 2022 NCI License Agreement. The Company is also required to make minimum annual royalty payments of $50,000 per year, which will be creditable against royalties due for sales in that year. In addition, the Company is obligated to pay the NCI a percentage of non-royalty revenue received by the Company from its right to sublicense. Additionally, in the event the Company is granted a priority review voucher ("PRV"), the Company would be obligated to pay NCI a minimum of $5.0 million upon the sale, transfer or lease of the PRV or $0.5 million upon submission of the PRV for use by the

Cargo Therapeutics, Inc.
Notes to unaudited condensed financial statements

U.S. Food and Drug Administration (“FDA”). The Company is also obligated to pay NCI a percentage of the fair market value of the consideration the Company receives for any assignment of the 2022 NCI License Agreement to a non-affiliate (upon NCI’s prior written consent) or an allocated portion of the fair value of consideration received in connection with a change in control.

NCI may terminate or modify the 2022 NCI License Agreement in the event of an uncured material breach, including, but not limited to, if the Company does not meet certain milestones by certain dates, or upon certain insolvency events that remain uncured following the date that is 90 days following written notice of such breach or insolvency event. The Company may terminate the license, or any portion thereof, at its sole discretion at any time upon 60 days written notice to NCI.

In February 2023, the Company entered into an exclusive license agreement (the “2023 NCI License Agreement”) with NCI, pursuant to which the Company obtained a worldwide, royalty-bearing, exclusive license under certain patent rights owned by NCI to make, use, sell and import products and to practice processes in the field of certain CAR-T immunotherapies for the treatment of B-cell malignancies, wherein the T cells are engineered to express CD22 in combination with both: receptors targeting CD19, CD20, and/or CD79b; and using STASH platform and/or a technology to activate CD2 signaling in the CAR T cell.

As consideration for the licenses granted under the 2023 NCI License Agreement, the Company must pay NCI a non-refundable license fee of $0.3 million in three installments whereby the first installment is payable within 60 days of the execution of the agreement and the remaining two payments due on the first and second anniversaries of the effective date of the agreement. Additionally, the Company must reimburse NCI for $0.1 million in expenses incurred by NCI prior to January 1, 2022 related to the preparation, filing, prosecution, and maintenance of all patent applications and patents included in the license under the 2023 NCI Agreement. The Company determined that the purchase of the license under the 2023 NCI License Agreement represented an asset acquisition as it did not meet the definition of a business. As the acquired license represented IPR&D assets with no alternative future use, the Company recorded the initial consideration of $0.4 million under the 2023 NCI Agreement, consisting of the non-refundable upfront fees and patent expense reimbursement, as research and development expense in February 2023, upon entering the 2023 NCI License Agreement. The Company accrued these amounts upon entering into the 2023 NCI License Agreement of which $0.1 million is classified as other non-current liabilities on the balance sheet as of June 30, 2023.

The Company agreed to pay up to $0.1 million in regulatory milestone payments upon achieving specific regulatory filings, up to $1.7 million in development milestone payments upon achieving specific clinical trials or registration trials, and up to $16.0 million in sales milestones upon achievement of specific commercial milestone events. Subject to the terms of the 2023 NCI License Agreement, the Company also agreed to pay a low single-digit percentage on earned royalties on net sales of products covered by the licensed patent rights. The Company also agreed to make minimum annual royalty payments of $50,000 per year, which will be creditable against royalties due for sales in that year. In addition, the Company is obligated to pay the NCI a percentage of non-royalty revenue received by the Company from its right to sublicense at defined percentages. Additionally, if the Company is granted a PRV, the Company would be obligated to pay NCI a minimum of $5.0 million upon the sale, transfer or lease of the PRV or $0.5 million upon submission of the PRV for use by the FDA. The Company is also obligated to pay NCI a percentage of the fair market value of the consideration the Company receives for any assignment of the 2023 NCI License Agreement to a non-affiliate (upon NCI’s prior written consent) or an allocated portion of the fair value of consideration received in connection with a change in control.

Cargo Therapeutics, Inc.
Notes to unaudited condensed financial statements

Unless earlier terminated, the 2023 NCI License Agreement will expire upon the expiration of the last to expire licensed patent right. NCI may terminate or modify the 2023 NCI License Agreement in the event of an uncured material breach, including, but not limited to, if the Company does not meet certain milestones by certain dates, or upon certain insolvency events that remain uncured following the date that is 90 days following written notice of such breach or insolvency event. The Company may terminate the license, or any portion thereof, at its sole discretion at any time upon 60 days written notice to NCI.

11. Related parties

The 2022 Convertible Notes (see Note 6) were issued in part to a related party, a significant investor, for an aggregate principal amount of $16.0 million. As of December 31, 2022, $16.4 million in principal and accrued interest was outstanding to the related party. In February 2023, $18.7 million in principal and accrued interest outstanding to the related party was settled through conversion into 1,833,623 shares of Series A-2 redeemable convertible preferred stock (see Note 7).

Apart from the transactions and balances detailed in Note 6, Note 7 and Note 11, the Company has no other significant or material related party transactions during the six months ended June 30, 2022 and 2023.

12. Net loss per share

A reconciliation of net loss attributable to common stockholders and the number of shares in the calculation of basic and diluted loss per share was as follows:

	Six months ended June 30,	
(in thousands, except share and per share amounts)	**2022**	**2023**
Numerator:		
Net loss attributable to common stockholders	$ (14,917)	$ (30,599)
Denominator:		
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	298,296	634,704
Net loss per share attributable to common stockholders, basic and diluted	$ (50.01)	$ (48.21)

The following potentially dilutive shares were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented, because including them would have been anti-dilutive (on an as-converted basis):

	June 30, 2022	June 30, 2023
Redeemable convertible preferred stock, as converted	—	9,113,470
Convertible preferred stock, as converted	810,700	—
2022 Convertible Notes, as converted	1,191,800	—
Outstanding stock options	75,281	2,147,565
Restricted stock awards subject to repurchase	569,631	372,686
Total	2,647,412	11,633,721

Cargo Therapeutics, Inc.
Notes to unaudited condensed financial statements

13. Subsequent events

Management has reviewed and evaluated material subsequent events from the balance sheet date of June 30, 2023 through September 1, 2023 the day the financial statements were available for issuance, and November 6, 2023 for the reverse stock split discussed below.

Series A redeemable convertible preferred stock financing

In July 2023, the Company achieved the milestone under the Series A-1 Tranche 2 and issued and sold 3,381,941 shares of its Series A-1 redeemable convertible preferred stock for gross net proceeds of approximately $45.9 million.

Grant of stock options

In August 2023, the Company granted options for 1,078,806 shares of the Company's common stock to its employees, with an exercise price of $9.50 per share.

Amendment to the Plan

In July 2023, the Company amended the Plan to increase shares reserved and available for issuance under the Plan from 3,268,399 to 3,618,904 shares.

Reverse Stock Split

In November 2023, the Company's board of directors approved an amended and restated certificate of incorporation to effect a reverse split of shares of the Company's common stock and convertible preferred stock on a 13.5685-for-1 basis (the "Reverse Stock Split"), which was effected on November 3, 2023. The authorized shares and the par value of the common stock and redeemable convertible preferred stock were not adjusted as a result of the Reverse Stock Split. Accordingly, all share data and per share data amounts for all periods presented in the financial statements and notes thereto have been retrospectively adjusted to reflect the effect of the Reverse Stock Split.

18,750,000 shares

Common stock

Prospectus

J.P. Morgan	**Jefferies**	**TD Cowen**	**Truist Securities**

, 2023

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, payable by us in connection with the sale of the common stock being registered. All amounts are estimates except for the Securities and Exchange Commission (SEC) registration fee, the Financial Industry Regulatory Authority (FINRA) filing fee and the Nasdaq Global Select Market (Nasdaq) listing fee.

	Amount paid or to be paid
SEC registration fee	$ 54,105
FINRA filing fee	55,485
Nasdaq listing fee	250,000
Transfer agent's fees and expenses	5,000
Printing and engraving expenses	700,000
Legal fees and expenses	2,600,000
Accounting fees and expenses	1,200,000
Blue Sky fees and expenses	40,000
Miscellaneous	395,410
Total	$ 5,300,000

Item 14. Indemnification of directors and officers.

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending, or completed actions, suits, or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee, or agent to the registrant. The Delaware General Corporation Law provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. Article 9 of the registrant's amended and restated certificate of incorporation provides for indemnification by the registrant of its directors, officers and employees to the fullest extent permitted by the Delaware General Corporation Law. The registrant has entered into indemnification agreements with each of its current directors, executive officers and certain other officers to provide these directors and officers additional contractual assurances regarding the scope of the indemnification set forth in the registrant's amended and restated certificate of incorporation and amended and restated bylaws and to provide additional procedural protections. There is no pending litigation or proceeding involving a director or executive officer of the registrant for which indemnification is sought.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that 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, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock repurchases, redemptions, or other distributions, or (iv) for any transaction from

which the director derived an improper personal benefit. The registrant's amended and restated certificate of incorporation provides for such limitation of liability.

The registrant maintains standard policies of insurance under which coverage is provided (i) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act and (ii) to the registrant with respect to payments that may be made by the registrant to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The proposed form of underwriting agreement to be filed as Exhibit 1.1 to this registration statement provide for indemnification of directors and officers of the registrant by the underwriters against certain liabilities.

Item 15. Recent sales of unregistered securities.

Since January 1, 2020, the registrant has sold the following securities without registration under the Securities Act of 1933:

Common stock issuances

From January 1, 2020 through the date of this registration statement, we issued and sold an aggregate of 1,169,853 shares of our common stock, par value $0.001 per share, for aggregate proceeds of approximately $0.3 million.

Preferred stock issuances

In February 2021, we issued and sold an aggregate of 405,350 shares of our series seed convertible preferred stock, par value $0.001 per share (the Series Seed Preferred Stock), to (i) Samsara BioCapital, L.P. (Samsara), (ii) Red Tree Venture Fund, L.P. (Red Tree) and (iii) Emerson Collective Investments, LLC (Emerson and together with Samara and Red Tree, the Series Seed Investors) at a purchase price of $13.57 per share, for an aggregate price of approximately $5.5 million.

In January 2022, we issued and sold an aggregate of 405,350 shares of our Series Seed Preferred Stock to the Series Seed Investors at a purchase price of $13.57 per share, for an aggregate price of approximately $5.5 million.

In February 2023, we issued and sold an aggregate of 5,072,919 shares of our series A-1 convertible preferred stock, par value $0.001 per share (the Series A-1 Preferred Stock), to the purchasers listed on Exhibit A of the Series A Preferred Stock Purchase Agreement (the Series A Investors) at a purchase price of $13.57 per share, for an aggregate price of approximately $68.8 million (collectively, the Series A-1 Financing).

In February 2023, we issued and sold an aggregate of 3,229,851 shares of our series A-2 convertible preferred stock, par value $0.001 per share (the Series A-2 Preferred Stock), through the conversion of approximately $32.9 million aggregate principal amount of Convertible Notes outstanding at a conversion rate equal to the quotient obtained by dividing the (i) outstanding principal and unpaid accrued interest on the Convertible Notes converted, or portion thereof, on the date of conversion ($32.9 million), by (ii) the product of (A) seventy-five percent (75%) and (B) the lowest price paid per share of equity securities of the Company by investors in the Series A-1 Financing ($10.18), for a total of 3,229,851 shares of Series A-2 Preferred Stock to the Series Seed Investors at a purchase price of $10.18 per share, for an aggregate purchase price of approximately $32.9 million.

In July 2023, we issued and sold an aggregate of 3,381,941 shares of our Series A-1 Preferred Stock to the Series A Investors at a purchase price of $13.57 per share, for an aggregate price of approximately $45.9 million (the Second Tranche Closing).

In October 2023, we issued and sold an aggregate of 6,341,148 shares of our Series A-1 Preferred Stock to the Series A Investors at a purchase price of $13.57 per share, for an aggregate price of approximately $86.0 million (the Third Tranche Closing).

Equity awards

From January 1, 2020 through the date of this registration statement, we granted to our team members, officers and directors options to purchase an aggregate of 3,703,685 shares of common stock at per share exercise prices ranging from $1.09 to $9.50 under the 2021 Plan. From January 1, 2020 through the date of this registration statement, we issued an aggregate of 27,378 shares of common stock at per share purchase prices ranging from $1.09 to $9.50 pursuant to the exercise of options by our team members, officers and directors.

The offers, sales and issuances of the securities described in Item 15(a) through 15(f) were exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder as transactions by an issuer not involving any public offering. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about our company.

The offers, sales and issuances of the securities described in Item 15(f) were exempt from registration under the Securities Act under either Rule 701, in that the transaction were under compensatory benefit plans and contracts relating to compensation, or under Section 4(a)(2) of the Securities Act in that the transactions were between an issuer and members of its senior executive management and did not involve any public offering within the meaning of Section 4(a)(2). The recipients of such securities were our employees, directors or consultants. Appropriate legends were affixed to the securities issued in these transactions.

Item 16. Exhibits and financial statement schedules.

(a) **Exhibits.** See the Exhibit Index attached to this registration statement, which Exhibit Index is incorporated herein by reference.

(b) **Financial Statement Schedules.** Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings.

(a) 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 hereunder, 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 of 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.

(b) 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.

Exhibit index

Exhibit number	Exhibit description
1.1	Form of Underwriting Agreement
3.1	Second Amended and Restated Certificate of Incorporation, as currently in effect
3.2	Form of Amended and Restated Certificate of Incorporation, to be in effect immediately prior to the completion of this offering
3.3	Bylaws, currently in effect
3.4	Form of Amended and Restated Bylaws, to be in effect immediately prior to the completion of this offering
4.1	Reference is made to Exhibits 3.1 through 3.4
4.2	Form of Common Stock Certificate
4.3	Amended and Restated Investors' Rights Agreement, dated, February 9, 2023, by and among the Registrant and the investors listed therein
5.1	Opinion of Latham & Watkins LLP
10.1(a)†	Exclusive License Agreement effective August 1, 2022, by and between the Registrant and the Board of Trustees of the Leland Stanford Junior University
10.1(b)†	Amendment No. 1 to Exclusive License Agreement effective August 1, 2022, by and between the Registrant and the Board of Trustees of the Leland Stanford Junior University
10.2†	License and Supply Agreement, dated June 24, 2022, by and between the Registrant and Oxford Biomedica (UK) Limited
10.3†	Patent License Agreement, dated March 16, 2022, by and between the Registrant and the National Cancer Institute
10.4†	Patent License Agreement, dated February 24, 2023, by and between the Registrant and the National Cancer Institute
10.5(a)#	CARGO Therapeutics, Inc. 2021 Stock Option and Grant Plan and forms of option agreements thereunder
10.5(b)#	Amendment No. 5 to CARGO Therapeutics, Inc. 2021 Stock Option and Grant Plan
10.5(c)#	Form Agreements under the CARGO Therapeutics, Inc. 2021 Stock Option and Grant Plan
10.6(a)#	2023 Incentive Award Plan
10.6(b)#	Form of Stock Option Grant Notice and Stock Option Agreement under the 2023 Incentive Award Plan
10.6(c)#	Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Award Agreement under the 2023 Incentive Award Plan
10.7#	Employee Stock Purchase Plan
10.8#	Employment Agreement by and between the Registrant and Gina Chapman
10.9#	Employment Agreement by and between the Registrant and Anup Radhakrishnan
10.10#	Employment Agreement by and between the Registrant and Shishir Gadam
10.11	Form of Indemnification and Advancement Agreement for directors and officers

Exhibit number	Exhibit description
10.12(a)	Sublease Agreement, dated November 4, 2021, by and between BigHat Biosciences, Inc. and the Registrant (f/k/a Syncopation Life Sciences, Inc.)
10.12(b)	First Amendment to Sublease Agreement, dated August 17, 2022, by and between BigHat Biosciences, Inc. and the Registrant (f/k/a Syncopation Life Sciences, Inc.)
10.13	Employment Agreement by and between the Registrant and Ginna Laport
10.14#	Non-Employee Director Compensation Program
23.1	Consent of Independent Registered Public Accounting Firm
23.2	Consent of Latham & Watkins LLP (included in Exhibit 5.1)
24.1	Power of Attorney (reference is made to the signature page to the Registration Statement)
107	Filing Fee Table

# Indicates management contract or compensatory plan.
† Certain portions of this document that constitute confidential information have been redacted in accordance with Regulation S-K, Item 601(b)(10).

Signatures

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Mateo, State of California, on the 6th day of November, 2023.

CARGO Therapeutics, Inc.

By: /s/ Gina Chapman
Name: Gina Chapman
Title: Chief Executive Officer

Signatures and power of attorney

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Gina Chapman and Anup Radhakrishnan and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agents full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or their or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof.

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

Signature	Title	Date
/s/ Gina Chapman Gina Chapman	Chief Executive Officer and Director (principal executive officer)	November 6, 2023
/s/ Anup Radhakrishnan Anup Radhakrishnan	Chief Financial Officer (principal financial officer and principal accounting officer)	November 6, 2023
* Abraham Bassan	Director	November 6, 2023
* Reid Huber	Director	November 6, 2023
* David Lubner	Director	November 6, 2023
* Crystal Mackall	Director	November 6, 2023

Signature	Title	Date
* John Orwin	Director and Chairperson	November 6, 2023
* Krishnan Viswanadhan	Director	November 6, 2023

*By: /s/ Gina Chapman
Gina Chapman
Attorney-in-Fact

Exhibit 1.1

CARGO Therapeutics, Inc.

[•] Shares of Common Stock, par value $0.001 per share

Underwriting Agreement

[•], 2023

J.P. Morgan Securities LLC
Jefferies LLC
Cowen and Company, LLC
As Representatives of the
several Underwriters listed
in Schedule 1 hereto

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

c/o Jefferies LLC
520 Madison Avenue
New York, New York 10022

c/o Cowen and Company, LLC
599 Lexington Avenue
New York, New York 10022

Ladies and Gentlemen:

CARGO Therapeutics, Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the several underwriters listed in Schedule 1 hereto (the "Underwriters"), for whom J.P. Morgan Securities LLC ("JPM"), Jefferies LLC ("Jefferies") and Cowen and Company, LLC ("TD Cowen") are acting as representatives (the "Representatives"), an aggregate of [•] shares of common stock, par value $0.001 per share ("Common Stock"), of the Company (the "Underwritten Shares") and, at the option of the Underwriters, up to an additional [•] shares of Common Stock (the "Option Shares"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares." The shares of Common Stock to be outstanding after giving effect to the sale of the Shares are referred to herein as the "Stock." In the event that the Company has no subsidiaries, or only one subsidiary, then all references herein to "subsidiaries" of the Company shall be deemed to refer to no subsidiary, or such single subsidiary, *mutatis mutandis*.

The Company hereby confirms its agreement with the several Underwriters concerning the purchase and sale of the Shares, as follows:

1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), a registration statement on Form S-1 (File No. 333-275113), including a prospectus, relating to the Shares. Such registration statement, as amended at the time it became effective, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness ("Rule 430 Information"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each prospectus included in such registration statement (and any amendments thereto) before effectiveness, any prospectus filed with the Commission pursuant to Rule 424(a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares. If the Company has filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively with the pricing information set forth on Annex A, the "Pricing Disclosure Package"): a Preliminary Prospectus dated [•], 2023 and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex A hereto.

"Applicable Time" means [•] [A/P].M., New York City time, on [•], 2023.

2. Purchase of the Shares.

(a) The Company agrees to issue and sell the Underwritten Shares to the several Underwriters as provided in this underwriting agreement (this "Agreement"), and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase at a price per share of $[•] (the "Purchase Price") from the Company the respective number of Underwritten Shares set forth opposite such Underwriter's name in Schedule 1 hereto.

In addition, the Company agrees to issue and sell the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to purchase, severally and not jointly, from the Company the Option Shares at the Purchase Price less an amount per share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares.

If any Option Shares are to be purchased, the number of Option Shares to be purchased by each Underwriter shall be the number of Option Shares which bears the same ratio to the aggregate number of Option Shares being purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 1 hereto (or such number increased as set forth in Section 10 hereof) bears to the aggregate number of Underwritten Shares being purchased from the Company by the several Underwriters, subject, however, to such adjustments to eliminate any fractional Shares as the Representatives in their sole discretion shall make.

The Underwriters may exercise the option to purchase Option Shares at any time in whole, or from time to time in part, on or before the thirtieth day following the date of the Prospectus, by written notice from the Representatives to the Company. Such notice shall set forth the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date nor later than the tenth full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 10 hereof). Any such notice shall be given at least two business days prior to the date and time of delivery specified therein.

(b) The Company understands that the Underwriters intend to make a public offering of the Shares, and initially to offer the Shares on the terms set forth in the Pricing Disclosure Package. The Company acknowledges and agrees that the Underwriters may offer and sell Shares to or through any affiliate of an Underwriter.

(c) Payment for the Shares shall be made by wire transfer in immediately available funds to the account specified by the Company to the Representatives in the case of the Underwritten Shares, at the offices of Cooley LLP, counsel for the Underwriters, at 3 Embarcadero Center, 20th Floor, San Francisco, CA 94111-4004, at 10:00 A.M., New York City time, on [•], 2023, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives and the Company may agree upon in writing or, in the case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to purchase such Option Shares. The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date," and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date."

Payment for the Shares to be purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made against delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be purchased on such date or the Additional Closing Date, as the case may be, with any transfer taxes payable in connection with the initial sale of such Shares to the Underwriters duly paid by the Company. Delivery of the Shares shall be made through the facilities of The Depository Trust Company unless the Representatives shall otherwise instruct.

(d) The Company acknowledges and agrees that the Representatives and the other Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent

investigation and appraisal of the transactions contemplated hereby, and neither the Representatives nor the other Underwriters shall have any responsibility or liability to the Company with respect thereto. Any review by the Representatives and the other Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company.

3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter that:

(a) *Preliminary Prospectus.* No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the Securities Act, and no Preliminary Prospectus, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(b) *Pricing Disclosure Package*. The Pricing Disclosure Package as of the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof. No statement of material fact included in the Prospectus has been omitted from the Pricing Disclosure Package and no statement of material fact included in the Pricing Disclosure Package that is required to be included in the Prospectus has been omitted therefrom.

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "Issuer Free Writing

Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each electronic road show and any other written communications approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complies in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, and, when taken together with all other Issuer Free Writing Prospectuses and the Preliminary Prospectus accompanying, or delivered prior to delivery of, such Issuer Free Writing Prospectus, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(d) *Emerging Growth Company*. From the time of initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged directly or through any person authorized to act on its behalf in any Testing-the-Waters Communication undertaken in reliance on Section 5(d) of, or Rule 163B under, the Securities Act) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "Emerging Growth Company"). "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on either Section 5(d) of, or Rule 163B under, the Securities Act.

(e) *Testing-the-Waters Materials.* The Company (i) has not alone engaged in any Testing-the-Waters Communications other than Testing-the-Waters Communications with the consent of the Representatives (x) with entities that are qualified institutional buyers ("QIBs") within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act ("IAIs") and otherwise in compliance with the requirements of Section 5(d) of the Securities Act or (y) with entities that the Company reasonably believed to be QIBs or IAIs and otherwise in compliance with the requirements of Rule 163B under the Securities Act and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications by virtue of a writing substantially in the form of Exhibit D hereto. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications other than those listed on Annex C hereto. "Written Testing-the-Waters Communication" means any Testing-the-

Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act. Any individual Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, complied in all material respects with the Securities Act, and when taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) *Registration Statement and Prospectus.* The Registration Statement has been declared effective by the Commission. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the knowledge of the Company, threatened by the Commission; as of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment complied and will comply in all material respects with the applicable requirements of the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus complied with and will comply in all material respects with the Securities Act and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(g) *Financial Statements.* The financial statements (including the related notes thereto) of the Company and its consolidated subsidiaries included in the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States applied on a consistent basis throughout the periods covered thereby, and any supporting schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the other financial information included in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries

and presents fairly in all material respects the information shown thereby; all disclosures included in the Registration Statement, the Pricing Disclosure Package and the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission), if any, comply with Regulation G of the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Exchange Act") and Item 10 of Regulation S-K of the Securities Act, to the extent applicable.

(h) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) there has not been any material change in the capital stock (other than the issuance of shares of Common Stock upon exercise of stock options described as outstanding in, and the grant of options and awards under existing equity incentive plans described in, the Registration Statement, the Pricing Disclosure Package and the Prospectus), short-term debt or long-term debt of the Company or any of its subsidiaries, or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development that would reasonably be expected to result in a material adverse change, in or affecting the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole; (ii) neither the Company nor any of its subsidiaries has entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and its subsidiaries taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole; and (iii) neither the Company nor any of its subsidiaries has sustained any loss or interference with its business that is material to the Company and its subsidiaries taken as a whole and that is either from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, except, in each case, as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(i) *Organization and Good Standing.* The Company has been duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization, is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or lease of property or the conduct of its business requires such qualification, and has all power and authority necessary to own or hold its properties and to conduct the businesses in which its is engaged, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole or on the performance by the Company of its obligations under this Agreement (a "Material Adverse Effect"). The Company does not own or control, directly or indirectly, any corporation, association or other entity.

(j) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Capitalization" and "Description of Capital Stock"; all the outstanding shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights that have not been duly waived or satisfied; except as described in or expressly contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights that have not been duly waived or satisfied), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company or any of its subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company or any such subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options; the capital stock of the Company conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus, and all the outstanding shares of capital stock or other equity interests of each subsidiary owned, directly or indirectly, by the Company have been duly and validly authorized and issued, are fully paid and non-assessable (except, in the case of any foreign subsidiary, for directors' qualifying shares) and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party.

(k) *Stock Options.* With respect to the stock options (the "Stock Options") granted pursuant to the stock-based compensation plans of the Company and its subsidiaries (the "Company Stock Plans"), except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) each Stock Option intended to qualify as an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") so qualifies, (ii) each grant of a Stock Option was duly authorized no later than the date on which the grant of such Stock Option was by its terms to be effective by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written consents, and, to the knowledge of the Company (other than with respect to due execution and delivery by the Company), the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, (iii) each such grant was made in accordance with the terms of the Company Stock Plans, and (iv) each such grant was properly accounted for in accordance with GAAP in the financial statements (including the related notes) of the Company.

(l) *Due Authorization.* The Company has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken.

(m) *Underwriting Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(n) *The Shares.* The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and, when issued and delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and nonassessable and will conform in all material respects to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights that have not been duly waived or satisfied.

(o) *Listing*. The Shares have been approved for listing on the Nasdaq Global Market ("Nasdaq Market"), subject to notice of issuance.

(p) *Description of the Underwriting Agreement.* This Agreement conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(q) *No Violation or Default.* Neither the Company nor any of its subsidiaries is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property or asset of the Company or any of its subsidiaries is subject; or (iii) in violation of any applicable law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority having jurisdiction over the Company and its subsidiaries, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(r) *No Conflicts.* The execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares and the consummation by the Company of the transactions contemplated by this Agreement or the Pricing Disclosure Package and the Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property, right or asset of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or any of its subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation, default, lien, charge or encumbrance that would not, individually or in the aggregate, have a Material Adverse Effect.

(s) *No Consents Required*. No consent, filing, approval, authorization, order, license, registration or qualification of or with any court or arbitrator or governmental or regulatory authority having jurisdiction over the Company is required for the execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares by the Company and the consummation of the transactions contemplated by this Agreement, except for the registration of the Shares under the Securities Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required by the Financial Industry Regulatory Authority, Inc. ("FINRA"), the Nasdaq Market, and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters.

(t) *Legal Proceedings.* There are no legal, governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings ("Actions") pending to which the Company or any of its subsidiaries is or may be a party or to which any property of the Company or any of its subsidiaries is or may be the subject that, individually or in the aggregate, if determined adversely to the Company or any of its subsidiaries, would reasonably be expected to have a Material Adverse Effect; to the knowledge of the Company, no such Actions are threatened or contemplated by any governmental or regulatory authority or threatened by others that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect; and (i) there are no current or pending Actions that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no statutes, regulations or contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(u) *Independent Accountants*. Deloitte & Touche LLP, who has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(v) *Title to Real and Personal Property*. The Company and its subsidiaries have good and marketable title in fee simple (in the case of real property) to, or have valid rights to lease or otherwise use, all items of real and personal property that are material to the respective businesses of the Company and its subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (ii) could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(w) *Title to Intellectual Property*. The Company and its subsidiaries own or possess valid and enforceable license rights under all material patents, patent applications, trademarks, service marks, trade names, trade dress, Internet domain names, copyrights, works of authorship, licenses, proprietary information and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), or other intellectual property which are reasonably necessary for the conduct of their respective businesses in the manner described in the Registration Statement, the Pricing Disclosure Package and the Prospectus (collectively, "Intellectual Property"), and, to the Company's knowledge, the conduct of their respective businesses does not infringe, misappropriate or otherwise violate any valid intellectual property rights of others. The Intellectual Property of the Company has not been adjudged by a court of competent jurisdiction to be invalid or unenforceable, in whole or in part, and to the Company's knowledge, the Company is unaware of any facts which would form a reasonable basis for any such adjudication. The Company and its subsidiaries have not received any written notice of any claim of infringement, misappropriation or violation of any valid intellectual property rights of another, and the Company is unaware of any facts which would form a reasonable basis for a notice of any claim of infringement, misappropriation or violation of any valid intellectual property rights of another. To the Company's knowledge: (i) other than those described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no third parties who have rights to any Intellectual Property, except for customary reversionary rights of third-party licensors, with respect to Intellectual Property that is disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus ("Disclosure Documents") as owned by or licensed to the Company or its subsidiaries; and (ii) there is no infringement by third parties of any Intellectual Property. There is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others: (A) challenging the Company's rights in or to any Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; (B) challenging the validity, enforceability or scope of any Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; or (C) asserting that the Company or its subsidiaries infringe, misappropriate, or otherwise violate, or would, upon the commercialization of any product or service described in the Disclosure Documents as under development, infringe, misappropriate, or otherwise violate, any valid intellectual property rights of others, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim. To the Company's knowledge, there are no material defects in any of the material patents or patent applications included in the Intellectual Property. To the Company's knowledge, the Company and its subsidiaries have taken all reasonable steps to protect, maintain and safeguard their Intellectual Property, including the execution of appropriate nondisclosure or confidentiality agreements, invention assignment agreements and invention assignments with their employees, and, to the Company's knowledge, no employee of the Company is in or has been in violation of any material term of any of such agreements, or any restrictive covenant to or with a former employer where the basis of such violation relates to such employee's employment with the Company. To the Company's knowledge, the duty of

candor and good faith as required by the United States Patent and Trademark Office during the prosecution of the material United States patents and patent applications included in the Intellectual Property have been complied in all respects with; and in all foreign patent offices having similar requirements, all such requirements have been complied with in all respects. To the Company's knowledge, none of the Company owned Intellectual Property or technology (including information technology and outsourced arrangements) employed by the Company or its subsidiaries has been obtained or is being used by the Company or its subsidiary in violation of any material contractual obligation binding on the Company or its subsidiaries or any of their respective officers, directors or employees or otherwise in violation of the valid rights of any persons. To the Company's knowledge, all material license agreements for the use of the Intellectual Property Rights described in the Disclosure Documents are valid, binding upon, and enforceable by or against the parties thereto in accordance to its terms. To the Company's knowledge, the Company has complied in all material respects with, and is not in breach nor has received any asserted or threatened claim of breach of any material Intellectual Property license, and the Company has no knowledge of any breach or anticipated breach by any other person to any material Intellectual Property license.

(x) *Trade Secrets*. To the knowledge of the Company, the Company and its subsidiaries have taken reasonable and customary actions to protect their rights in and prevent the unauthorized use and disclosure of material trade secrets and confidential business information (including confidential source code, ideas, research and development information, know-how, formulas, compositions, technical data, designs, drawings, specifications, research records, records of inventions, test information, financial, marketing and business data, customer and supplier lists and information, pricing and cost information, business and marketing plans and proposals) owned by the Company and its subsidiaries, and, to the knowledge of the Company, there has been no unauthorized use or disclosure.

(y) *IT Assets, Data Privacy and Security*. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) the computers, websites, applications, databases, software, servers, networks, data communications lines, and other information technology systems owned, licensed, leased or otherwise used by the Company and its subsidiaries (including any third party technology or services used by the Company but excluding any public networks) (collectively, the "IT Assets") operate and perform as necessary for the operation of the business of the Company and its subsidiaries as currently conducted, (ii) to the knowledge of the Company, the IT Assets are free and clear of all viruses, vulnerabilities, bugs, errors, defects, Trojan horses, time bombs, malware and other malicious code, and (iii) the Company and its subsidiaries have implemented and maintained commercially reasonable controls, policies, procedures, and safeguards to maintain and protect their confidential information and the privacy, confidentiality, integrity, and security of all IT Assets and data (including all Personal Data (defined below), sensitive, confidential, or regulated data (collectively, "Confidential Data")) used in connection with their businesses. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, there have been no breaches, outages, or unauthorized uses of, or accesses to IT Assets or Confidential Data (each, a "Breach"), nor any

Breaches under internal review or investigation by the Company in relation to the same. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries comply, and have complied, with all applicable state and federal data privacy and security laws and regulations and industry standards applicable to the performance of Company's obligations under any contracts regarding the collection, use, storage, retention, disclosure, transfer, disposal, or any other processing (collectively "Process" or "Processing") and privacy, confidentiality, integrity and security of Personal Data ("Privacy Laws"). To ensure compliance with the Privacy Laws, the Company and its subsidiaries have in place, comply with, and take appropriate steps designed to ensure compliance in all material respects with the Company's policies and procedures relating to data privacy and security and the collection, storage, use, disclosure, handling, and analysis of Confidential Data (the "Policies"). The Company and its subsidiaries, and, to the knowledge of the Company, any third parties performing operations involving Personal Data on behalf of Company and its subsidiaries, have at all times made all required disclosures to and obtained all necessary consents from the data subjects from whom such Personal Data was and will be collected, except where the failure to make such disclosures or obtain such consents would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. "Personal Data" means all information that relates to an identified or identifiable individual and is regulated as "personal data," "personal information," "individually identifiable health information," "protected health information," "personally identifiable information," or any similar information under any Privacy Law.

(z) *No Complaints*. There has been no complaint, audit, proceeding, investigation, demand or claim made against the Company or its subsidiaries, in respect of the Processing of Personal Data by the Company or its subsidiaries, and, no such complaint, audit, proceeding, investigation or claim is or has been threatened in writing.

(aa) *FDA Compliance*. Except in each case as would not, whether individually or in the aggregate, reasonable be expected to have a Material Adverse Effect, the Company: (A) is and at all times has been in compliance with all applicable statutes, rules or regulations enforced by the U.S. Food and Drug Administration ("FDA") and other comparable governmental entities having oversight over the ownership, testing, development, manufacture, packaging, processing, use, distribution, marketing, labeling, promotion, sale, offer for sale, storage, import, export or disposal of any product under development, manufactured or distributed by the Company ("Applicable Laws"); (B) has not received any FDA Form 483, written notice of adverse finding, warning letter, untitled letter or other written correspondence or notice from the FDA or any governmental entity alleging or asserting noncompliance with any Applicable Laws or any licenses, certificates, approvals, clearances, exemptions, authorizations, permits and supplements or amendments thereto required by any such Applicable Laws ("Authorizations"); (C) possesses all Authorizations, such Authorizations are valid and in full force and effect and the Company is not in violation of any term of any such Authorizations; (D) has not received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from the FDA or any governmental entity or third party alleging that any product operation or activity is in violation of any Applicable Laws or Authorizations and has no knowledge that the FDA or any governmental entity or third party has threatened any such claim, litigation, arbitration, action, suit, investigation or proceeding; (E) has not received written notice that the FDA or any governmental entity has taken, is taking or intends to take action to limit, suspend, modify or revoke any Authorizations and has no knowledge that the FDA or any governmental entity has threatened such action; and (F) has filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were materially complete and correct on the date filed (or were corrected or supplemented by a subsequent submission).

(bb) *Tests and Preclinical and Clinical Trials*. The studies, tests and preclinical and clinical trials conducted by or, to the Company's knowledge, on behalf of the Company were and, if still ongoing, are being conducted in all material respects in accordance with all Authorizations and Applicable Laws, including, without limitation, the Federal Food, Drug and Cosmetic Act (21 U.S.C. § 301 et seq.) and the rules and regulations promulgated thereunder ("FDCA") and any other applicable rules, regulations and policies to which such trials and studies are subject; the descriptions of the results of such studies, tests and trials contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus are, to the Company's knowledge, accurate in all material respects; the Company is not aware of any studies, tests or trials, the results of which the Company believes reasonably call into question the study, test, or trial results described or referred to in the Registration Statement, the Pricing Disclosure Package and the Prospectus when viewed in the context in which such results are described and the clinical state of development; and the Company has not received any written notices or correspondence from the FDA or any governmental entity requiring the termination or suspension of any studies, tests or preclinical or clinical trials currently being conducted or proposed to be conducted by or on behalf of the Company, other than ordinary course communications with respect to modifications in connection with the design and implementation of such trials. To the Company's knowledge, the studies, tests and preclinical and clinical trials involving the Company's product candidates are accurately described in the Registration Statement, the Preliminary Prospectus and the Prospectus in all material respects.

(cc) *Compliance with Health Care Laws*. Except as would not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries and to the Company's knowledge their respective directors, officers, employees, independent contractors, agents and affiliates are, and at all times have been, in compliance with all applicable Health Care Laws. For purposes of this Agreement, "Health Care Laws" means: (i) the FDCA, the Public Health Service Act (42 U.S.C. § 201 et seq.) and the regulations promulgated thereunder; (ii) all applicable federal, state, local and foreign health care fraud and abuse laws, including, without limitation, the U.S. Anti-Kickback Statute (42 U.S.C. Section 1320a-7b(b)), the U.S. Civil False Claims Act (31 U.S.C. Section 3729 et seq.), the criminal False Statements Law (42 U.S.C. Section 1320a-7b(a)), all criminal laws relating to health care fraud and abuse, including but not limited to 18 U.S.C. Sections 286, 287 and 1349, the health care fraud criminal provisions under HIPAA, the civil monetary penalties law (42 U.S.C. Section 1320a-7a), the exclusions law (42 U.S.C. Section 1320a-7), the Physician Payments Sunshine Act (42 U.S.C Section 1320-7h), and the laws governing U.S. government funded or sponsored healthcare programs; and (iii) all other local, state, federal, national, supranational and foreign laws, relating to the regulation of the Company or its subsidiaries, and (iv) the directives and regulations promulgated pursuant to such statutes and any state or non-U.S. counterpart thereof. Neither the Company nor any of its subsidiaries has received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any court or arbitrator or governmental or regulatory authority or third party alleging that any product,

operation or activity is in violation of any Health Care Laws nor, to the Company's knowledge, is any such claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action threatened, except where any of the foregoing, if resolved adversely to the Company, would not reasonably be expected to have a Material Adverse Effect. Except as would not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries have filed, maintained or submitted all material reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Health Care Laws, and all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and accurate on the date filed (or were corrected or supplemented by a subsequent submission). Neither the Company nor any of its subsidiaries is a party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any governmental or regulatory authority or body. Additionally, neither the Company, any of its subsidiaries nor any of their respective employees, officers, directors, or, to the Company's knowledge, independent contractors, affiliates or agents has been excluded, suspended or debarred from participation in any U.S. federal health care program or human clinical research or is subject to a governmental inquiry, investigation, proceeding, or other similar action that could reasonably be expected to result in debarment, suspension or exclusion.

(dd) *No Undisclosed Relationships*. No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, customers, suppliers or other affiliates of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in each of the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(ee) *Investment Company Act*. The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Investment Company Act").

(ff) *Taxes.* Except as would not reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries have paid all federal, state, local and foreign taxes and filed all tax returns required to be paid or filed through the date hereof unless such taxes are being contested in good faith by appropriate proceedings for which reserves are being maintained in accordance with generally accepted accounting principles, and, except as otherwise disclosed in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus or as would not reasonably be expected to have a Material Adverse Effect, there is no tax deficiency that has been, or could reasonably be expected to be, asserted against the Company or any of its subsidiaries or any of their respective properties or assets.

(gg) *Licenses and Permits.* The Company and its subsidiaries possess, and are in compliance with the terms of, all licenses, sub-licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failures to so possess, comply with, or make such declarations or filings would not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received written notice of any revocation or modification of any such license, sub-license, certificate, permit or authorization or has any reason to believe that any such license, sub-license, certificate, permit or authorization will not be renewed in the ordinary course, except for such revocations, modifications or non-renewals as would not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No event has occurred which allows, or after notice or lapse of time would allow, revocation or termination thereof or results in any other impairment of the rights of the holder, except for such revocations, terminations or impairments as would not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Company and its subsidiaries have filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and correct on the date filed (or were corrected or supplemented by a subsequent submission) as required for maintenance of their licenses, certificates, permits and other authorizations that are necessary for the conduct of their respective businesses, except where such failures to file, obtain, maintain, submit, correct or supplement the same would not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(hh) *No Labor Disputes.* No labor disturbance by or dispute with employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, except as would not reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any notice of cancellation or termination with respect to any collective bargaining agreement to which it is a party.

(ii) *Certain Environmental Matters*. (i) The Company and its subsidiaries (x) are in compliance with all, and have not violated any, applicable federal, state, local and foreign laws (including common law), rules, regulations, requirements, decisions, judgments, decrees, orders and other legally enforceable requirements relating to pollution or the protection of human health or safety, the environment, natural resources, hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "Environmental Laws"); (y) have received and are in compliance with all, and have not violated any, permits, licenses, certificates or other authorizations or approvals required

of them under any Environmental Laws to conduct their respective businesses; and (z) have not received notice of any actual or potential liability or obligation under or relating to, or any actual or potential violation of, any Environmental Laws, including for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, and have no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) there are no costs or liabilities associated with Environmental Laws of or relating to the Company or its subsidiaries, except in the case of each of (i) and (ii) above, for any such matter as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) (x) there is no proceeding that is pending, or that is known by the Company to be contemplated, against the Company or any of its subsidiaries under any Environmental Laws in which a governmental entity is also a party, other than such proceeding regarding which the Company reasonably believes no monetary sanctions of $100,000 or more will be imposed, (y) the Company and its subsidiaries are not aware of any facts or issues regarding compliance with Environmental Laws, or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants, that could reasonably be expected to have a Material Adverse Effect, and (z) none of the Company or its subsidiaries anticipates material capital expenditures relating to any Environmental Laws.

(jj) *Hazardous Materials*. There has been no storage, generation, transportation, use, handling, treatment, Release or threat of Release of Hazardous Materials by, relating to or caused by the Company or any of its subsidiaries (or, to the knowledge of the Company and its subsidiaries, any other entity (including any predecessor) for whose acts or omissions the Company or any of its subsidiaries is or could reasonably be expected to be liable) at, on, under or from any property or facility now or previously owned, operated or leased by the Company or any of its subsidiaries, or to the knowledge of the Company, at, on, under or from any other property or facility, in violation of any Environmental Laws or in a manner or amount or to a location that could reasonably be expected to result in any liability under any Environmental Law, except for any violation or liability which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. “Hazardous Materials” means any material, chemical, substance, waste, pollutant, contaminant, compound, mixture, or constituent thereof, in any form or amount, including petroleum (including crude oil or any fraction thereof) and petroleum products, natural gas liquids, asbestos and asbestos containing materials, naturally occurring radioactive materials, brine, and drilling mud, regulated or which can give rise to liability under any Environmental Law. “Release” means any spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing, dispersing, or migrating in, into or through the environment, or in, into from or through any building or structure.

(kk) *Compliance with ERISA*. (i) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), for which the Company or any member of its “Controlled Group” (defined as any entity, whether or not incorporated, that is under common control with the Company within the meaning of Section 4001(a)(14) of ERISA or any entity that would be regarded as a single employer with the Company under Section 414(b),(c),(m)

or (o) of the Code) would have any liability (each, a "Plan") has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan, excluding transactions effected pursuant to a statutory or administrative exemption; (iii) for each Plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, no Plan has failed (whether or not waived), or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan; (iv) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA) and no Plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA is in "endangered status" or "critical status" (within the meaning of Sections 304 and 305 of ERISA) (v) the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (vi) no "reportable event" (within the meaning of Section 4043(c) of ERISA and the regulations promulgated thereunder) has occurred or is reasonably expected to occur; (vii) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified, and nothing has occurred, to the knowledge of the Company, whether by action or by failure to act, which would cause the loss of such qualification; (viii) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guarantee Corporation, in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA); and (ix) none of the following events has occurred or is reasonably likely to occur: (A) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its Controlled Group affiliates in the current fiscal year of the Company and its Controlled Group affiliates compared to the amount of such contributions made in the Company's and its Controlled Group affiliates' most recently completed fiscal year; or (B) a material increase in the Company and its subsidiaries' "accumulated post-retirement benefit obligations" (within the meaning of Accounting Standards Codification Topic 715-60) compared to the amount of such obligations in the Company and its subsidiaries' most recently completed fiscal year, except in each case with respect to the events or conditions set forth in (i) through (ix) hereof, as would not, individually or in the aggregate, have a Material Adverse Effect.

(ll) *Disclosure Controls*. The Company and its subsidiaries maintain an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that complies with the applicable requirements of the Exchange Act and that has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

(mm) *Accounting Controls.* The Company and its subsidiaries maintain systems of "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that are reasonably designed to comply with the applicable requirements of the Exchange Act and have been designed by, or under the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company and its subsidiaries maintain internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. There are no material weaknesses in the Company's internal controls. The Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(nn) *Insurance.* The Company and its subsidiaries have insurance covering their respective properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as the Company reasonably believes are adequate to protect the Company and its subsidiaries and their respective businesses; and neither the Company nor any of its subsidiaries has (i) received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business.

(oo) *No Unlawful Payments.* Neither the Company nor any of its subsidiaries nor any director, officer or employee of the Company or any of its subsidiaries nor, to the knowledge of the Company, any agent, affiliate or other person acting on behalf of the Company or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or unlawful benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation

implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. Neither the Company nor any of its subsidiaries will use, directly or indirectly, the proceeds of the offering in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of any applicable anti-bribery or anti-corruption laws. The Company and its subsidiaries will institute, maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(pp) *Compliance with Anti-Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(qq) *No Conflicts with Sanctions Laws.* Neither the Company nor any of its subsidiaries, directors, officers, or employees, nor, to the knowledge of the Company, any agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is currently the subject or the target of any economic, financial or trade sanctions administered or enforced by the U.S. government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, His Majesty's Treasury, the Swiss Secretariat of Economic Affairs, or other relevant sanctions authority (collectively, "Sanctions"), nor is the Company or any of its subsidiaries, directors, officers, or employees, or, to the knowledge of the Company, any agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is located, organized or resident in a country or territory that is the subject or target of Sanctions, including, without limitation, the Crimea Region of Ukraine, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic and the non-government controlled areas of the Zaporizhzhia and Kherson Regions, Cuba, Iran, North Korea and Syria (each, a "Sanctioned Country"); and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any

activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. The Company and its subsidiaries have not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(rr) *No Broker's Fees.* Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(ss) *No Registration Rights*. No person has the right to require the Company or any of its subsidiaries to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission or the issuance and sale of the Shares.

(tt) *No Stabilization.* Neither the Company nor any of its subsidiaries or, to the Company's knowledge, affiliates have taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(uu) *Margin Rules*. Neither the issuance, sale and delivery of the Shares nor the application of the proceeds thereof by the Company as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(vv) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(ww) *Statistical and Market Data.* Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(xx) *Sarbanes-Oxley Act*. There is and has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any applicable provision of the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated in connection therewith (the "Sarbanes-Oxley Act"), including Section 402 related to loans and Sections 302 and 906 related to certifications.

(yy) *Status under the Securities Act*. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act. The Company has paid the registration fee for this offering pursuant to Rule 456(b)(1) under the Securities Act or will pay such fee within the time period required by such rule (without giving effect to the proviso therein) and in any event prior to the Closing Date.

(zz) *No Ratings*. There are (and prior to the Closing Date, will be) no debt securities, convertible securities or preferred stock issued or guaranteed by the Company or any of its subsidiaries that are rated by a "nationally recognized statistical rating organization", as such term is defined in Section 3(a)(62) under the Exchange Act.

(aaa) *No Subsidiaries*. The Company does not own or control, directly or indirectly, any corporation, association or other entity (e.g., the Company has no subsidiaries).

4. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and the Company will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies.* Upon written request of the Representatives, the Company will deliver, without charge, (i) to the Representatives, two signed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses.* Before making, preparing, using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement, the Pricing Disclosure Package or the Prospectus, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not make, prepare, use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably object.

(d) *Notice to the Representatives.* The Company will advise the Representatives promptly, and confirm such advice in writing (which may be by electronic mail), (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Pricing Disclosure Package, the Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication or any amendment to the Prospectus has been filed or distributed; (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information including, but not limited to, any request for information concerning any Testing-the-Waters Communication; (v) of the issuance by the Commission or any other governmental or regulatory authority of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package, the Prospectus or any Written Testing-the-Waters Communication or the initiation or, to the knowledge of the Company, threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, any of the Pricing Disclosure Package or any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package, or any such Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication is delivered to a purchaser, not misleading; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or the initiation or, to the knowledge of the Company, threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or any Written Testing-the-Waters Communication or suspending any such qualification of the Shares and, if any such order is issued, will use its reasonable best efforts to obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance.* (1) If during the Prospectus Delivery Period (i) any event or development shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with law and (2) if at any time prior to the Closing Date (i) any event or development shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with law.

(f) *Blue Sky Compliance.* The Company will qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Shares; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earning Statement.* The Company will make generally available to its security holders and the Representatives as soon as practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement; provided that the Company will be deemed to have furnished such statements to its security holders and the Representatives to the extent they are filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system ("EDGAR").

(h) *Clear Market.* For a period of 180 days after the date of the Prospectus (the "Restricted Period"), the Company will not (i) 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, hedge, lend, or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the Commission a registration statement under the Securities Act relating to, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock, or (ii) enter into any swap, hedging or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, or publicly disclose the intention to undertake any of the foregoing in clause (i) or (ii), whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without the prior written consent of the Representatives, other than the Shares to be sold hereunder.

The restrictions described above do not apply to (i) the issuance of shares of Stock or securities convertible into or exercisable for shares of Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of RSUs (including net settlement), in each case outstanding on the date of this Agreement and described in the Prospectus; (ii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of Stock or securities convertible into or exercisable or exchangeable for shares of Stock (whether upon the exercise of stock options or otherwise) to the Company's employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the Closing Date and described in the Prospectus, provided that such recipients enter into a lock-up agreement with the Underwriters; (iii) the issuance of up to 5% of the outstanding shares of Stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, Stock, immediately following the Closing Date, in acquisitions or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the Underwriters; or (iv) the filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of this Agreement and described in the Prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction.

If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up agreement described in Section 6(l) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver substantially in the form of Exhibit B hereto at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver substantially in the form of Exhibit C hereto through a major news service at least two business days before the effective date of the release or waiver.

(i) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Shares as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Use of proceeds".

(j) *No Stabilization.* Neither the Company nor its subsidiaries or affiliates will take, directly or indirectly, without giving effect to activities by the Underwriters, any action designed to or that would reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(k) *Exchange Listing.* The Company will use its reasonable best efforts to list, subject to notice of issuance, the Shares on the Nasdaq Market.

(l) *Reports.* For a period of three years from the date of this Agreement (provided that the Company remains subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act), the Company will furnish to the Representatives, as soon as they are available, copies of all reports or other communications (financial or other) furnished to holders of the Shares, and copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or automatic quotation system; provided the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on EDGAR.

(m) *Record Retention*. The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(n) *Filings.* The Company will file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(o) *Emerging Growth Company*. The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of Shares within the meaning of the Securities Act and (ii) completion of the Restricted Period.

5. Certain Agreements of the Underwriters. Each Underwriter hereby represents and agrees that:

(a) It has not and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus", as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not incorporated by reference into the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included (including through incorporation by reference) in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex A or prepared pursuant to Section 3(c) or Section 4(c) above (including any electronic road show approved by the Company in advance in writing), or (iii) any free writing prospectus prepared by such underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus").

(b) It has not and will not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission; *provided* that Underwriters may use a term sheet substantially in the form of Annex C hereto without the consent of the Company; *provided further* that any Underwriter using such term sheet shall notify the Company, and provide a copy of such term sheet to the Company, prior to, or substantially concurrently with, the first use of such term sheet.

(c) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company if any such proceeding against it is initiated during the Prospectus Delivery Period).

6. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase the Underwritten Shares on the Closing Date or the Option Shares on the Additional Closing Date, as the case may be, as provided herein is subject to the performance by the Company of its covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order.* No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 4(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties.* The representations and warranties of the Company contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) *No Material Adverse Change.* No event or condition of a type described in Section 3(h) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(d) *Officers' Certificate.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, a certificate of the chief financial officer or chief accounting officer of the Company and one additional senior executive officer of the Company who is satisfactory to the Representatives, on behalf of the Company and not in their individual capacities, (i) confirming that such

officers have carefully reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and, to the knowledge of such officers, the representations set forth in Sections 3(b) and 3(f) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied in all material respects with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be, and (iii) to the effect set forth in paragraphs (a), (b) and (c) above.

(e) *Comfort Letters*. (i) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, Deloitte & Touche LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided, that the letter delivered on the Closing Date or the Additional Closing Date, as the case may be, shall use a "cut-off" date no more than three business days prior to such Closing Date or such Additional Closing Date, as the case may be.

(ii) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives a certificate, dated the respective dates of delivery thereof and addressed to the Underwriters, of its chief financial officer with respect to certain financial data contained in the Pricing Disclosure Package and the Prospectus, providing "management comfort" with respect to such information, in form and substance reasonably satisfactory to the Representatives.

(f) *Opinion and 10b-5 Statement of Counsel for the Company.* Latham & Watkins LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 statement, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(g) *Opinion of Intellectual Property Counsel for the Company*. Wilson Sonsini Goodrich & Rosati, P.C., intellectual property counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(h) *Opinion and 10b-5 Statement of Counsel for the Underwriters*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement, addressed to the Underwriters, of Cooley LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(i) *No Legal Impediment to Issuance and Sale*. No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares.

(j) *Good Standing*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company and its subsidiaries in their respective jurisdictions of organization and their good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(k) *Exchange Listing.* The Shares to be delivered on the Closing Date or the Additional Closing Date, as the case may be, shall have been approved for listing on the Nasdaq Market, subject to official notice of issuance.

(l) *Lock-up Agreements*. The "lock-up" agreements, each substantially in the form of Exhibit A hereto, between you and the officers, directors and substantially all of the securityholders of the Company, officers and directors of the Company relating to sales and certain other dispositions of shares of Stock or certain other securities, delivered to you on or before the date hereof, shall be full force and effect on the Closing Date or the Additional Closing Date, as the case may be.

(m) *Certification Regarding Beneficial Owners*. The Company will deliver to each Underwriter (or its agent), on the date of execution of this Agreement, a properly completed and executed Certification Regarding Beneficial Owners of Legal Entity Customers, together with copies of identifying documentation, and the Company undertakes to provide such additional supporting documentation as each Underwriter may reasonably request in connection with the verification of the foregoing Certification.

(n) *Additional Documents*. On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

7. Indemnification and Contribution.

(a) *Indemnification of the Underwriters.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable and documented legal fees and other reasonable and documented expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act, any Written Testing-the-Waters Communication prepared or authorized by the Company, any road show as defined in Rule 433(h) under the Securities Act (a "road show") or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (b) below.

(b) *Indemnification of the Company.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the [•] paragraph under the caption "Underwriting" and the information contained in the [•] paragraph under the caption "Underwriting."

(c) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to the preceding paragraphs of this Section 7, such person (the "Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 7 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under the preceding paragraphs of this Section 7. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section 7 that the Indemnifying Person may designate in such proceeding and shall pay the reasonable and documented fees and expenses in such proceeding and shall pay the reasonable and documented fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and reasonable and documented expenses shall be paid or reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives and any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for fees and reasonable and documented expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person

shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution.* If the indemnification provided for in paragraphs (a) or (b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters on the other, from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company, on the one hand, and the Underwriters on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriters on the other, shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company, on the one hand, and the Underwriters on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability.* The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to paragraph (d) above were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any reasonable and documented legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of paragraphs (d) and (e), in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to paragraphs (d) and (e) are several in proportion to their respective purchase obligations hereunder and not joint.

(f) *Non-Exclusive Remedies.* The remedies provided for in this Section 7 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

8. Effectiveness of Agreement. This Agreement shall become effective as of the date first written above.

9. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company, if after the execution and delivery of this Agreement and on or prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date, (i) trading generally shall have been suspended or materially limited on or by any of the New York Stock Exchange or The Nasdaq Stock Market; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

10. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to purchase the Shares that it has agreed to purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Shares by other persons satisfactory to the Company on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Shares, then the Company shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Shares on such terms. If other persons become obligated or agree to purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term “Underwriter” includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 10, purchases Shares that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Company as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh of the aggregate number of Shares to be purchased on such date, then the Company shall have the right to require each non-defaulting Underwriter to purchase the number of Shares that such Underwriter agreed to purchase hereunder on such date plus such Underwriter's pro rata share (based on the number of Shares that such Underwriter agreed to purchase on such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Company as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh of the aggregate amount of Shares to be purchased on such date, or if the Company shall not exercise the right described in paragraph (b) above, then this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to purchase Shares on the Additional Closing Date, as the case may be, shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 10 shall be without liability on the part of the Company, except that the Company will continue to be liable for the payment of expenses as set forth in Section 11 hereof and except that the provisions of Section 7 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company or any non-defaulting Underwriter for damages caused by its default.

11. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Shares to the Underwriters and any transfer taxes payable in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the fees and expenses of the Company's counsel and independent accountants; (iv) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Underwriters); (v) the cost of preparing stock certificates; (vi) the costs and charges of any transfer agent and any registrar; (vii) all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA (including the fees and expenses of counsel for the Underwriters), provided that the aggregate amount payable by the Company pursuant to clauses (iv) and (vii) shall not exceed $40,000 (excluding filing fees); (viii) all expenses incurred by the Company in connection with any "road show" presentation to potential investors; and (ix) all expenses and application fees related to the listing of the Shares on the Nasdaq Market.

(b) If (i) this Agreement is terminated pursuant to Section 9, (ii) the Company for any reason fails to tender the Shares for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all reasonable and documented out-of-pocket costs and expenses (including the reasonable and documented fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby.

12. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein, and the affiliates of each Underwriter referred to in Section 7 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

13. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Underwriters contained in this Agreement or made by or on behalf of the Company or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company or the Underwriters or the directors, officers, controlling persons or affiliates referred to in Section 7 hereof.

14. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term “affiliate” has the meaning set forth in Rule 405 under the Securities Act; (b) the term “business day” means any day other than a day on which banks are permitted or required to be closed in New York City; (c) the term “subsidiary” has the meaning set forth in Rule 405 under the Securities Act; and (d) the term “significant subsidiary” has the meaning set forth in Rule 1-02 of Regulation S-X under the Exchange Act. In the event that the Company has no subsidiaries, or only one subsidiary, then all references herein to “subsidiaries” of the Company shall be deemed to refer to no subsidiary, or such single subsidiary, mutatis mutandis.

15. Compliance with USA Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

16. Miscellaneous.

(a) *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358), Attention: Equity Syndicate Desk; Jefferies LLC, 520 Madison Avenue, New York, New York 10022, Facsimile: (646) 619-4437, Attention: General Counsel; and Cowen and Company, LLC, 599 Lexington Avenue, New York, New York 10022, Attention: Head of Equity Capital Markets, with a copy to the General Counsel, Investment Banking. Notices to the Company shall be given to it at CARGO Therapeutics, Inc., 1900 Alameda De Las Pulgas, Suite 350, San Mateo, California 94403; Attention: Chief Financial Officer.

(b) *Governing Law.* This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(c) *Submission to Jurisdiction*. The Company hereby submits to the exclusive jurisdiction of the U.S. federal and New York state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company waives any objection which it may now or hereafter have to the laying of venue of any such suit or proceeding in such courts. The Company agrees that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Company and may be enforced in any court to the jurisdiction of which Company is subject by a suit upon such judgment.

(d) *Waiver of Jury Trial.* Each of the parties hereto hereby waives any right to trial by jury in any suit or proceeding arising out of or relating to this Agreement.

(e) *Recognition of the U.S. Special Resolution Regimes*.

(i) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(ii) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 16(e):

"BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"Covered Entity" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

(f) *Counterparts.* This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, 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.

(g) *Amendments or Waivers.* No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(h) *Headings.* The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

[*Signature Pages Follow*]

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

CARGO THERAPEUTICS, INC.

By: _____
Name:
Title:

[*Signature Page to Underwriting Agreement*]

Accepted: As of the date first written above

J.P. MORGAN SECURITIES LLC
JEFFERIES LLC
COWEN AND COMPANY, LLC

For themselves and on behalf of the several Underwriters
listed in Schedule 1 hereto.

J.P. MORGAN SECURITIES LLC

By: _____
Authorized Signatory

JEFFERIES LLC

By: _____
Authorized Signatory

COWEN AND COMPANY, LLC

By: _____
Authorized Signatory

Schedule 1

Underwriter	Number of Shares
J.P. Morgan Securities LLC	[•]
Jefferies LLC	[•]
Cowen and Company, LLC	[•]
Truist Securities, Inc.	[•]
[•]	[•]
Total	[•]

a. **Pricing Disclosure Package**

[None.]

b. **Pricing Information**

Number of Underwritten Shares: [•]

Number of Option Shares: [•]

Public Offering Price: $[•] per Share

Written Testing-the-Waters Communications

[CARGO Therapeutics – Testing-the-Waters Presentation]

CARGO Therapeutics, Inc.

Pricing Term Sheet

[None.]

FORM OF LOCK-UP AGREEMENT

_____, 2023

J.P. MORGAN SECURITIES LLC
JEFFERIES LLC
COWEN AND COMPANY, LLC
As Representatives of
the several Underwriters listed in
Schedule 1 to the Underwriting
Agreement referred to below

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

c/o Jefferies LLC
520 Madison Avenue
New York, NY 10022

c/o Cowen and Company, LLC
599 Lexington Avenue
New York, NY 10022

Re: CARGO Therapeutics, Inc. —- Initial Public Offering

Ladies and Gentlemen:

The undersigned understands that you, as Representatives of the several Underwriters, propose to enter into an underwriting agreement (the "Underwriting Agreement") with CARGO Therapeutics, Inc., a Delaware corporation (the "Company"), providing for the initial public offering (the "Public Offering") by the several Underwriters named in Schedule 1 to the Underwriting Agreement (the "Underwriters"), of common stock, par value $0.001 per share (the "Common Stock"), of the Company (the "Securities"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the prior written consent of the Representatives on behalf of the Underwriters, the undersigned will not, and will not cause any direct or indirect affiliate to, during the period beginning on the date of this letter agreement (this "Letter Agreement") and ending at the close of business 180 days after the date of the final prospectus relating to the Public Offering (the "Prospectus") (such period, the "Restricted Period"), (1) 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, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock (including without limitation, Common Stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission and securities which may be issued upon exercise of a stock option or warrant) (collectively with the Common Stock, "Lock-Up Securities"), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Lock-Up Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Lock-Up Securities, in cash or otherwise, (3) make any demand for or exercise any right with respect to the registration of any Lock-Up Securities, or (4) publicly disclose the intention to do any of the foregoing. The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (whether by the undersigned or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any Lock-Up Securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Lock-Up Securities, in cash or otherwise. The undersigned further confirms that it has furnished the Representatives with the details of any transaction the undersigned, or any of its affiliates, is a party to as of the date hereof, which transaction would have been restricted by this Letter Agreement if it had been entered into by the undersigned during the Restricted Period.

Notwithstanding the foregoing, the undersigned may:

(a) transfer, distribute, cause the disposition of or surrender (as the case may be), the undersigned's Lock-Up Securities:

(i) as a bona fide gift or gifts, or for bona fide estate planning purposes,

(ii) by will, other testamentary document or intestacy,

(iii) (1) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, or if the undersigned is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust (for purposes of this Letter Agreement, "immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin), or (2) to any immediate family member,

(iv) to a corporation, partnership, limited liability company or other entity of which the undersigned and/or the immediate family of the undersigned are the legal and beneficial owner of all of the outstanding equity securities or similar interests,

(v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv) above,

(vi) if the undersigned is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) of the undersigned, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the undersigned or affiliates of the undersigned (including, for the avoidance of doubt, where the undersigned is a partnership, to its general partner or a successor partnership or fund, or any other funds managed by such general partnership, partnership or fund), or (B) as part of a distribution to partners, direct or indirect members, shareholders or other equityholders of the undersigned,

(vii) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree, separation agreement or other court order,

(viii) to the Company from an employee of the Company upon death, disability or termination of employment, in each case, of such employee,

(ix) as part of a sale or transfer of the undersigned's Lock-Up Securities acquired (A) from the Underwriters in the Public Offering or (B) in open market transactions after the closing date for the Public Offering,

(x) to the Company in connection with the vesting, settlement, or exercise of restricted stock units, options, warrants or other rights to purchase shares of Common Stock (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, options, warrants or rights; provided that any such shares of Common Stock received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement; provided further that any such restricted stock units, options, warrants or rights are held by the undersigned pursuant to an agreement or equity awards granted under a stock incentive plan or other equity award plan, each such agreement or plan which is described in the Registration Statement, the Pricing Disclosure Package and the Prospectus,

(xi) transfers or dispositions of shares of Common Stock or any security convertible into or exercisable or exchangeable for Common Stock to the Company pursuant to any contractual arrangement in effect on the date of this agreement and disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus that provides for the repurchase of shares of Common Stock in connection with the termination of the undersigned's employment with or service to the Company, or

(xii) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board of Directors of the Company and made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company (for purposes hereof, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of shares of capital stock if, after such transfer, such person or group of affiliated persons would hold more than 50% of the outstanding voting securities of the Company (or the surviving entity)); provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's Lock-Up Securities shall remain subject to the provisions of this Letter Agreement;

provided that (A) in the case of any transfer or distribution or other disposition pursuant to clause (a)(i), (ii), (iii), (iv), (v), (vi) and (vii), such transfer shall not involve a disposition for value and each donee, devisee, transferee or distributee shall execute and deliver to the Representatives a lock-up letter in the form of this Letter Agreement, (B) in the case of any transfer or distribution or other disposition pursuant to clause (a) (i), (ii), (iii), (iv), (v), (vi) and (ix), no filing by any party (donor, donee, devisee, transferor, transferee, distributer or distributee) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or other public announcement shall be required or shall be made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 made after the expiration of the Restricted Period referred to above or any required filing on Schedule 13) and (C) in the case of any transfer or distribution pursuant to clause (a)(vii), (viii), (x) or (xi) it shall be a condition to such transfer that no public filing, report or announcement shall be voluntarily made and if any filing under Section 16(a) of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock in connection with such transfer or distribution shall be legally required during the Restricted Period, such filing, report or announcement shall clearly indicate in the footnotes thereto the nature and conditions of such transfer;

(b) exercise outstanding options, settle restricted stock units or other equity awards or exercise warrants pursuant to plans described in the Registration Statement, the Pricing Disclosure Package and the Prospectus or filed as exhibits to the Registration Statement; provided that any Lock-Up Securities received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement;

(c) convert outstanding preferred stock, warrants to acquire preferred stock or convertible securities into shares of Common Stock or warrants to acquire shares of Common Stock; provided that any such shares of Common Stock or warrants received upon such conversion shall be subject to the terms of this Letter Agreement; and

(d) establish trading plans pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Lock-Up Securities; provided that (1) such trading plans do not provide for the transfer of Lock-Up Securities during the Restricted Period, (2) no filing by any party under the Exchange Act or other public announcement shall be made voluntarily in connection with such trading plan during the Restricted Period and (3) if any filing under the Exchange Act or other public announcement shall be legally required during the Restricted Period, such filing or public announcement shall clearly indicate that no transfers under such trading plans will take place during the Restricted Period.

If the undersigned is not a natural person, the undersigned represents and warrants that no single natural person, entity or "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) beneficially owns, directly or indirectly, 50% or more of the common equity interests, or 50% or more of the voting power, in the undersigned.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Company-directed Securities the undersigned may purchase in the Public Offering.

If the undersigned is an officer or director of the Company, (i) the Representatives on behalf of the Underwriters agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of Lock-Up Securities, the Representatives on behalf of the Underwriters will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the Representatives on behalf of the Underwriters hereunder to any such officer or director shall only be effective two business days after the publication date of such announcement. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration or that is to an immediate family member as defined in FINRA Rule 5130(i)(5) and (b) the transferee has agreed in writing to be bound by the same terms described in this Letter Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned. In the event that any signature is delivered by facsimile transmission, electronic mail or otherwise by electronic transmission evidencing an intent to sign this Letter Agreement, such facsimile transmission, electronic mail or other electronic transmission shall create a valid and binding obligation of the undersigned with the same force and effect as if such signature were an original. Execution and delivery of this Letter Agreement by facsimile transmission, electronic mail or other electronic transmission is legal, valid and binding for all purposes.

The undersigned acknowledges and agrees that the Underwriters have not provided any recommendation or investment advice nor have the Underwriters solicited any action from the undersigned with respect to the Public Offering of the Securities and the undersigned has consulted their own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate. The undersigned further acknowledges and agrees that, although the Representatives may be required or choose to provide certain Regulation Best Interest and Form CRS disclosures to you in connection with the Public Offering, the Representatives and the other Underwriters are not making a recommendation to you to enter into this Letter Agreement, and nothing set forth in such disclosures is intended to suggest that the Representatives or any Underwriter is making such a recommendation.

The undersigned shall automatically be released from all obligations under this Letter Agreement if: (i) the Underwriting Agreement does not become effective by February 29, 2024 (provided, however, that the undersigned agrees that this Letter Agreement shall be automatically extended by three months if the Company provides written notice to the undersigned that

the Company is still pursuing the Public Offering contemplated by the Underwriting Agreement), (ii) the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Common Stock to be sold thereunder, (iii) either the Company, on the one hand, or the Representatives, on the other hand, notifies the other in writing that it does not intend to proceed with the Public Offering or (iv) the draft registration statement submitted with the SEC or the registration statement filed with the SEC, in each case, in connection with the Public Offering, is withdrawn. The undersigned understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

[Signature page follows]

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Very truly yours,

_____

Name of Security Holder (*Print exact name*)

By: _____

Signature

If not signing in an individual capacity:

_____

Name of Authorized Signatory *(Print*)

_____

Title of Authorized Signatory *(Print*)

(indicate capacity of person signing if signing as custodian, trustee, or on behalf of an entity)

[Signature Page to Lock-Up Agreement]

Form of Waiver of Lock-up

J.P. MORGAN SECURITIES LLC
JEFFERIES LLC
COWEN AND COMPANY, LLC

CARGO Therapeutics, Inc.
Public Offering of Common Stock

[Date]

[Name and Address of
Officer or Director
Requesting Waiver]
Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by CARGO Therapeutics, Inc. (the "Company") of shares of common stock, $0.001 par value per share (the "Common Stock"), of the Company and the lock-up letter dated [•], 2023 (the "Lock-up Letter"), executed by you in connection with such offering, and your request for a [waiver] [release] dated [•], 2023, with respect to shares of Common Stock (the "Shares").

J.P. Morgan Securities LLC, Jefferies LLC and Cowen and Company, LLC hereby agree to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective , 2023; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

[*Signature Pages Follow*]

Yours very truly,

J.P. MORGAN SECURITIES LLC

By: _____
Authorized Signatory

JEFFERIES LLC

By: _____
Authorized Signatory

COWEN AND COMPANY, LLC

By: _____
Authorized Signatory

cc: Company

Form of Press Release

Cargo Therapeutics, Inc.
[Date]

CARGO Therapeutics, Inc. (the "Company") announced today that J.P. Morgan Securities LLC, Jefferies LLC and Cowen and Company, LLC, the book-running managers in the Company's recent public sale of shares of common stock, is [waiving] [releasing] a lock-up restriction with respect to shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on , 2023, and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

[Company Letterhead]

(to be delivered by the issuer to J.P. Morgan, Jefferies, Cowen and Truist in email or letter form)

In reliance on Section 5(d) of the Securities Act of 1933, as amended (the "Act"), CARGO Therapeutics, Inc. (the "Issuer") hereby authorizes J.P. Morgan Securities LLC ("J.P. Morgan"), Jefferies LLC ("Jefferies"), Cowen and Company, LLC ("Cowen") and Truist Securities, Inc. ("Truist"), and their respective affiliates and their respective employees, to engage on behalf of the Issuer in oral and written communications with potential investors that are "qualified institutional buyers", as defined in Rule 144A under the Securities Act, or institutions that are "accredited investors", within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12) or (a)(13) under the Securities Act, to determine whether such investors might have an interest in the Issuer's contemplated initial public offering ("Testing-the-Waters Communications").

A "Written Testing-the Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act. Each of J.P. Morgan, Jefferies, Cowen and Truist, individually and not jointly, agrees that it shall not distribute any Written Testing-the-Waters Communication that has not been approved by the Issuer.

The Issuer represents that it is an "emerging growth company" as defined in Section 2(a)(19) of the Securities Act (an "Emerging Growth Company") and agrees to promptly notify J.P. Morgan, Jefferies, Cowen and Truist in writing if the Issuer hereafter ceases to be an Emerging Growth Company while this authorization is in effect. Until the earlier of this authorization being revoked (if the Issuer informs any of J.P. Morgan, Jefferies, Cowen and Truist that it has decided not to proceed with the initial public offering) or the execution of a definitive underwriting agreement for the initial public offering, if at any time following the distribution of any Written Testing-the-Waters Communication there occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Issuer will as soon as reasonably practicable notify J.P. Morgan, Jefferies, Cowen and Truist and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

Nothing in this authorization is intended to limit or otherwise affect the ability of J.P. Morgan, Jefferies, Cowen and Truist, and their respective affiliates and their respective employees, to engage in communications in which they could otherwise lawfully engage in the absence of this authorization, including, without limitation, any written communication containing only one or more of the statements specified under Rule 134(a) under the Securities Act. This authorization shall remain in effect until the Issuer has provided to J.P. Morgan, Jefferies, Cowen and Truist a written notice revoking this authorization. All notices as described herein shall be sent by email to the attention of Pete Castoro at peter.j.castoro@jpmorgan.com, Jack Fabbri at jfabbri@jefferies.com, Bill Kadel at bill.kadel@cowen.com and Andrew Nummy at andrew.nummy@truist.com.

Exhibit 3.1

SECOND AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
CARGO THERAPEUTICS, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Cargo 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 Cargo Therapeutics, Inc. and that this corporation was originally incorporated pursuant to the General Corporation Law, by the filing of a Certificate of Incorporation with the Delaware Secretary of State on December 18, 2019 (the "**Original Certificate**"). The Original Certificate was amended by the filing of a Certificate of Amendment with the Delaware Secretary of State on October 15, 2020 and amended and restated by the filing of an Amended and Restated Certificate of Incorporation with the Delaware Secretary of State on February 18, 2021 (the "**Amended Certificate**"). The Amended Certificate was amended by the filing of Certificates of Amendment with the Delaware Secretary of State on April 25, 2022 and on September 15, 2022 (the "**Certificates of Amendment**"; as amended, the "**Amended and Restated Certificate of Incorporation**").

2. That the Board of Directors duly adopted resolutions proposing to amend and restate the 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 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 CARGO Therapeutics, Inc. (the "**Corporation**").

SECOND: The address of the registered office of the Corporation in the State of Delaware is County of Kent at 838 Walker Road, Suite 21-2, Dover, Delaware 19904. The name of its registered agent at such address is Registered Agent Solutions, Inc.

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) 320,000,000 shares of Common Stock, $0.001 par value per share ("**Common Stock**") and (ii) 255,584,255 shares of Preferred Stock, $0.001 par value per share ("**Preferred Stock**").

The following is a statement of the designations and the powers, preferences 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 this Second Amended and Restated Certificate of Incorporation (this "**Restated Certificate**") 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 this Restated Certificate 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 this Restated Certificate) 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

11,000,000 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series Seed Preferred Stock**", 200,760,000 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series A-1 Preferred Stock**", and 43,824,255 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series A-2 Preferred Stock**", each with the following rights, preferences, powers and restrictions, qualifications and limitations. Unless otherwise indicated, references to "sections" or "Sections" in this Part B of this Article Fourth refer to sections and Sections of Part B of this Article Fourth. References to "**Preferred Stock**" mean the Series Seed Preferred Stock, Series A-1 Preferred Stock, and Series A-2 Preferred Stock.

1. **Dividends**. The holders of then outstanding shares of Preferred Stock shall be entitled to receive, only when, as and if declared by the Board of Directors, out of any funds and assets legally available therefor, dividends at the rate of 8% of the applicable Original Issue Price for each share of Preferred Stock, prior and in preference to any declaration or payment of any other dividend (other than dividends on shares of Common Stock payable in shares of Common Stock). The right to receive dividends on shares of Preferred Stock pursuant to the preceding

sentence of this Section 1 shall not be cumulative, and no right to dividends shall accrue to holders of Preferred Stock by reason of the fact that dividends on said shares are not declared. 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 this Restated Certificate) the holders of the Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Preferred Stock in an amount at least equal to (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 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 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 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 applicable 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 (1) class or series of capital stock of the Corporation, the dividend payable to the holders of Preferred Stock pursuant to this Section 1 shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Preferred Stock dividend. The "**Original Issue Price**" shall mean $1.00 per share for the Series Seed 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 Seed Preferred Stock, $1.00 per share for the Series A-1 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-1 Preferred Stock, and $0.75 per share for the Series A-2 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-2 Preferred Stock.

2. **Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales**.

2.1 **Preferential Payments to Holders of Preferred Stock**. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders, and in the event of a Deemed Liquidation Event (as defined below), the holders of shares of Preferred Stock then outstanding shall be entitled to be paid out of the consideration payable to stockholders in such Deemed Liquidation Event or out of the Available Proceeds (as defined below), on a *pari passu basis*, as applicable, before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) the applicable 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 the applicable series of Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution,

winding up or Deemed Liquidation Event (the amount payable pursuant to this sentence is hereinafter referred to as the "**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 Preferred Stock the full amount to which they shall be entitled under this Section 2.1, the holders of shares of 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 **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 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 Section 2.1 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.

2.3 **Deemed Liquidation Events**.

2.3.1 **Definition**. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of at least sixty-six and two-thirds percent (66 2/3%) of the outstanding shares of Preferred Stock voting together as a single class on an as-converted to Common Stock basis (the "**Requisite Holders**") elect otherwise by written notice sent to the Corporation at least ten 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;

(b) (1) 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, intellectual property or shares of capital stock of the Corporation and its subsidiaries taken as a whole; or (2) 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, intellectual property or shares of capital stock 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;

(c) The closing of the transfer in one transaction or a series of related transactions, to a group of affiliated persons (other than an underwriter of the Corporation's securities), of the Corporation's securities if, after such closing, such person or group of affiliated persons would hold 50% or more of the outstanding voting stock of the Corporation (or the surviving entity); or

(d) The consummation of a transaction or series of related transactions by merger, consolidation, share exchange or otherwise of the Corporation with a publicly-traded "special purpose acquisition company" or its subsidiary (collectively, a "**SPAC**"), immediately following the consummation of which (i) the common stock or share capital of the SPAC or its successor entity is listed on the Nasdaq Stock Market, the New York Stock Exchange or another exchange or marketplace approved by the Board of Directors, (ii) the stockholders of the Corporation as of immediately prior to the consummation of such transaction or series of related transactions hold shares of capital stock of the SPAC or its successor entity representing less than a majority, by voting power, of the capital stock of such SPAC or successor entity and (iii) immediately prior to the consummation of such transaction or series of related transactions, the pre-money valuation of the Corporation is less than $400,000,000.

2.3.2 **Effecting a Deemed Liquidation Event**.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Section 2.3.1(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 in such Deemed Liquidation Event shall be allocated to the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2.

(b) In the event of a Deemed Liquidation Event referred to in Section 2.3.1(a)(ii) or 2.3.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within 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 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 (ii) if the Requisite Holders so request in a written instrument delivered to the Corporation not later than 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 150th day after such Deemed Liquidation Event, to redeem all outstanding shares of Preferred Stock at a price per share equal to the applicable amount per share that the holders of each series of Preferred Stock are entitled to receive under Sections 2.1 and 2.2. 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 redeem a pro rata portion of each holder's shares of Preferred Stock to the fullest extent of such Available Proceeds, based on the respective amounts which would otherwise be payable in respect of the shares to be redeemed if the Available Proceeds were sufficient to redeem all such shares, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. The provisions of Section 2.1 and Section 2.3.2(c) through Section 2.3.2(e) shall apply to the redemption of the Preferred Stock pursuant to this Section 2.3.2(b). Prior to the distribution or redemption provided for in this Section 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except (i) as contemplated by such Deemed Liquidation Event or to discharge expenses incurred in connection with such Deemed Liquidation Event; (ii) in the ordinary course of business; or (iii) as approved by the Board of Directors of the Corporation, including at least one Series A Director.

(c) The Corporation shall send written notice of the redemption pursuant to Section 2.3.2(b) (the "**Redemption Notice**") to each holder of record of Preferred Stock not less than 90 days after the Deemed Liquidation Event. Each Redemption Notice shall state:

(i) the number of shares of each series 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 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 Section 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 Preferred Stock to be redeemed.

(d) On or before the applicable Redemption Date, each holder of shares of Preferred Stock to be redeemed on such Redemption Date, 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 applicable 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. Any shares of Preferred Stock which are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately canceled 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.

2.3.3 **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 to be paid or distributed to such holders pursuant to such Deemed Liquidation Event. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation, including at least one Series A Director.

2.3.4 **Allocation of Escrow and Contingent Consideration**. In the event of a Deemed Liquidation Event pursuant to Section 2.3.1(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 Sections 2.1 and 2.2 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 Sections 2.1 and 2.2 after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Section 2.3.4, consideration placed into escrow or retained as a holdback to be available for satisfaction of indemnification, the achievement of milestones or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration. For the avoidance of doubt, the amounts allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2 shall not be decreased (i) irrespective of whether any Additional Consideration is forfeited or (ii) irrespective of whether any Additional Consideration is paid to holders of Common Stock.

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 a 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 this Restated Certificate, 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**. The holders of record of the shares of Series A-1 Preferred Stock, exclusively and as a separate class, shall be entitled to elect two directors of the Corporation (the "**Series A Directors**"), the holders of record of the shares of Series Seed Preferred Stock, exclusively and as a separate class, shall be entitled to elect (i) prior to the completion of the Third Tranche Closing (as defined in the Series A Preferred Stock Purchase Agreement entered into by the Corporation on or about the Series A Original Issue Date (the "**Purchase Agreement**")), two directors of the Corporation and (ii) on or after the completion of the Third Tranche Closing, one director of the Corporation (the "**Series Seed Directors**," and collectively with the Series A Directors, the "**Preferred Directors**"), and the holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect one director of the Corporation; provided, however, that any initial director or directors that any class or classes or series of Preferred Stock shall be entitled to elect in accordance with the foregoing may also be appointed by the Board of Directors, acting by a majority of the sitting directors, regardless of whether any such sitting directors are elected by any particular class or classes or series of capital stock, without any action by the holders of such class or classes or series of Preferred Stock. Any director elected (or appointed) 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-1 Preferred Stock, Series Seed 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 Section 3.2 (and to the extent any of such directorships is not otherwise filled by a director appointed by the Board of Directors in accordance with the first sentence of this Section 3.2), then any directorship not so filled shall remain vacant until such time as the holders of the Series A-1 Preferred Stock, Series Seed 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 Section 3.2, a vacancy in any directorship elected by the holders of any class or classes or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or classes or series or by any remaining director or directors elected by the holders of such class or classes or series pursuant to this Section 3.2.

3.3 **Preferred Stock Protective Provisions**. At any time when at least 25,903,239 shares of Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Preferred Stock) are outstanding, the Corporation, or its subsidiaries, to the extent applicable, shall not, either directly or indirectly by amendment, merger, consolidation, recapitalization, reclassification or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent or affirmative vote of the Requisite Holders, provided that at any time prior to the Third Tranche Closing (as defined in the Purchase Agreement), such approval must include the affirmative vote of the holders of a majority of the outstanding shares of Series A-1 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.

3.3.1 Liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any merger or consolidation or any other Deemed Liquidation Event, or consent to any of the foregoing;

3.3.2 amend, alter or repeal any provision of this Restated Certificate or the Bylaws of the Corporation;

3.3.3 (i) create, or authorize the creation of, or issue or obligate itself to issue shares of, any security or new class or series of capital stock convertible or exercisable for any capital stock of the Corporation, unless the same ranks junior to 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 and any other rights, preferences and privileges or (ii) increase the authorized number of shares of Preferred Stock or any additional class or series of capital stock of the Corporation unless the same ranks junior to 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 and any other rights, preferences and privileges;

3.3.4 (i) reclassify, alter or amend any existing security of the Corporation that is *pari passu* with 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 the Preferred Stock in respect of any such power, preference, or special right, or (ii) reclassify, alter or amend any existing security of the Corporation that is junior to 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 the Preferred Stock in respect of any such power, preference, or special right;

3.3.5 cause or permit any of its subsidiaries to, without approval of the Board of Directors, including the approval of a majority of the Preferred Directors then serving, which approval must include the affirmative vote of at least one of the Series A Directors (such approval, the "**Requisite Preferred Director Approval**"), sell, issue, sponsor, create or distribute any digital tokens, cryptocurrency or other blockchain-based assets (collectively, "**Tokens**"), including through a pre-sale, initial coin offering, token distribution event or crowdfunding, or through the issuance of any instrument convertible into or exchangeable for Tokens;

3.3.6 purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of capital stock of the Corporation other than (i) redemptions of or dividends or distributions on the Preferred Stock as expressly authorized herein, (ii) dividends or other distributions payable on the Common Stock solely in the form of additional shares of Common Stock, (iii) repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary in connection with the cessation of such employment or service at the lesser of the fair market value of such stock or the original purchase price thereof or (iv) as approved by the Requisite Preferred Director Approval;

3.3.7 create, adopt, amend, terminate or repeal any equity (or equity- linked) compensation plan;

3.3.8 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 equipment leases, bank lines of credit or trade payables 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, if the aggregate indebtedness of the Corporation and its subsidiaries for borrowed money following such action would exceed $250,000 unless such debt security has received the prior Requisite Preferred Director Approval;

3.3.9 create, or hold capital stock in, any subsidiary that is not wholly owned (either directly or through one or more other subsidiaries) by the Corporation, or permit any subsidiary to create, or authorize the creation of, or issue or obligate itself to issue, any shares of any class or series of capital stock, or sell, transfer or otherwise dispose of any capital stock of any direct or indirect subsidiary of the Corporation, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the assets of such subsidiary;

3.3.10 increase or decrease the authorized number of directors constituting the Board of Directors, change the number of votes entitled to be cast by any director or directors under this Restated Certificate, or adopt any provision inconsistent with Article Sixth;

3.3.11 change the principal business of the Corporation, enter into new lines of business, or exit a line of business;

3.3.12 sell, transfer, lease, assign, license or dispose of all or substantially all of the assets or intellectual property (whether by a single transaction or a series of related transactions) of the Corporation; or

3.3.13 purchase or acquire any entity.

4. **Optional Conversion**. The holders of the 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 Original Issue Price by the Conversion Price (as defined below) in effect at the time of conversion. The "**Conversion Price**" shall initially be equal to $1.00 for the Series Seed Preferred Stock, $1.00 for the Series A-1 Preferred Stock, and $0.75 for the Series A-2 Preferred Stock. Such initial Conversion Price, 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; provided that the foregoing termination of Conversion Rights shall not affect the amounts otherwise paid or payable in accordance with Section 2.1 to the holders of Preferred Stock pursuant to such liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event.

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 number of shares of Common Stock to be issued upon conversion of the Preferred Stock shall be rounded down to the nearest whole share.

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, and (ii) 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 this Restated Certificate. Before taking any action that would cause an adjustment reducing the Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the 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 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 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 such series of Preferred Stock accordingly.

4.3.4 **No Further Adjustment**. Upon any such conversion, no adjustment to the Conversion Price shall be made for any declared but unpaid dividends on the 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 Preferred Stock Conversion Price for Diluting Issues**.

4.4.1 **Special Definitions**. For purposes of this Article Fourth, the following definitions shall apply:

(a) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Section 4.4.3 below, deemed to be issued) by the Corporation after the Series A Original Issue Date (as defined below), 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) as to any particular series of Preferred Stock, shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on such series of 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 Sections 4.5, 4.6, 4.7 and 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 Requisite Preferred Director Approval;

(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;

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors in a transaction approved by the Requisite Preferred Director Approval;

(vi) shares of Common Stock, Options or Convertible Securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by the Requisite Preferred Director Approval;

(vii) shares of Common Stock, Options or Convertible Securities issued as acquisition consideration pursuant to the acquisition of another corporation by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided that such issuances are approved by the Requisite Preferred Director Approval; or

(viii) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships approved by the Requisite Preferred Director Approval.

(b) "**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.

(c) "**Option**" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(d) "**Series A Original Issue Date**" shall mean the date on which the first share of Series A-1 Preferred Stock was issued.

4.4.2 **No Adjustment of Preferred Stock Conversion Price**. No adjustment in the applicable Conversion Price 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 at least sixty-six and two-thirds percent (66 2/3%) of the applicable 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 A 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 Conversion Price pursuant to the terms of Section 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 antidilution 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 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 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 Conversion Price to an amount which exceeds the lower of (i) the Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the 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 Conversion Price pursuant to the terms of Section 4.4.4 (either because the consideration per share (determined pursuant to Section 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series A Original Issue Date), are revised after the Series A 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 Section 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 Conversion Price pursuant to the terms of Section 4.4.4, the Conversion Price shall be readjusted to such 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 Conversion Price provided for in this Section 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 Section 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 Conversion Price that would result under the terms of this Section 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 Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 **Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock**. In the event the Corporation shall at any time after the Series A Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4.4.3), without consideration or for a consideration per share less than the Conversion Price in effect immediately prior to such issuance or deemed issuance, then the 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:

$$CP_2 = CP_1*(A + B)-(A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(a) "**CP_2**" shall mean the Conversion Price in effect immediately after such issuance or deemed issuance of Additional Shares of Common Stock;

(b) "**CP_1**" shall mean the Conversion Price in effect immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock;

(c) "**A**" shall mean the number of shares of Common Stock outstanding immediately prior to such issuance or deemed issuance 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 issuance or deemed issuance 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 or deemed 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 Section 4.4, the consideration received by the Corporation for the issuance or deemed issuance 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 Section 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 Conversion Price pursuant to the terms of Section 4.4.4, and each such subsequent issuance occurs within 180 days after the immediately preceding issuance, then, upon the final such issuance, the 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).

4.5 **Adjustment for Stock Splits and Combinations**. If the Corporation shall at any time or from time to time after the Series A Original Issue Date effect a subdivision of the outstanding Common Stock, the Conversion Price 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 A Original Issue Date combine the outstanding shares of Common Stock, the Conversion Price 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 Section 4.5 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 A 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 Conversion Price 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 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 Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Conversion Price shall be adjusted pursuant to this Section 4.6 as of the time of actual payment of such dividends or distributions; and (b) no such adjustment shall be made if the holders of such series 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 A 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 Section 2.3, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 4.4, 4.6 or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share 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 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 the 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 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 the Preferred Stock. For the avoidance of doubt, nothing in this Section 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 Section 4.8 be deemed conclusive evidence of the fair value of the shares of Preferred Stock in any such appraisal proceeding.

4.9 **Certificate as to Adjustments**. Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of such series of Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which such series of 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 days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Conversion Price 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 such 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 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 in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $50,000,000 of gross proceeds to the Corporation and in which the pre-money valuation of the Corporation is at least $400,000,000 and in connection with such offering the Common Stock is listed for trading on the Nasdaq Stock Market's National Market or the New York Stock Exchange, (b) immediately prior to the consummation of a transaction or series of related transactions by merger, consolidation, share exchange or otherwise of the Corporation in which the pre-money valuation of the Corporation is at least $400,000,000, with a publicly-traded SPAC, immediately following the consummation of which the common stock or share capital of the SPAC or its successor entity is listed on the Nasdaq Stock Market, the New York Stock Exchange or another exchange or marketplace approved by the Board of Directors, or (c) the date and time, or the occurrence of an event, specified by vote or written consent of the Requisite Holders (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 Section 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 Section 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 Section 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 or issue and deliver to such holder, or to his, her or its nominees, a notice of issuance of uncertificated shares and may, upon written request, issue and deliver a certificate for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof; and (b) pay 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.

5A. **Special Mandatory Conversion**.

5A.1. **Trigger Event**. In the event that any Purchaser (as defined in the Purchase Agreement) becomes a Defaulting Purchaser (as defined in the Purchase Agreement), then all shares of Series A-1 Preferred Stock then held by such Purchaser and any assignee or transferee of the shares of Series A-1 Preferred Stock of such Purchaser shall automatically, and without any further action on the part of such holder, be converted into shares of Common Stock at a ratio of one (1) share of Common Stock for every ten (10) shares of Series A-1 Preferred Stock (as adjusted for stock splits, combinations or the like), effective upon, subject to, and concurrently with, the consummation of the Second Tranche Closing and/or Third Tranche Closing (as defined in the Purchase Agreement) when such Purchaser becomes a Defaulting Purchaser, as applicable (such conversion, a "**Special Mandatory Conversion**").

5A.2. **Procedural Requirements**. Upon a Special Mandatory Conversion, each holder of shares of Series A-1 Preferred Stock converted pursuant to Section 5A1 shall be sent written notice of the Special Mandatory Conversion and the place designated for mandatory conversion of all such shares of Series A-1 Preferred Stock pursuant to this Section 5A. Upon receipt of such notice, each holder of such shares of Series A-1 Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that any 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 Series A-1 Preferred Stock converted pursuant to Section 5A1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the time of the Special Mandatory Conversion (notwithstanding the failure of the holder or holders thereof to surrender any certificates for such shares at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders therefor (or lost certificate affidavit and agreement), to receive the items provided for in the next sentence of this Section 5A2. As soon as practicable after the Special Mandatory Conversion and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Series A-1 Preferred Stock so converted, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a notice of issuance of uncertificated shares and may, upon written request, issue and deliver a certificate for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and (b) pay an amount equal to any declared but unpaid dividends on the shares of Series A-1 Preferred Stock converted. Such converted Series A-1 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 Series A-1 Preferred Stock accordingly.

6. **Redemption**. The shares of Preferred Stock shall not be redeemable by any holder thereof, except as may be otherwise provided herein.

7. **Redeemed or Otherwise Acquired Shares**. Any shares of Preferred Stock that are redeemed, converted 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, conversion or acquisition.

8. **Waiver**. Except as otherwise set forth herein or required by law, (a) any of the rights, powers, preferences and other terms of the Preferred Stock set forth herein that apply generally and equally to all series of Preferred Stock may be waived on behalf of all holders of Preferred Stock by the affirmative written consent or vote of the Requisite Holders; and (b) at any time more than one series of Preferred Stock is issued and outstanding any of the rights, powers, preferences and other terms of any series of Preferred Stock set forth herein that do not apply generally and equally to all series of Preferred Stock 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 at least sixty-six and two-thirds percent (66 2/3%) of the then outstanding shares of such series of Preferred Stock.

9. **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 this Restated Certificate 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 this Restated Certificate, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation. Each director shall be entitled to one vote on each matter presented to the Board of Directors; *provided*, *however*, that, the affirmative vote of a majority of the Preferred Directors, including at least one Series A Director shall be required for the authorization of the Board of Directors of any of the matters set forth in Section 5.4 of the Investors' Rights Agreement, dated on or about the Series A Original Issue Date, by and among the Corporation and the other parties thereto, as such agreement may be amended and/or restated from time to time.

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 outside of the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept (subject to any provision of applicable law) outside of the State of Delaware at such place or places or in such manner or manners 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 amendment, repeal or elimination 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 amendment, repeal or elimination.

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, modification or elimination of the foregoing provisions of this Article Tenth shall not (a) adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal, modification or elimination; or (b) increase the liability of any director, officer or agent of the Corporation with respect to any acts or omissions of such director, officer or agent occurring prior to such amendment, repeal, modification or elimination.

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 within the categories of biotechnology, pharmaceuticals, medicine and healthcare 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, the persons referred to in clauses (i) and (ii) are "**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 while such Covered Person is performing services in such capacity. 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 Restated Certificate, the affirmative vote of the Requisite Holders 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 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: For purposes of Section 500 of the California Corporations Code (to the extent applicable), in connection with any repurchase of shares of Common Stock permitted under this Restated Certificate from employees, officers, directors or consultants of the Corporation in connection with a termination of employment or services pursuant to agreements or arrangements approved by the Board of Directors (in addition to any other consent required under this Restated Certificate), such repurchase may be made without regard to any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined in Section 500 of the California Corporations Code). Accordingly, for purposes of making any calculation under California Corporations Code Section 500 in connection with such repurchase, the amount of any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined therein) shall be deemed to be zero (0).

* * *

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 Second Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this Corporation's Amended and Restated Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

(signature page follows)

IN WITNESS WHEREOF, this Second Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on February 8, 2023.

CARGO THERAPEUTICS, INC.

By: /s/ Gina Chapman
Name: Gina Chapman
Title: Chief Executive Officer

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
CARGO THERAPEUTICS, INC.

CARGO Therapeutics, Inc. (the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware (the "DGCL"), does hereby certify as follows:

1. The name of the Corporation is CARGO Therapeutics, Inc. and that this corporation was originally incorporated pursuant to the General Corporation Law, by the filing of a Certificate of Incorporation with the Delaware Secretary of State on December 18, 2019 (the "Original Certificate"). The Original Certificate was amended by the filing of a Certificate of Amendment with the Delaware Secretary of State on October 15, 2020 and amended and restated by the filing of an Amended and Restated Certificate of Incorporation with the Delaware Secretary of State on February 18, 2021 (the "Amended Certificate"). The Amended Certificate was amended by the filing of Certificates of Amendment with the Delaware Secretary of State on April 25, 2022 and on September 15, 2022 (the "Certificates of Amendment"; as amended, the "Current Certificate of Incorporation").

2. This Amended and Restated Certificate of Incorporation (the "Restated Certificate"), which amends, restates and further integrates the Current Certificate of Incorporation as heretofore in effect, has been approved by the Board of Directors of the Corporation (the "Board of Directors") in accordance with Sections 242 and 245 of the DGCL, and has been adopted by the written consent of the stockholders of the Corporation in accordance with Section 228 of the DGCL.

3. The text of the Current Certificate of Incorporation, is hereby amended and restated by this Restated Certificate to read in its entirety as set forth in EXHIBIT A attached hereto.

IN WITNESS WHEREOF, CARGO Therapeutics, Inc. has caused this Restated Certificate to be signed by a duly authorized officer of the Corporation, on [__], 2023.

CARGO THERAPEUTICS, INC.

By: /s/ Gina Chaman
Name: Gina Chapman
Title: Chief Executive Officer

EXHIBIT A

ARTICLE I

The name of the corporation is CARGO Therapeutics, Inc. (the "Corporation").

ARTICLE II

The address of the registered office of the Corporation in the State of Delaware is County of Kent at 838 Walker Road, Suite 21-2, Dover, Delaware 19904, and the name of its registered agent at such address is Registered Agent Solutions, Inc.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "DGCL") as it now exists or may hereafter be amended and supplemented.

ARTICLE IV

The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares of capital stock which the Corporation shall have authority to issue is 550,000,000. The total number of shares of Common Stock that the Corporation is authorized to issue is 500,000,000, having a par value of $0.001 per share, and the total number of shares of Preferred Stock that the Corporation is authorized to issue is 50,000,000, having a par value of $0.001 per share.

ARTICLE V

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 are as follows:

A. COMMON STOCK.

1. General. The voting, dividend, liquidation, and other rights and powers of the Common Stock are subject to and qualified by the rights, powers and preferences of any series of Preferred Stock as may be designated by the Board of Directors of the Corporation (the "Board of Directors") and outstanding from time to time.

2. Voting. Except as otherwise provided herein or expressly required by law, each holder of Common Stock, as such, shall be entitled to vote on each matter submitted to a vote of stockholders and shall be entitled to one (1) vote for each share of Common Stock held of record by such holder as of the record date for determining stockholders entitled to vote on such matter. Except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Restated Certificate (including any Certificate of Designation (as defined below)) that relates solely to the rights, powers, preferences (or the qualifications, limitations or restrictions thereof) or other 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 this Restated Certificate (including any Certificate of Designation) or pursuant to the DGCL.

Subject to the rights of any holders of any outstanding series of Preferred Stock, the number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the DGCL.

3. Dividends. Subject to applicable law and the rights and preferences of any holders of any outstanding series of Preferred Stock, the holders of Common Stock, as such, shall be entitled to the payment of dividends on the Common Stock when, as and if declared by the Board of Directors in accordance with applicable law.

4. Liquidation. Subject to the rights and preferences of any holders of any shares of any outstanding series of Preferred Stock, in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the funds and assets of the Corporation that may be legally distributed to the Corporation's stockholders shall be distributed among the holders of the then outstanding Common Stock pro rata in accordance with the number of shares of Common Stock held by each such holder.

B. PREFERRED STOCK

Shares of Preferred Stock may be issued from time to time in one or more series, each of such series to have such terms as stated or expressed herein and in the resolution or resolutions providing for the creation and issuance of such series adopted by the Board of Directors as hereinafter provided.

Authority is hereby expressly granted to the Board of Directors from time to time to issue the Preferred Stock in one or more series, and in connection with the creation of any such series, by adopting a resolution or resolutions providing for the issuance of the shares thereof and by filing a certificate of designation relating thereto in accordance with the DGCL (a "Certificate of Designation"), to determine and fix the number of shares of such series and such voting powers, full or limited, or no voting powers, and such designations, preferences and relative participating, optional or other special rights, and qualifications, limitations or restrictions thereof, including without limitation thereof, dividend rights, conversion rights, redemption privileges and liquidation preferences, and to increase or decrease (but not below the number of shares of such series then outstanding) the number of shares of any series as shall be stated and expressed in such resolutions, all to the fullest extent now or hereafter permitted by the DGCL. Without limiting the generality of the foregoing, the resolution or resolutions providing for the creation and issuance of any series of Preferred Stock may provide that such series shall be superior or rank equally or be junior to any other series of Preferred Stock to the extent permitted by law and this Restated Certificate (including any Certificate of Designation). Except as otherwise required by law, holders of any series of Preferred Stock shall be entitled only to such voting rights, if any, as shall expressly be granted thereto by this Restated Certificate (including any Certificate of Designation).

The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the DGCL.

ARTICLE VI

For the management of the business and for the conduct of the affairs of the Corporation it is further provided that:

A. Subject to the special rights of the holders of one or more outstanding series of Preferred Stock to elect directors, the directors of the Corporation shall be classified with respect to the time for which they severally hold office into three classes, designated as Class I, Class II and Class III. The initial Class I directors shall serve for a term expiring at the first annual meeting of the stockholders following the initial registration of the Corporation's Common Stock pursuant to the Securities Exchange Act of 1934, as amended; the initial Class II directors shall serve for a term expiring at the second annual meeting of the stockholders following such registration; and the initial Class III directors shall serve for a term expiring at the third annual meeting following such registration. At each annual meeting of stockholders of the Corporation beginning with the first annual meeting of stockholders following the Effective Time, subject to any special rights of the holders of one or more outstanding series of Preferred Stock to elect directors, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election. Each director shall hold office until his or her successor is duly elected and qualified or until his or her earlier death, resignation, disqualification or removal. No decrease in the number of directors shall shorten the term of any incumbent director. The Board of Directors is authorized to assign members of the Board of Directors already in office to Class I, Class II and Class III.

B. Except as otherwise expressly provided by the DGCL or this Restated Certificate, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The number of directors which shall constitute the whole Board of Directors shall be fixed exclusively by one or more resolutions adopted from time to time by the Board of Directors.

C. Subject to the special rights of the holders of one or more outstanding series of Preferred Stock to elect directors, the Board of Directors or any individual director may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least two-thirds of the voting power of all of the then outstanding shares of voting stock of the Corporation entitled to vote at an election of directors.

D. Subject to the special rights of the holders of one or more outstanding series of Preferred Stock to elect directors, except as otherwise provided by law, any vacancies on the Board of Directors resulting from death, resignation, disqualification, retirement, removal or other causes and any newly created directorships resulting from any increase in the number of directors shall be filled exclusively by the affirmative vote of a majority of the directors then in office, even though less than a quorum, or by a sole remaining director (other than any directors elected by the separate vote of one or more outstanding series of Preferred Stock), and shall not be filled by the stockholders. Any director appointed in accordance with the preceding sentence shall hold office until the expiration of the term of the class to which such director shall have been appointed or until his or her earlier death, resignation, retirement, disqualification, or removal.

E. Whenever the holders of any one or more series of Preferred Stock issued by the Corporation shall have the right, voting separately as a series or separately as a class with one or more such other series, to elect directors at an annual or special meeting of stockholders, the election, term of office, removal and other features of such directorships shall be governed by the terms of this Certificate of Incorporation (including any Certificate of Designation). Notwithstanding anything to the contrary in this Article VI, the number of directors that may be elected by the holders of any such series of Preferred Stock shall be in addition to the number fixed pursuant to paragraph B of this Article VI, and the total number of directors constituting the whole Board of Directors shall be automatically adjusted accordingly. Except as otherwise provided in the Certificate of Designation(s) in respect of one or more series of Preferred Stock, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such Certificate of Designation(s), the terms of office of all such additional directors elected by the holders of such series of Preferred Stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall forthwith terminate (in which case each such director thereupon shall cease to be qualified as, and shall cease to be, a director) and the total authorized number of directors of the Corporation shall automatically be reduced accordingly.

F. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to adopt, amend or repeal Bylaws of the Corporation. In addition to any vote of the holders of any class or series of stock of the Corporation required by applicable law or by this Certificate of Incorporation (including any Certificate of Designation in respect of one or more series of Preferred Stock) or the Bylaws of the Corporation, the adoption, amendment or repeal of the Bylaws of the Corporation by the stockholders of the Corporation shall require the affirmative vote of the holders of at least two-thirds of the voting power of all of the then outstanding shares of voting stock of the Corporation entitled to vote generally in an election of directors.

G. The directors of the Corporation need not be elected by written ballot unless the Bylaws so provide.

ARTICLE VII

A. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of the stockholders of the Corporation, and shall not be taken by written consent in lieu of a meeting. Notwithstanding the foregoing, any action required or permitted to be taken by the holders of any series of Preferred Stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided by the applicable Certificate of Designation relating to such series of Preferred Stock, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares of the relevant series of Preferred 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 in accordance with the applicable provisions of the DGCL.

B. Subject to the special rights of the holders of one or more series of Preferred Stock, special meetings of the stockholders of the Corporation may be called, for any purpose or purposes, at any time only by or at the direction of the Board of Directors, the Chairperson of the Board of Directors, the Chief Executive Officer or President, and shall not be called by any other person or persons.

C. Advance notice of stockholder nominations for the election of directors and of other business proposed to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation.

ARTICLE VIII

No director or officer of the Corporation shall have any personal liability to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty as a director or officer, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL as the same exists or hereafter may be amended. Any amendment, repeal or modification of this Article VIII, or the adoption of any provision of the Restated Certificate inconsistent with this Article VIII, shall not adversely affect any right or protection of a director or officer of the Corporation with respect to any act or omission occurring prior to such amendment, repeal, modification or adoption. If the DGCL is amended after approval by the stockholders of this Article VIII to authorize corporate action further eliminating or limiting the personal liability of directors or officers, then the liability of a director or officer of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL as so amended.

ARTICLE IX

The Corporation shall have the power to provide rights to indemnification and advancement of expenses to its current and former officers, directors, employees and agents and to any person who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise.

ARTICLE X

Unless the Corporation consents in writing to the selection of an alternative forum, (a) the Court of Chancery (the "Chancery Court") of the State of Delaware (or, in the event that the Chancery Court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action, suit or proceeding brought on behalf of the Corporation, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any director, officer or stockholder of the Corporation to the Corporation or to the Corporation's stockholders, (iii) any action, suit or proceeding arising pursuant to any provision

of the DGCL or the bylaws of the Corporation or this Restated Certificate (as either may be amended from time to time) or (iv) any action, suit or proceeding asserting a claim against the Corporation governed by the internal affairs doctrine; and (b) subject to the preceding provisions of this Article X, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act of 1933, as amended, including all causes of action asserted against any defendant to such complaint. If any action the subject matter of which is within the scope of clause (a) of the immediately preceding sentence is filed in a court other than the courts in the State of Delaware (a "Foreign Action") in the name of any stockholder, such stockholder shall be deemed to have consented to (x) the personal jurisdiction of the state and federal courts in the State of Delaware in connection with any action brought in any such court to enforce the provisions of clause (a) of the immediately preceding sentence and (y) having service of process made upon such stockholder in any such action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

Any person or entity purchasing or otherwise acquiring any interest in any security of the Corporation shall be deemed to have notice of and consented to this Article X. This Article X is intended to benefit and may be enforced by the Corporation, its officers and directors, the underwriters of, or any financial advisors in connection with, any offering giving rise to such complaint, and any other professional or entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. Notwithstanding the foregoing, the provisions of this Article X shall not apply to suits brought to enforce any liability or duty created by the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts of the United States have exclusive jurisdiction.

If any provision or provisions of this Article X shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article X (including, without limitation, each portion of any paragraph of this Article X containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (b) the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

ARTICLE XI

A. Notwithstanding anything contained in this Restated Certificate to the contrary, in addition to any vote required by applicable law, the following provisions in this Restated Certificate may be amended, altered, repealed or rescinded, in whole or in part, or any provision inconsistent therewith or herewith may be adopted, only by the affirmative vote of the holders of at least 66 2/3% of the total voting power of all the then outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class: Part B of Article V, Article VI, Article VII, Article VIII, Article IX, Article X, and this Article XI.

B. If any provision or provisions of this Restated Certificate shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Restated Certificate (including, without limitation, each portion of any paragraph of this Restated Certificate containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not, to the fullest extent permitted by applicable law, in any way be affected or impaired thereby and (ii) to the fullest extent permitted by applicable law, the provisions of this Restated Certificate (including, without limitation, each such portion of any paragraph of this Restated Certificate containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

BY-LAWS OF
CARGO THERAPEUTICS, INC.
(F/K/A SYNCOPATION LIFE SCIENCES, INC.)

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ARTICLE I.

STOCKHOLDERS

1.1 Place of Meetings. All meetings of stockholders shall be held at such place as may be designated from time to time by the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the President or, if not so designated, at the principal office of the corporation. The Board of Directors may, in its sole discretion, determine that a meeting shall not be held at any place, but may instead be held solely by means of remote communication in a manner consistent with the General Corporation Law of the State of Delaware.

1.2 Annual Meeting. The annual meeting of stockholders for the election of directors and for the transaction of such other business as may properly be brought before the meeting shall be held on a date and at a time designated by the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the President (which date shall not be a legal holiday in the place where the meeting is to be held).

1.3 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by only the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the President, and may not be called by any other person or persons. The Board of Directors may postpone or reschedule any previously scheduled special meeting of stockholders. Business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting.

1.4 Notice of Meetings. Except as otherwise provided by law, notice of each meeting of stockholders, whether annual or special, shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting. Without limiting the manner by which notice otherwise may be given to stockholders, any notice shall be effective if given by a form of electronic transmission consented to (in a manner consistent with the General Corporation Law of the State of Delaware) by the stockholder to whom the notice is given. The notices of all meetings shall state the place, if any, date and time of the meeting 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 meeting. The notice of a special meeting shall state, in addition, the purpose or purposes for which the meeting is called. If notice is given by mail, such notice shall be deemed given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. If notice is given by electronic transmission, such notice shall be deemed given at the time specified in Section 232 of the General Corporation Law of the State of Delaware.

1.5 Voting List. The Secretary shall prepare, at least 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. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least 10 days prior to the meeting: (a) on a reasonably accessible electronic network, *provided that* the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the principal place of business of the corporation. If the meeting is to be held at a physical

location (and not solely by means of remote communication), then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. The list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

1.6 Quorum. Except as otherwise provided by law, the Certificate of Incorporation or these By-laws, the holders of a majority in voting power of the shares of the capital stock of the corporation issued and outstanding and entitled to vote at the meeting, present in person, present by means of remote communication in a manner, if any, authorized by the Board of Directors in its sole discretion, or represented by proxy, shall constitute a quorum for the transaction of business; *provided, however*, that where a separate vote by a class or classes or series of capital stock is required by law or the Certificate of Incorporation, the holders of a majority in voting power of the shares of such class or classes or series of the capital stock of the corporation issued and outstanding and entitled to vote on such matter, present in person, present by means of remote communication in a manner, if any, authorized by the Board of Directors in its sole discretion, or represented by proxy, shall constitute a quorum entitled to take action with respect to the vote on such matter. A quorum, once established at a meeting, shall not be broken by the withdrawal of enough votes to leave less than a quorum.

1.7 Adjournments. Any meeting of stockholders may be adjourned from time to time to any other time and to any other place at which a meeting of stockholders may be held under these By-laws by the chairman of the meeting or by the stockholders present or represented at the meeting and entitled to vote, although less than a quorum. It shall not be necessary to notify any stockholder of any adjournment of less than 30 days if the time and place, if any, of the adjourned meeting, and the means of remote communication, 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 adjournment is taken, unless after the adjournment a new record date is fixed for the adjourned meeting. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting.

1.8 Voting and Proxies. Each stockholder shall have one vote for each share of stock entitled to vote held of record by such stockholder and a proportionate vote for each fractional share so held, unless otherwise provided by law or the Certificate of Incorporation. Each stockholder of record entitled to vote at a meeting of stockholders, or to express consent or dissent to corporate action without a meeting, may vote or express such consent or dissent in person (including by means of remote communications, if any, by which stockholders may be deemed to be present in person and vote at such meeting) or may authorize another person or persons to vote or act for such stockholder by a proxy executed or transmitted in a manner permitted by the General Corporation Law of the State of Delaware by the stockholder or such stockholder's authorized agent and delivered (including by electronic transmission) to the Secretary of the corporation. No such proxy shall be voted or acted upon after three years from the date of its execution, unless the proxy expressly provides for a longer period.

1.9 Action at Meeting. When a quorum is present at any meeting, any matter other than the election of directors to be voted upon by the stockholders at such meeting shall be decided by the vote of the holders of shares of stock having a majority in voting power of the votes cast by the holders of all of the shares of stock present or represented at the meeting and voting affirmatively or negatively on such matter (or if there are two or more classes or series of stock entitled to vote as separate classes, then in the case of each such class or series, the holders of a majority in voting power of the shares of stock of that class or series present or represented at the meeting and voting affirmatively or negatively on such matter), except when a different vote is required by law, the Certificate of Incorporation or these By-laws. When a quorum is present at any meeting, any election by stockholders of directors shall be determined by a plurality of the votes cast by the stockholders entitled to vote on the election.

1.10 Conduct of Meetings.

(a) Chairman of Meeting. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in the Chairman's absence by the Vice Chairman of the Board, if any, or in the Vice Chairman's absence by the Chief Executive Officer, or in the Chief Executive Officer's absence, by the President, or in the President's absence by a Vice President, or in the absence of all of the foregoing persons by a chairman designated by the Board of Directors, or in the absence of such designation by a chairman chosen by vote of the stockholders at the meeting. The Secretary shall act as secretary of the meeting, but in the Secretary's absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

(b) Rules, Regulations and Procedures. The Board of Directors may adopt by resolution such rules, regulations and procedures for the conduct of any meeting of stockholders of the corporation as it shall deem appropriate including, without limitation, such guidelines and procedures as it may deem appropriate regarding the participation by means of remote communication of stockholders and proxyholders not physically present at a meeting. Except to the extent inconsistent with such rules, regulations and procedures as adopted by the Board of Directors, the chairman 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 chairman 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 shall be determined; (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 chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

1.11 Action without Meeting.

(a) Taking of Action by Consent. Any action required or permitted to be taken at any annual or special meeting of stockholders of the corporation may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is 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 on such action were present and voted. Except as otherwise provided by the Certificate of Incorporation, stockholders may act by written consent to elect directors; *provided, however, that*, if such consent is less than unanimous, such action by written consent may be in lieu of holding an annual meeting only if all of the directorships to which directors could be elected at an annual meeting held at the effective time of such action are vacant and are filled by such action.

(b) Electronic Transmission of Consents. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this section, *provided that* any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (i) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder or proxyholder and (ii) the date on which such stockholder or proxyholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of business of the corporation or to an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the Board of Directors. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, *provided that* such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

(c) Notice of Taking of Corporate Action. Prompt notice of the taking of corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the corporation.

ARTICLE II.

DIRECTORS

2.1 General Powers. The business and affairs of the corporation shall be managed by or under the direction of a Board of Directors, who may exercise all of the powers of the corporation except as otherwise provided by law or the Certificate of Incorporation.

2.2 Number, Election and Qualification. Subject to the rights of holders of any series of preferred stock to elect directors, the number of directors of the corporation shall be established from time to time by the stockholders or the Board of Directors. The directors shall be elected at the annual meeting of stockholders by such stockholders as have the right to vote on such election. Election of directors need not be by written ballot. Directors need not be stockholders of the corporation.

2.3 Chairman of the Board; Vice Chairman of the Board. The Board of Directors may appoint from its members a Chairman of the Board and a Vice Chairman of the Board, neither of whom need be an employee or officer of the corporation. If the Board of Directors appoints a Chairman of the Board, such Chairman shall perform such duties and possess such powers as are assigned by the Board of Directors and, if the Chairman of the Board is also designated as the corporation's Chief Executive Officer, shall have the powers and duties of the Chief Executive Officer prescribed in Section 3.7 of these By-laws. If the Board of Directors appoints a Vice Chairman of the Board, such Vice Chairman shall perform such duties and possess such powers as are assigned by the Board of Directors. Unless otherwise provided by the Board of Directors, the Chairman of the Board or, in the Chairman's absence, the Vice Chairman of the Board, if any, shall preside at all meetings of the Board of Directors.

2.4 Tenure. Each director shall hold office until the next annual meeting of stockholders and until a successor is elected and qualified, or until such director's earlier death, resignation or removal.

2.5 Quorum. A majority of the directors at any time in office shall constitute a quorum of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation. If at any meeting of the Board of Directors there shall be less than such a quorum, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present.

2.6 Action at Meeting. Every act or decision done or made by a majority of the directors present at a meeting of the Board of Directors duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number is required by law or by the Certificate of Incorporation.

2.7 Removal. Except as otherwise provided by the General Corporation Law of the State of Delaware, any one or more or all of the directors of the corporation may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, except that the directors elected by the holders of a particular class or series of stock may be removed without cause only by vote of the holders of a majority of the outstanding shares of such class or series.

2.8 Vacancies. Subject to the rights of holders of any series of Preferred Stock to elect directors, unless and until filled by the stockholders, any vacancy or newly-created directorship on the Board of Directors, however occurring, may be filled by vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of such director's predecessor in office, and a director chosen to fill a position resulting from a newly-created directorship shall hold office until the next annual meeting of stockholders and until a successor is elected and qualified, or until such director's earlier death, resignation or removal.

2.9 Resignation. Any director may resign by delivering a resignation in writing or by electronic transmission to the corporation at its principal office or to the Chairman of the Board, the Chief Executive Officer, the President or the Secretary. Such resignation shall be effective upon delivery unless it is specified to be effective at some later time or upon the happening of some later event.

2.10 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place as shall be determined from time to time by the Board of Directors; *provided that* any director who is absent when such a determination is made shall be given notice of the determination. A regular meeting of the Board of Directors may be held without notice immediately after and at the same place as the annual meeting of stockholders.

2.11 Special Meetings. Special meetings of the Board of Directors may be held at any time and place designated in a call by the Chairman of the Board, the Chief Executive Officer, the President, two or more directors, or by one director in the event that there is only a single director in office.

2.12 Notice of Special Meetings. Notice of the date, place, if any, and time of any special meeting of directors shall be given to each director by the Secretary or by the officer or one of the directors calling the meeting. Notice shall be duly given to each director (a) in person or by telephone at least 24 hours in advance of the meeting, (b) by sending written notice by reputable overnight courier, telecopy, facsimile or electronic transmission, or delivering written notice by hand, to such director's last known business, home or electronic transmission address at least 48 hours in advance of the meeting, or (c) by sending written notice by first-class mail to such director's last known business or home address at least 72 hours in advance of the meeting. A notice or waiver of notice of a meeting of the Board of Directors need not specify the purposes of the meeting.

2.13 Meetings by Conference Communications Equipment. Directors may participate in meetings of the Board of Directors or any committee thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

2.14 Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent to the action in writing or by electronic transmission, and the written consents or electronic transmissions are filed with the minutes of proceedings of the Board of Directors or committee. 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.

2.15 Committees. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation with such lawfully delegable powers and duties as the Board of Directors thereby confers, to serve at the pleasure of the Board of 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 of the committee 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 provided in the resolution of the Board of Directors and subject to the provisions of law, 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. Each such committee shall keep minutes and make such reports as the Board of Directors may from time to time request. Except as the Board of Directors may otherwise determine, any committee may make rules for the conduct of its business, but unless otherwise provided by the directors or in such rules, its business shall be conducted as nearly as possible in the same manner as is provided in these By-laws for the Board of Directors. Except as otherwise provided in the Certificate of Incorporation, these By-laws, or the resolution of the Board of Directors designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

2.16 Compensation of Directors. Directors may be paid such compensation for their services and such reimbursement for expenses of attendance at meetings as the Board of Directors may from time to time determine. No such payment shall preclude any director from serving the corporation or any of its parent or subsidiary entities in any other capacity and receiving compensation for such service.

ARTICLE III.

OFFICERS

3.1 Titles. The officers of the corporation shall consist of a Chief Executive Officer, a President, a Secretary, a Treasurer and such other officers with such other titles as the Board of Directors shall determine, including one or more Vice Presidents, Assistant Treasurers and Assistant Secretaries. The Board of Directors may appoint such other officers as it may deem appropriate.

3.2 Election. The Chief Executive Officer, President, Treasurer and Secretary shall be elected annually by the Board of Directors at its first meeting following the annual meeting of stockholders. Other officers may be appointed by the Board of Directors at such meeting or at any other meeting.

3.3 Qualification. No officer need be a stockholder. Any two or more offices may be held by the same person.

3.4 Tenure. Except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws, each officer shall hold office until such officer's successor is elected and qualified, unless a different term is specified in the resolution electing or appointing such officer, or until such officer's earlier death, resignation or removal.

3.5 Resignation and Removal. Any officer may resign by delivering a written resignation to the corporation at its principal office or to the Chief Executive Officer, the President or the Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some later time or upon the happening of some later event. Any officer may be removed at any time, with or without cause, by vote of a majority of the directors then in office. Except as the Board of Directors may otherwise determine, no officer who resigns or is removed shall have any right to any compensation as an officer for any period following such officer's resignation or removal, or any right to damages on account of such removal, whether such officer's compensation be by the month or by the year or otherwise, unless such compensation is expressly provided for in a duly authorized written agreement with the corporation.

3.6 Vacancies. The Board of Directors may fill any vacancy occurring in any office for any reason and may, in its discretion, leave unfilled for such period as it may determine any offices other than those of Chief Executive Officer, President, Treasurer and Secretary. Each such successor shall hold office for the unexpired term of such officer's predecessor and until a successor is elected and qualified, or until such officer's earlier death, resignation or removal.

3.7 President; Chief Executive Officer. Unless the Board of Directors has designated another person as the corporation's Chief Executive Officer, the President shall be the Chief Executive Officer of the corporation. The Chief Executive Officer shall have general charge and supervision of the business of the corporation subject to the direction of the Board of Directors, and shall perform all duties and have all powers that are commonly incident to the office of chief executive or that are delegated to such officer by the Board of Directors. The President shall perform such other duties and shall have such other powers as the Board of Directors or the Chief Executive Officer (if the President is not the Chief Executive Officer) may from time to time prescribe. In the event of the absence, inability or refusal to act of the Chief Executive Officer or the President (if the President is not the Chief Executive Officer), the Vice President (or if there shall be more than one, the Vice Presidents in the order determined by the Board of Directors) shall perform the duties of the Chief Executive Officer and when so performing such duties shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer.

3.8 Vice Presidents. Each Vice President shall perform such duties and possess such powers as the Board of Directors or the Chief Executive Officer may from time to time prescribe. The Board of Directors may assign to any Vice President the title of Executive Vice President, Senior Vice President or any other title selected by the Board of Directors.

3.9 Secretary and Assistant Secretaries. The Secretary shall perform such duties and shall have such powers as the Board of Directors or the Chief Executive Officer may from time to time prescribe. In addition, the Secretary shall perform such duties and have such powers as are incident to the office of the secretary, including without limitation the duty and power to give notices of all meetings of stockholders and special meetings of the Board of Directors, to attend all meetings of stockholders and the Board of Directors and keep a record of the proceedings, to maintain a stock ledger and prepare lists of stockholders and their addresses as required, to be custodian of corporate records and the corporate seal and to affix and attest to the same on documents.

Any Assistant Secretary shall perform such duties and possess such powers as the Board of Directors, the Chief Executive Officer or the Secretary may from time to time prescribe. In the event of the absence, inability or refusal to act of the Secretary, the Assistant Secretary (or if there shall be more than one, the Assistant Secretaries in the order determined by the Board of Directors) shall perform the duties and exercise the powers of the Secretary.

In the absence of the Secretary or any Assistant Secretary at any meeting of stockholders or directors, the chairman of the meeting shall designate a temporary secretary to keep a record of the meeting.

3.10 Treasurer and Assistant Treasurers. The Treasurer shall perform such duties and shall have such powers as may from time to time be assigned by the Board of Directors or the Chief Executive Officer. In addition, the Treasurer shall perform such duties and have such powers as are incident to the office of treasurer, including without limitation the duty and power to keep and be responsible for all funds and securities of the corporation, to deposit funds of the corporation in depositories selected in accordance with these By-laws, to disburse such funds as ordered by the Board of Directors, to make proper accounts of such funds, and to render as required by the Board of Directors statements of all such transactions and of the financial condition of the corporation.

The Assistant Treasurers shall perform such duties and possess such powers as the Board of Directors, the Chief Executive Officer or the Treasurer may from time to time prescribe. In the event of the absence, inability or refusal to act of the Treasurer, the Assistant Treasurer (or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors) shall perform the duties and exercise the powers of the Treasurer.

3.11 Salaries. Officers of the corporation shall be entitled to such salaries, compensation or reimbursement as shall be fixed or allowed from time to time by the Board of Directors.

3.12 Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

ARTICLE IV.

CAPITAL STOCK

4.1 Issuance of Stock. Subject to the provisions of the Certificate of Incorporation, the whole or any part of any unissued balance of the authorized capital stock of the corporation or the whole or any part of any shares of the authorized capital stock of the corporation held in the corporation's treasury may be issued, sold, transferred or otherwise disposed of by vote of the Board of Directors in such manner, for such lawful consideration and on such terms as the Board of Directors may determine.

4.2 Stock Certificates; Uncertificated Shares. The shares of the corporation shall be represented by certificates, *provided that* the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of the corporation's stock shall be uncertificated shares. Every holder of stock of the corporation represented by certificates shall be entitled to have a certificate, in such form as may be prescribed by law and by the Board of Directors, representing the number of shares held by such holder registered in certificate form. Each such certificate shall be signed in a manner that complies with Section 158 of the General Corporation Law of the State of Delaware.

Each certificate for shares of stock which are subject to any restriction on transfer pursuant to the Certificate of Incorporation, these By-laws, applicable securities laws or any agreement among any number of stockholders or among such holders and the corporation shall have conspicuously noted on the face or back of the certificate either the full text of the restriction or a statement of the existence of such restriction.

If the corporation shall be authorized to issue more than one class of stock or more than one series of any class, the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of each certificate representing shares of such class or series of stock, *provided that* in lieu of the foregoing requirements there may be set forth on the face or back of each certificate representing shares of such class or series of stock a statement that the corporation will furnish without charge to each stockholder who so requests a copy of the full text of the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

Within a reasonable time after the issuance or transfer of uncertificated shares, the corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to Sections 151, 202(a) or 218(a) of the General Corporation Law of the State of Delaware or, with respect to Section 151 of General Corporation Law of the State of Delaware, a statement that the corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

4.3 Transfers. Shares of stock of the corporation shall be transferable in the manner prescribed by law and in these By-laws. Transfers of shares of stock of the corporation shall be made only on the books of the corporation or by transfer agents designated to transfer shares of stock of the corporation. Subject to applicable law, shares of stock represented by certificates shall be transferred only on the books of the corporation by the surrender to the corporation or its transfer agent of the certificate representing such shares properly endorsed or accompanied by a written assignment or power of attorney properly executed, and with such proof of authority or the authenticity of signature as the corporation or its transfer agent may reasonably require. Except as may be otherwise 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 to such stock, 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.

4.4 Lost, Stolen or Destroyed Certificates. The corporation may issue a new certificate of stock in place of any previously issued certificate alleged to have been lost, stolen or destroyed, upon such terms and conditions as the Board of Directors may prescribe, including the presentation of reasonable evidence of such loss, theft or destruction and the giving of such indemnity and posting of such bond as the Board of Directors may require for the protection of the corporation or any transfer agent or registrar.

4.5 Record Date. The Board of Directors may fix in advance a date as a record date for the determination of the stockholders entitled to notice of or to vote at any meeting of stockholders or to express consent (or dissent) to corporate action without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action. Such record date shall not precede the date on which the resolution fixing the record date is adopted, and such record date shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 10 days after the date of adoption of a record date for a consent without a meeting, nor more than 60 days prior to any other action to which such record date relates.

If no record date is fixed, 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 before the day on which notice is given, or, if notice is waived, at the close of business on the day before the day on which the meeting is held. If no record date is fixed, the record date for determining stockholders entitled to express consent to corporate action without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first consent is properly delivered to the corporation. If no record date is fixed, 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 to such purpose.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided*, *however*, that the Board of Directors may fix a new record date for the adjourned meeting.

4.6 Regulations. The issue, transfer, conversion and registration of shares of stock of the corporation shall be governed by such other regulations as the Board of Directors may establish.

ARTICLE V.

GENERAL PROVISIONS

5.1 Fiscal Year. Except as from time to time otherwise designated by the Board of Directors, the fiscal year of the corporation shall begin on the first day of January of each year and end on the last day of December in each year.

5.2 Corporate Seal. The corporate seal shall be in such form as shall be approved by the Board of Directors.

5.3 Waiver of Notice. Whenever notice is required to be given by law, by the Certificate of Incorporation or by 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, at or after the time of the event for which notice is to be given, shall be deemed equivalent to notice required to be given to such person. Neither the business nor the purpose of any meeting need be specified in any such waiver. 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.

5.4 Voting of Securities. Except as the Board of Directors may otherwise designate, the Chief Executive Officer, the President or the Treasurer may waive notice of, vote, or appoint any person or persons to vote, on behalf of the corporation at, and act as, or appoint any person or persons to act as, proxy or attorney-in-fact for this corporation (with or without power of substitution) at, any meeting of stockholders or securityholders of any other entity, the securities of which may be held by this corporation.

5.5 Evidence of Authority. A certificate by the Secretary, or an Assistant Secretary, or a temporary Secretary, as to any action taken by the stockholders, directors, a committee or any officer or representative of the corporation shall as to all persons who rely on the certificate in good faith be conclusive evidence of such action.

5.6 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.

5.7 Severability. Any determination that any provision of these By-laws is for any reason inapplicable, illegal or ineffective shall not affect or invalidate any other provision of these By-laws.

5.8 Pronouns. All pronouns used in these By-laws shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or persons may require.

5.9 Exclusive Forum. Unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director or officer or other employee of the Corporation to the Corporation or the Corporation's stockholders; (iii) any action asserting a claim against the Corporation or any director or officer or other employee of the Corporation arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's Certificate of Incorporation or Bylaws (as either may be amended from time to time), or (iv) any action asserting a claim against the Corporation or any director or officer or other employee of the Corporation governed by the internal affairs doctrine shall be a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware).

ARTICLE VI.

AMENDMENTS

6.1 By the Board of Directors. These By-laws may be altered, amended or repealed, in whole or in part, or new by-laws may be adopted by the Board of Directors.

6.2 By the Stockholders. These By-laws may be altered, amended or repealed, in whole or in part, or new by-laws may be adopted by the affirmative vote of the holders of a majority of the shares of the capital stock of the corporation issued and outstanding and entitled to vote at any annual meeting of stockholders, or at any special meeting of stockholders, *provided* notice of such alteration, amendment, repeal or adoption new by-laws shall have been stated in the notice of such special meeting.

Exhibit 3.4

Amended and Restated Bylaws of

CARGO Therapeutics, Inc.

(a Delaware corporation)

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Amended and Restated Bylaws of
CARGO Therapeutics, Inc.

Article I - Corporate Offices

1.1 Registered Office.

The address of the registered office of CARGO Therapeutics, Inc. (the "Corporation") in the State of Delaware, and the name of its registered agent at such address, shall be as set forth in the Corporation's certificate of incorporation, as the same may be amended and/or restated from time to time (the "Certificate of Incorporation").

1.2 Other Offices.

The Corporation may have additional offices at any place or places, within or outside the State of Delaware, as the Corporation's board of directors (the "Board") may from time to time establish or as the business of the Corporation may require.

Article II - Meetings of Stockholders

2.1 Place of Meetings.

Meetings of stockholders shall be held at any place within or outside the State of Delaware, designated by the Board. The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the General Corporation Law of the State of Delaware (the "DGCL"). In the absence of any such designation or determination, stockholders' meetings shall be held at the Corporation's principal executive office.

2.2 Annual Meeting.

The Board shall designate the date and time of the annual meeting. At the annual meeting, directors shall be elected and other proper business properly brought before the meeting in accordance with Section 2.4 of these amended and restated bylaws ("bylaws") may be transacted. The Board may postpone, reschedule or cancel any previously scheduled annual meeting of stockholders.

2.3 Special Meeting.

Special meetings of the stockholders may be called only by such persons and only in such manner as set forth in the Certificate of Incorporation.

No business may be transacted at any special meeting of stockholders other than the business specified in the notice of such meeting. The Board may postpone, reschedule or cancel any previously scheduled special meeting of stockholders.

2.4 Notice of Business to be Brought before a Meeting.

(a) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) specified in a notice of meeting given by or at the direction of the Board, (ii) if not specified in a notice of meeting, otherwise brought before the meeting by the Board or the Chairperson of the Board or (iii) otherwise properly brought before the meeting by a stockholder present in person who (A) (1) was a record owner of shares of the Corporation both at the time of giving the notice provided for in this Section 2.4 and at the time of the meeting, (2) is entitled to vote at the meeting, and (3) has complied with this Section 2.4 in all applicable respects or (B) properly made such proposal in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations, the "Exchange Act"). The foregoing clause (iii) shall be the exclusive means for a stockholder to propose business to be brought before an annual meeting of the stockholders. The only matters that may be brought before a special meeting are the matters specified in the notice of meeting given by or at the direction of the person calling the meeting pursuant to the Certificate of Incorporation and Section 2.3 of these bylaws, and stockholders shall not be permitted to propose business to be brought before a special meeting of the stockholders. For purposes of this Section 2.4, "present in person" shall mean that the stockholder proposing that the business be brought before the annual meeting of the Corporation, or a qualified representative of such proposing stockholder, appears at such annual meeting. A "qualified representative" of such proposing stockholder shall be a duly authorized officer, manager or partner of such stockholder or any other person authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders. Stockholders seeking to nominate persons for election to the Board must comply with Section 2.5 and Section 2.6 of these bylaws and this Section 2.4 shall not be applicable to nominations except as expressly provided in Section 2.5 and Section 2.6 of these bylaws.

(b) Without qualification, for business to be properly brought before an annual meeting by a stockholder, the stockholder must (i) provide Timely Notice (as defined below) thereof in writing and in proper form to the Secretary of the Corporation and (ii) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.4. To be timely, a stockholder's notice must be delivered to, or mailed and received at, the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the one-year anniversary of the preceding year's annual meeting which, in the case of the first annual meeting of stockholders following the closing of the Corporation's initial underwritten public offering of common stock, the date of the preceding year's annual meeting shall be deemed to be [_____]; *provided*, *however*, that if the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, notice by the stockholder to be timely must be so delivered, or mailed and received, not more than the hundred twentieth (120th) day prior to such annual meeting and not later than (i) the ninetieth (90th) day prior to such annual meeting or, (ii) if later, the tenth (10th) day following the day on which public disclosure of the date of such annual meeting was first made by the Corporation (such notice within such time periods, "Timely Notice"). In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of Timely Notice as described above.

(c) To be in proper form for purposes of this Section 2.4, a stockholder's notice to the Secretary shall set forth:

(i) As to each Proposing Person (as defined below), (A) the name and address of such Proposing Person (including, if applicable, the name and address that appear on the Corporation's books and records); (B) the class or series and number of shares of the Corporation that are, directly or indirectly, owned of record or beneficially owned (within the meaning of Rule 13d-3 under the Exchange Act) by such Proposing Person, except that such Proposing Person shall in all events be deemed to beneficially own any shares of any class or series of the Corporation as to which such Proposing Person has a right to acquire beneficial ownership at any time in the future; (C) the date or dates such shares were acquired; (D) the investment intent of such acquisition and (E) any pledge by such Proposing Person with respect to any of such shares (the disclosures to be made pursuant to the foregoing clauses (A) through (E) are referred to as "Stockholder Information");

(ii) As to each Proposing Person, (A) the material terms and conditions of any "derivative security" (as such term is defined in Rule 16a-1(c) under the Exchange Act) that constitutes a "call equivalent position" (as such term is defined in Rule 16a-1(b) under the Exchange Act) or a "put equivalent position" (as such term is defined in Rule 16a-1(h) under the Exchange Act) or other derivative or synthetic arrangement in respect of any class or series of shares of the Corporation ("Synthetic Equity Position") that is, directly or indirectly, held or maintained by, held for the benefit of, or involving such Proposing Person, including, without limitation, (i) any option, warrant, convertible security, stock appreciation right, future or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, (ii) any derivative or synthetic arrangement having the characteristics of a long position or a short position in any class or series of shares of the Corporation, including, without limitation, a stock loan transaction, a stock borrow transaction, or a share repurchase transaction or (iii) any contract, derivative, swap or other transaction or series of transactions designed to (x) produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation, (y) mitigate any loss relating to, reduce the economic risk (of ownership or otherwise) of, or manage the risk of share price decrease in, any class or series of shares of the Corporation, or (z) increase or decrease the voting power in respect of any class or series of shares of the Corporation of such Proposing Person, including, without limitation, due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of the Corporation, through the delivery of cash or other property, or otherwise, and without regard to whether the holder thereof may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the price or value of any class or series of shares of the Corporation; *provided* that, for the purposes of the definition of "Synthetic Equity Position," the term "derivative security" shall also include any security or instrument that would not otherwise constitute a "derivative security" as a result of any feature that would make any conversion, exercise or similar right or privilege of such security or instrument becoming determinable only at some future date or upon the happening of a future occurrence, in which case the determination of the amount of securities into which such security or instrument would be convertible or exercisable shall be made assuming that such security or instrument is immediately convertible or exercisable at the time of such determination; and,

provided, *further*, that any Proposing Person satisfying the requirements of Rule 13d-1(b)(1) under the Exchange Act (other than a Proposing Person that so satisfies Rule 13d-1(b)(1) under the Exchange Act solely by reason of Rule 13d-1(b)(1)(ii)(E)) shall not be required to disclose any Synthetic Equity Position that is, directly or indirectly, held or maintained by, held for the benefit of, or involving such Proposing Person as a hedge with respect to a bona fide derivatives trade or position of such Proposing Person arising in the ordinary course of such Proposing Person's business as a derivatives dealer, (B) any rights to dividends on the shares of any class or series of shares of the Corporation owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation, (C) any material pending or threatened legal proceeding in which such Proposing Person is a party or material participant involving the Corporation or any of its officers or directors, or any affiliate of the Corporation, (D) any other material relationship between such Proposing Person, on the one hand, and the Corporation or any affiliate of the Corporation, on the other hand, (E) any direct or indirect material interest in any material contract or agreement of such Proposing Person with the Corporation or any affiliate of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), (F) any proportionate interest in shares of the Corporation or a Synthetic Equity Position held, directly or indirectly, by a general or limited partnership, limited liability company or similar entity in which any such Proposing Person (1) is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership or (2) is the manager, managing member or, directly or indirectly, beneficially owns an interest in the manager or managing member of such limited liability company or similar entity; (G) a representation that such Proposing Person intends or is part of a group which intends to deliver a proxy statement or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or otherwise solicit proxies from stockholders in support of such proposal and (H) any other information relating to such Proposing Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proposing Person in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act (the disclosures to be made pursuant to the foregoing clauses (A) through (H) are referred to as "Disclosable Interests"); *provided*, *however*, that Disclosable Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner; and

(iii) As to each item of business that the stockholder proposes to bring before the annual meeting, (A) a brief description of the business desired to be brought before the annual meeting, the reasons for conducting such business at the annual meeting and any material interest in such business of each Proposing Person, (B) the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the bylaws of the Corporation, the language of the proposed amendment), (C) a reasonably detailed description of all agreements, arrangements and understandings (x) between or among any of the Proposing Persons or (y) between or among any Proposing Person and any other record or beneficial holder(s) or persons(s) who have a right to acquire beneficial ownership at any time in the future of the shares of any class or series of the Corporation] or any other person or entity (including their names) in connection with the proposal of such business by such stockholder, and (D) any other information relating to such item of business that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act; *provided*, *however*, that the disclosures required by this paragraph (iii) shall not include any disclosures with respect to any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner.

For purposes of this Section 2.4, the term "Proposing Person" shall mean (i) the stockholder providing the notice of business proposed to be brought before an annual meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the business proposed to be brought before the annual meeting is made, and (iii) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) with such stockholder in such solicitation.

(d) The Board may request that any Proposing Person furnish such additional information as may be reasonably required by the Board. Such Proposing Person shall provide such additional information within ten (10) days after it has been requested by the Board.

(e) A Proposing Person shall update and supplement its notice to the Corporation of its intent to propose business at an annual meeting, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.4 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding matters, business or resolutions proposed to be brought before a meeting of the stockholders.

(f) Notwithstanding anything in these bylaws to the contrary, no business shall be conducted at an annual meeting that is not properly brought before the meeting in accordance with this Section 2.4. The presiding officer of the meeting shall, if the facts warrant, determine that the business was not properly brought before the meeting in accordance with this Section 2.4, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

(g) This Section 2.4 is expressly intended to apply to any business proposed to be brought before an annual meeting of stockholders other than any proposal made in accordance with Rule 14a-8 under the Exchange Act and included in the Corporation's proxy statement. In addition to the requirements of this Section 2.4 with respect to any business proposed to be brought before an annual meeting, each Proposing Person shall comply with all applicable requirements of the Exchange Act with respect to any such business. Nothing in this Section 2.4 shall be deemed to affect the rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(h) For purposes of these bylaws, “public disclosure” shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act or by such other means as is reasonably designed to inform the public or securityholders of the Corporation in general of such information including, without limitation, posting on the Corporation’s investor relations website.

Advance Notice of Nominations for Election of Directors at a Meeting

2.5 Notice of Nominations for Election to the Board of Directors.

(a) Nominations of any person for election to the Board at an annual meeting or at a special meeting (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting) may be made at such meeting only (i) by or at the direction of the Board, including by any committee or persons authorized to do so by the Board or these bylaws, or (ii) by a stockholder present in person who (A) was a record owner of shares of the Corporation both at the time of giving the notice provided for in this Section 2.5 and at the time of the meeting, (B) is entitled to vote at the meeting, and (C) has complied with this Section 2.5 and Section 2.6 as to such notice and nomination. For purposes of this Section 2.5, “present in person” shall mean that the stockholder nominating any person for election to the Board at the meeting of the Corporation, or a qualified representative of such stockholder, appear at such meeting. A “qualified representative” of such proposing stockholder shall be a duly authorized officer, manager or partner of such stockholder or any other person authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders. The foregoing clause (ii) shall be the exclusive means for a stockholder to make any nomination of a person or persons for election to the Board at an annual meeting or special meeting.

(b) (i) Without qualification, for a stockholder to make any nomination of a person or persons for election to the Board at an annual meeting, the stockholder must (1) provide Timely Notice (as defined in Section 2.4) thereof in writing and in proper form to the Secretary of the Corporation, (2) provide the information, agreements and questionnaires with respect to such stockholder and its candidate for nomination as required to be set forth by this Section 2.5 and Section 2.6 and (3) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5 and Section 2.6.

(ii) Without qualification, if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling a special meeting, then for a stockholder to make any nomination of a person or persons for election to the Board at a special meeting, the stockholder must (i) provide timely notice thereof in writing and in proper form to the Secretary of the Corporation at the principal executive offices of the Corporation, (ii) provide the information with respect to such stockholder and its candidate for nomination as required by this Section 2.5 and Section 2.6 and (iii) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5. To be timely, a stockholder’s notice for nominations to be made at a special meeting must be delivered to, or mailed and received at, the principal executive offices of the Corporation not earlier than the one hundred twentieth (120th) day prior to such special meeting and not later than the ninetieth (90th) day prior to such special meeting or, if later, the tenth (10th) day following the day on which public disclosure (as defined in Section 2.4) of the date of such special meeting was first made.

(iii) In no event shall any adjournment or postponement of an annual meeting or special meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described above.

(iv) In no event may a Nominating Person provide Timely Notice with respect to a greater number of director candidates than are subject to election by shareholders at the applicable meeting. If the Corporation shall, subsequent to such notice, increase the number of directors subject to election at the meeting, such notice as to any additional nominees shall be due on the later of (i) the conclusion of the time period for Timely Notice, (ii) the date set forth in Section 2.5(b)(ii) or (iii) the tenth day following the date of public disclosure (as defined in Section 2.4) of such increase.

(c) To be in proper form for purposes of this Section 2.5, a stockholder's notice to the Secretary shall set forth:

(i) As to each Nominating Person (as defined below), the Stockholder Information (as defined in Section 2.4(c)(i), except that for purposes of this Section 2.5 the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.4(c)(i));

(ii) As to each Nominating Person, any Disclosable Interests (as defined in Section 2.4(c)(ii), except that for purposes of this Section 2.5 the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.4(c)(ii) and the disclosure with respect to the business to be brought before the meeting in Section 2.4(c)(ii) shall be made with respect to the election of directors at the meeting); and *provided* that, in lieu of including the information set forth in Section 2.4(c)(ii)(G), the Nominating Person's notice for purposes of this Section 2.5 shall include a representation as to whether the Nominating Person intends or is part of a group which intends to deliver a proxy statement and solicit the holders of shares representing at least 67% of the voting power of shares entitled to vote on the election of directors in support of director nominees other than the Corporation's nominees in accordance with Rule 14a-19 promulgated under the Exchange Act; and

(iii) As to each candidate whom a Nominating Person proposes to nominate for election as a director, (A) all information relating to such candidate for nomination that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14(a) under the Exchange Act (including such candidate's written consent to being named in a proxy statement and accompanying proxy card relating to the Corporation's next meeting of shareholders at which directors are to be elected and to serving as a director for a full term if elected), (B) a description of any direct or indirect material interest in any material contract or agreement between or among any Nominating Person, on the one hand, and each candidate for nomination or his or her respective associates or any other participants in such solicitation, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such Nominating Person were the "registrant" for purposes of such rule and the candidate for nomination were a director or executive officer of such registrant (the disclosures to be made pursuant to the foregoing clauses (A) and (B) are referred to as "Nominee Information"), and (C) a completed and signed questionnaire, representation and agreement as provided in Section 2.6(a).

For purposes of this Section 2.5, the term "Nominating Person" shall mean (i) the stockholder providing the notice of the nomination proposed to be made at the meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the nomination proposed to be made at the meeting is made, and (iii) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) with such stockholder in such solicitation.

(d) The Board may request that any Nominating Person furnish such additional information as may be reasonably required by the Board. Such Nominating Person shall provide such additional information within ten (10) days after it has been requested by the Board.

(e) A stockholder providing notice of any nomination proposed to be made at a meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.5 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any nomination or to submit any new nomination.

(f) In addition to the requirements of this Section 2.5 with respect to any nomination proposed to be made at a meeting, each Nominating Person shall comply with all applicable requirements of the Exchange Act with respect to any such nominations. Notwithstanding the foregoing provisions of this Section 2.5, unless otherwise required by law, (i) no Nominating Person shall solicit proxies in support of director nominees other than the Corporation's nominees unless such Nominating Person has complied with Rule 14a-19 promulgated under the Exchange Act in connection with the solicitation of such proxies, including the provision to the Corporation of notices required thereunder in a timely manner and (ii) if any Nominating Person (1) provides notice pursuant to Rule 14a-19(b) promulgated under the Exchange Act and (2) subsequently fails to comply with the requirements of Rule 14a-19(a)(2) and Rule 14a-19(a)(3) promulgated under the Exchange Act, including the provision to the Corporation of notices required thereunder in a timely manner, or fails to timely provide reasonable evidence sufficient to satisfy the Corporation that such Nominating Person has met the requirements of Rule 14a-19(a)(3) promulgated under the Exchange Act in accordance with the following sentence, then the nomination of each such proposed nominee shall be disregarded, notwithstanding that the nominee is included as a nominee in the Corporation's proxy statement, notice of meeting or other proxy materials for any annual meeting (or any supplement thereto) and notwithstanding that proxies or votes in respect of the election of such proposed nominees may have been received by the Corporation (which proxies and votes shall be disregarded). If any Nominating Person provides notice pursuant to Rule 14a-19(b) promulgated under the Exchange Act, such Nominating Person shall deliver to the Corporation, no later than seven (7) business days prior to the applicable meeting, reasonable evidence that it has met the requirements of Rule 14a-19(a)(3) promulgated under the Exchange Act.

2.6 Additional Requirements for Valid Nomination of Candidates to Serve as Director and, if Elected, to be Seated as Directors.

(a) To be eligible to be a candidate for election as a director of the Corporation at an annual or special meeting, a candidate must be nominated in the manner prescribed in Section 2.5 and the candidate for nomination, whether nominated by the Board or by a stockholder of record, must have previously delivered (in accordance with the time period prescribed for delivery in a notice to such candidate given by or on behalf of the Board), to the Secretary at the principal executive offices of the Corporation, (i) a completed written questionnaire (in the form provided by the Corporation upon written request of any stockholder of record therefor) with respect to the background, qualifications, stock ownership and independence of such proposed nominee and (ii) a written representation and agreement (in the form provided by the Corporation upon written request of any stockholder of record therefor) that such candidate for nomination (A) is not and, if elected as a director during his or her term of office, will not become a party to (1) any agreement, arrangement or understanding with, and has not given and will not give any commitment or assurance to, any person or entity as to how such proposed nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") or (2) any Voting Commitment that could limit or interfere with such proposed nominee's ability to comply, if elected as a director of the Corporation, with such proposed nominee's fiduciary duties under applicable law, (B) is not, and will not become a party to, any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation or reimbursement for service as a director that has not been disclosed therein, (C) if elected as a director of the Corporation, will comply with all applicable corporate governance, conflict of interest, confidentiality, stock ownership and trading and other policies and guidelines of the Corporation applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Secretary of the Corporation shall provide to such candidate for nomination all such policies and guidelines then in effect), and (D) if elected as director of the Corporation, intends to serve the entire term until the next meeting at which such candidate would face re-election.

(b) The Board may also require any proposed candidate for nomination as a Director to furnish such other information as may reasonably be requested by the Board in writing prior to the meeting of stockholders at which such candidate's nomination is to be acted upon. Without limiting the generality of the foregoing, the Board may request such other information in order for the Board to determine the eligibility of such candidate for nomination to be an independent director of the Corporation or to comply with the Director qualification standards and additional selection criteria in accordance with the Corporation's Corporate Governance Guidelines. Such other information shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation (or any other office specified by the Corporation in any public announcement) not later than five (5) business days after the request by the Board has been delivered to, or mailed and received by, the Nominating Person.

(c) A candidate for nomination as a director shall further update and supplement the materials delivered pursuant to this Section 2.6, if necessary, so that the information provided or required to be provided pursuant to this Section 2.6 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation (or any other office specified by the Corporation in any public announcement) not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date

prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any nomination or to submit any new proposal, including by changing or adding nominees, matters, business or resolutions proposed to be brought before a meeting of the stockholders.

(d) No candidate shall be eligible for nomination as a director of the Corporation unless such candidate for nomination and the Nominating Person seeking to place such candidate's name in nomination has complied with Section 2.5 and this Section 2.6, as applicable. The presiding officer at the meeting shall, if the facts warrant, determine that a nomination was not properly made in accordance with Section 2.5 and this Section 2.6, and if he or she should so determine, he or she shall so declare such determination to the meeting, the defective nomination shall be disregarded and any ballots cast for the candidate in question (but in the case of any form of ballot listing other qualified nominees, only the ballots cast for the nominee in question) shall be void and of no force or effect.

(e) Notwithstanding anything in these bylaws to the contrary, no candidate for nomination shall be eligible to be seated as a director of the Corporation unless nominated and elected in accordance with Section 2.5 and this Section 2.6.

2.7 Notice of Stockholders' Meetings.

Unless otherwise provided by law, the Certificate of Incorporation or these bylaws, the notice of any meeting of stockholders shall be sent or otherwise given in accordance with Section 8.1 of these bylaws not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place, if any, date and time of the meeting, the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.8 Quorum.

Unless otherwise provided by law, the Certificate of Incorporation or these bylaws, the holders of a majority in voting power of the stock issued and outstanding and entitled to vote, present in person, or by remote communication, if applicable, or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders. A quorum, once established at a meeting, shall not be broken by the withdrawal of enough votes to leave less than a quorum. If, however, a quorum is not present or represented at any meeting of the stockholders, then either (i) the person presiding over the meeting or (ii) a majority in voting power of the stockholders entitled to vote at the meeting, present in person, or by remote communication, if applicable, or represented by proxy, shall have power to recess the meeting or adjourn the meeting from time to time in the manner provided in Section 2.9 of these bylaws until a quorum is present or represented. At any recessed or adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

2.9 Adjourned Meeting; Notice.

When a meeting is adjourned to another time or place, unless these bylaws otherwise require, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders 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 or are provided in any other manner permitted by the DGCL. At any adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such meeting as of the record date so fixed for notice of such adjourned meeting.

2.10 Conduct of Business.

The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the person presiding over the meeting. The Board 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, the person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures (which need not be in writing) and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the person presiding over 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 (including, without limitation, rules and procedures for removal of disruptive persons from the meeting); (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the person presiding over 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. The presiding person at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting (including, without limitation, determinations with respect to the administration and/or interpretation of any of the rules, regulations or procedures of the meeting, whether adopted by the Board or prescribed by the person presiding over the meeting), shall, if the facts warrant, determine and declare to the meeting that a matter of business was not properly brought before the meeting and if such presiding person should so determine, such presiding person shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

2.11 Voting.

Except as may be otherwise provided in the Certificate of Incorporation, these bylaws or the DGCL, each stockholder shall be entitled to one (1) vote for each share of capital stock held by such stockholder.

Except as otherwise provided by the Certificate of Incorporation, at all duly called or convened meetings of stockholders at which a quorum is present, for the election of directors, a plurality of the votes cast shall be sufficient to elect a director. Except as otherwise provided by the Certificate of Incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or applicable law or pursuant to any regulation applicable to the Corporation or its securities, each other matter presented to the stockholders at a duly called or convened meeting at which a quorum is present shall be decided by the affirmative vote of the holders of a majority in voting power of the votes cast (excluding abstentions and broker non-votes) on such matter.

2.12 Record Date for Stockholder Meetings and Other Purposes.

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, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall, unless otherwise required by law, not be more than sixty (60) days nor less than ten (10) days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be the close of business on the next day preceding the day on which notice is first given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however*, that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting; and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment or any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of capital stock, or for the purposes of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

2.13 Proxies.

Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law, including Rule 14a-19 promulgated under the Securities Exchange Act of 1934, as amended, filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL. A proxy may be in the form of an electronic transmission which sets forth or is submitted with information from which it can be determined that the transmission was authorized by the stockholder.

Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board.

2.14 List of Stockholders Entitled to Vote.

The Corporation shall prepare, no later than the tenth day before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (*provided, however*, that if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Corporation shall not be required 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 ten (10) days ending on the day before the meeting date: (i) on a reasonably accessible electronic network, *provided* that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the Corporation's principal executive office. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. Such list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 2.14 or to vote in person or by proxy at any meeting of stockholders.

2.15 Inspectors of Election.

Before any meeting of stockholders, the Corporation shall appoint an inspector or inspectors of election to act at the meeting or its adjournment and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If any person appointed as inspector or any alternate fails to appear or fails or refuses to act, then the person presiding over the meeting shall appoint a person to fill that vacancy.

Such inspectors shall:

(a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting and the validity of any proxies and ballots;

(b) count all votes or ballots;

(c) count and tabulate all votes;

(d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspector(s); and

(e) certify its or their determination of the number of shares represented at the meeting and its or their count of all votes and ballots.

Each inspector, before entering upon the discharge of the duties of inspector, shall take and sign an oath faithfully to execute the duties of inspection with strict impartiality and according to the best of such inspector's ability. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein. The inspectors of election may appoint such persons to assist them in performing their duties as they determine.

2.16 Delivery to the Corporation.

Whenever this Article II requires one or more persons (including a record or beneficial owner of stock) to deliver a document or information to the Corporation or any officer, employee or agent thereof (including any notice, request, questionnaire, revocation, representation or other document or agreement), such document or information shall be in writing exclusively (and not in an electronic transmission) and shall be delivered exclusively by hand (including, without limitation, overnight courier service) or by certified or registered mail, return receipt requested, and the Corporation shall not be required to accept delivery of any document not in such written form or so delivered. For the avoidance of doubt, the Corporation expressly opts out of Section 116 of the DGCL with respect to the delivery of information and documents to the Corporation required by this Article II.

Article III - Directors

3.1 Powers.

Except as otherwise provided by the Certificate of Incorporation or the DGCL, the business and affairs of the Corporation shall be managed by or under the direction of the Board.

3.2 Number of Directors.

Subject to the Certificate of Incorporation, the total number of directors constituting the Board shall be determined from time to time by resolution of the Board. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

3.3 Election, Qualification and Term of Office of Directors.

Except as provided in Section 3.4 of these bylaws, and subject to the Certificate of Incorporation, each director, including a director elected to fill a vacancy or newly created directorship, shall hold office until the expiration of the term of the class, if any, for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation, disqualification or removal. Directors need not be stockholders. The Certificate of Incorporation or these bylaws may prescribe qualifications for directors.

3.4 Resignation and Vacancies.

Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. The resignation shall take effect at the time specified therein or upon the happening of an event specified therein, and if no time or event is specified, at the time of its receipt. When one or more directors so resigns and the resignation is effective at a future date or upon the happening of an event to occur on a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in Section 3.3.

Unless otherwise provided in the Certificate of Incorporation or these bylaws, vacancies resulting from the death, resignation, disqualification or removal of any director, and newly created directorships resulting from any increase in the authorized number of directors shall be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

3.5 Place of Meetings; Meetings by Telephone.

The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the Certificate of Incorporation or these bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting pursuant to this bylaw shall constitute presence in person at the meeting.

3.6 Regular Meetings.

Regular meetings of the Board may be held within or outside the State of Delaware and at such time and at such place as which has been designated by the Board and publicized among all directors, either orally or in writing, by telephone, including a voice-messaging system or other system designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other means of electronic transmission. No further notice shall be required for regular meetings of the Board.

3.7 Special Meetings; Notice.

Special meetings of the Board for any purpose or purposes may be called at any time by the chairperson of the Board, the Chief Executive Officer, the President, the Secretary or a majority of the total number of directors constituting the Board.

Notice of the time and place of special meetings shall be:

(a) delivered personally by hand, by courier or by telephone;

(b) sent by United States first-class mail, postage prepaid;

(c) sent by facsimile or electronic mail; or

(d) sent by other means of electronic transmission,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, or other address for electronic transmission, as the case may be, as shown on the Corporation's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or electronic mail, or (iii) sent by other means of electronic transmission, it shall be delivered or sent at least twenty-four (24) hours before the time of the holding of the meeting. If the notice is sent by U.S. mail, it shall be deposited in the U.S. mail at least four (4) days before the time of the holding of the meeting. The notice need not specify the place of the meeting (if the meeting is to be held at the Corporation's principal executive office) nor the purpose of the meeting.

3.8 Quorum.

At all meetings of the Board, unless otherwise provided by the Certificate of Incorporation, a majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the Certificate of Incorporation or these bylaws. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.9 Board Action without a Meeting.

Unless otherwise restricted by the Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission. After an action is taken, the consent or consents relating thereto shall be filed with the minutes of the proceedings of the Board, or the committee thereof, in the same paper or electronic form as the minutes are maintained. Such action by written consent or consent by electronic transmission shall have the same force and effect as a unanimous vote of the Board.

3.10 Fees and Compensation of Directors.

Unless otherwise restricted by the Certificate of Incorporation or these bylaws, the Board shall have the authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

Article IV - Committees

4.1 Committees of Directors.

The Board may designate one (1) or more committees, each committee to consist, of one (1) or more of the directors of the Corporation. The Board may designate one (1) 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 to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board or in these bylaws, shall have and may exercise all the powers and authority of the Board 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 that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Corporation.

4.2 Committee Minutes.

Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

4.3 Meetings and Actions of Committees.

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

(a) Section 3.5 (place of meetings; meetings by telephone);

(b) Section 3.6 (regular meetings);

(c) Section 3.7 (special meetings; notice);

(d) Section 3.9 (board action without a meeting); and

(e) Section 7.13 (waiver of notice),

with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. *However*:

(i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;

(ii) special meetings of committees may also be called by resolution of the Board or the chairperson of the applicable committee; and

(iii) the Board may adopt rules for the governance of any committee to override the provisions that would otherwise apply to the committee pursuant to this Section 4.3, *provided* that such rules do not violate the provisions of the Certificate of Incorporation or applicable law.

4.4 Subcommittees.

Unless otherwise provided in the Certificate of Incorporation, these bylaws or the resolutions of the Board designating the committee, a committee may create one (1) or more subcommittees, each subcommittee to consist of one (1) or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

Article V - Officers

5.1 Officers.

The officers of the Corporation shall include a Chief Executive Officer, a President and a Secretary. The Corporation may also have, at the discretion of the Board, a Chairperson of the Board, a Vice Chairperson of the Board, a Chief Financial Officer, a Treasurer, one (1) or more Vice Presidents, one (1) or more Assistant Vice Presidents, one (1) or more Assistant Treasurers, one (1) or more Assistant Secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person. No officer need be a stockholder or director of the Corporation.

5.2 Appointment of Officers.

The Board shall appoint the officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 5.3 of these bylaws.

5.3 Subordinate Officers.

The Board may appoint, or empower the Chief Executive Officer or, in the absence of a Chief Executive Officer, the President, to appoint, such other officers and agents as the business of the Corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

5.4 Removal and Resignation of Officers.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

5.5 Vacancies in Offices.

Any vacancy occurring in any office of the Corporation shall be filled by the Board or as provided in Section 5.2.

5.6 Representation of Shares of Other Corporations.

The Chairperson of the Board, the Chief Executive Officer, or the President of this Corporation, or any other person authorized by the Board, the Chief Executive Officer or the President, is authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all shares or voting securities of any other corporation or other person standing in the name of this Corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

5.7 Authority and Duties of Officers.

All officers of the Corporation shall respectively have such authority and perform such duties in the management of the business of the Corporation as may be provided herein or designated from time to time by the Board and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

5.8 Compensation.

The compensation of the officers of the Corporation for their services as such shall be fixed from time to time by or at the direction of the Board. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he or she is also a director of the Corporation.

Article VI - Records

A stock ledger consisting of one or more records in which the names of all of the Corporation's stockholders of record, the address and number of shares registered in the name of each such stockholder, and all issuances and transfers of stock of the corporation are recorded in accordance with Section 224 of the DGCL shall be administered by or on behalf of the Corporation. Any records administered by or on behalf of the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device, or method, or one or more electronic networks or databases (including one or more distributed electronic networks or databases), *provided* that the records so kept can be converted into clearly legible paper form within a reasonable time and, with respect to the stock ledger, that the records so kept (i) can be used to prepare the list of stockholders specified in Sections 219 and 220 of the DGCL, (ii) record the information specified in Sections 156, 159, 217(a) and 218 of the DGCL, and (iii) record transfers of stock as governed by Article 8 of the Uniform Commercial Code as adopted in the State of Delaware.

Article VII - General Matters

7.1 Execution of Corporate Contracts and Instruments.

The Board, except as otherwise provided in these bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances.

7.2 Stock Certificates.

The shares of the Corporation shall be represented by certificates, *provided* that the Board by resolution may provide that some or all of the shares of any class or series of stock of the Corporation shall be uncertificated. Certificates for the shares of stock, if any, shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock represented by a certificate shall be entitled to have a certificate signed by, or in the name of the Corporation by, any two officers authorized to sign stock certificates representing the number of shares registered in certificate form. The Chairperson or Vice Chairperson of the Board, Chief Executive Officer, the President, Vice President, the Treasurer, any Assistant Treasurer, the Secretary or any Assistant Secretary of the Corporation shall be specifically authorized to sign stock certificates. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has 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 he or she were such officer, transfer agent or registrar at the date of issue.

The Corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the Corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

7.3 Special Designation of Certificates.

If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or on the back of the certificate that the Corporation shall issue to represent such class or series of stock (or, in the case of uncertificated shares, set forth in a notice provided pursuant to Section 151 of the DGCL); *provided*, *however*, that except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements, there may be set forth on the face of back of the certificate that the Corporation shall issue to represent such class or series of stock (or, in the case of any uncertificated shares, included in the aforementioned notice) a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

7.4 Lost Certificates.

Except as provided in this Section 7.4, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation and cancelled at the same time. The Corporation may issue a new certificate of stock or uncertificated shares 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 such owner's 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 or uncertificated shares.

7.5 Shares Without Certificates.

The Corporation may adopt a system of issuance, recordation and transfer of its shares of stock by electronic or other means not involving the issuance of certificates, *provided* the use of such system by the Corporation is permitted in accordance with applicable law.

7.6 Construction; Definitions.

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural and the plural number includes the singular.

7.7 Dividends.

The Board, subject to any restrictions contained in either (i) the DGCL or (ii) the Certificate of Incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property or in shares of the Corporation's capital stock.

The Board may set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the Corporation, and meeting contingencies.

7.8 Fiscal Year.

The fiscal year of the Corporation shall be fixed by resolution of the Board and may be changed by the Board.

7.9 Seal.

The Corporation may adopt a corporate seal, which shall be adopted and which may be altered by the Board. The Corporation may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

7.10 Transfer of Stock.

Shares of the Corporation shall be transferable in the manner prescribed by law and in these bylaws. Shares of stock of the Corporation shall be transferred on the books of the Corporation only by the holder of record thereof or by such holder's attorney duly authorized in writing, upon surrender to the Corporation of the certificate or certificates representing such shares endorsed by the appropriate person or persons (or by delivery of duly executed instructions with respect to uncertificated shares), with such evidence of the authenticity of such endorsement or execution, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing the names of the persons from and to whom it was transferred.

7.11 Stock Transfer Agreements.

The Corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes or series of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

7.12 Registered Stockholders.

The Corporation:

(a) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner; and

(b) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Delaware.

7.13 Waiver of Notice.

Whenever notice is required to be given under any provision of the DGCL, the Certificate of Incorporation or these bylaws, 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 regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the Certificate of Incorporation or these bylaws.

Article VIII - Notice

8.1 Delivery of Notice; Notice by Electronic Transmission.

Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provisions of the DGCL, the Certificate of Incorporation, or these bylaws may be given in writing directed to the stockholder's mailing address (or by electronic transmission directed to the stockholder's electronic mail address, as applicable) as it appears on the records of the Corporation and shall be given (1) if mailed, when the notice is deposited in the U.S. mail, postage prepaid, (2) if delivered by courier service, the earlier of when the notice is received or left at such stockholder's address or (3) if given by electronic mail, when directed to such stockholder's electronic mail address unless the stockholder has notified the Corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail. A notice by electronic mail must include a prominent legend that the communication is an important notice regarding the Corporation.

Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice or electronic transmission to the Corporation. Notwithstanding the provisions of this paragraph, the Corporation may give a notice by electronic mail in accordance with the first paragraph of this section without obtaining the consent required by this paragraph.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(a) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(b) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and

(c) if by any other form of electronic transmission, when directed to the stockholder.

Notwithstanding the foregoing, a notice may not be given by an electronic transmission from and after the time that (1) the Corporation is unable to deliver by such electronic transmission two (2) consecutive notices given by the Corporation and (2) such inability becomes known to the Secretary or an Assistant Secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice, *provided*, *however*, the inadvertent failure to discover such inability shall not invalidate any meeting or other action.

An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

Article IX - Indemnification

9.1 Indemnification of Directors and Officers.

The Corporation shall indemnify and hold harmless, to the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, any director or officer of the Corporation who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding") by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation or, while serving as a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership (a "covered person"), joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees, judgments, fines ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred by such person in connection with any such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 9.4, the Corporation shall be required to indemnify a person in connection with a Proceeding initiated by such person only if the Proceeding was authorized in the specific case by the Board.

9.2 Indemnification of Others.

The Corporation shall have the power to indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any employee or agent of the Corporation who was or is made or is threatened to be made a party or is otherwise involved in any Proceeding by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was an employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person in connection with any such Proceeding.

9.3 Prepayment of Expenses.

The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by any covered person, and may pay the expenses incurred by any employee or agent of the Corporation, in defending any Proceeding in advance of its final disposition; *provided*, *however*, that such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the person to repay all amounts advanced if it should be ultimately determined that the person is not entitled to be indemnified under this Article IX or otherwise.

9.4 Determination; Claim.

If a claim for indemnification (following the final disposition of such Proceeding) under this Article IX is not paid in full within sixty (60) days, or a claim for advancement of expenses under this Article IX is not paid in full within thirty (30) days, after a written claim therefor has been received by the Corporation the claimant may thereafter (but not before) file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action the Corporation shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

9.5 Non-Exclusivity of Rights.

The rights conferred on any person by this Article IX shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

9.6 Insurance.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust enterprise or non-profit entity against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the DGCL.

9.7 Other Indemnification.

The Corporation's obligation, if any, to indemnify or advance expenses to any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or non-profit entity shall be reduced by any amount such person may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

9.8 Continuation of Indemnification.

The rights to indemnification and to prepayment of expenses provided by, or granted pursuant to, this Article IX 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.

9.9 Amendment or Repeal; Interpretation.

The provisions of this Article IX shall constitute a contract between the Corporation, on the one hand, and, on the other hand, each individual who serves or has served as a director or officer of the Corporation (whether before or after the adoption of these bylaws), in consideration of such person's performance of such services, and pursuant to this Article IX the Corporation intends to be legally bound to each such current or former director or officer of the Corporation. With respect to current and former directors and officers of the Corporation, the rights conferred under this Article IX are present contractual rights and such rights are fully vested, and shall be deemed to have vested fully, immediately upon adoption of theses bylaws. With respect to any directors or officers of the Corporation who commence service following adoption of these bylaws, the rights conferred under this provision shall be present contractual rights and such rights shall fully vest, and be deemed to have vested fully, immediately upon such director or officer commencing service as a director or officer of the Corporation. Any repeal or modification of the foregoing provisions of this Article IX shall not adversely affect any right or protection (i) hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification or (ii) under any agreement providing for indemnification or advancement of expenses to an officer or director of the Corporation in effect prior to the time of such repeal or modification.

Any reference to an officer of the Corporation in this Article IX shall be deemed to refer exclusively to the Chief Executive Officer, President, and Secretary, or other officer of the Corporation appointed by (x) the Board pursuant to Article V of these bylaws or (y) an officer to whom the Board has delegated the power to appoint officers pursuant to Article V of these bylaws, and any reference to an officer of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors (or equivalent governing body) of such other entity pursuant to the certificate of incorporation and bylaws (or equivalent organizational documents) of such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. The fact that any person who is or was an employee of the Corporation or an employee of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise has been given or has used the title of "Vice President" or any other title that could be construed to suggest or imply that such person is or may be an officer of the Corporation or of such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall not result in such person being constituted as, or being deemed to be, an officer of the Corporation or of such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise for purposes of this Article IX.

Article X - Amendments

The Board is expressly empowered to adopt, amend or repeal the bylaws of the Corporation. The stockholders also shall have power to adopt, amend or repeal the bylaws of the Corporation; *provided*, *however*, that such action by stockholders shall require, in addition to any other vote required by the Certificate of Incorporation or applicable law, the affirmative vote of the holders of at least two-thirds of the voting power of all the then-outstanding shares of voting stock of the Corporation with the power to vote generally in an election of directors, voting together as a single class.

Article XI - Forum Selection

Unless the Corporation consents in writing to the selection of an alternative forum, (a) the Court of Chancery (the "Chancery Court") of the State of Delaware (or, in the event that the Chancery Court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action, suit or proceeding brought on behalf of the Corporation, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any director, officer or stockholder of the Corporation to the Corporation or to the Corporation's stockholders, (iii) any action, suit or proceeding arising pursuant to any provision of the DGCL or the Certificate of Incorporation or these bylaws (as either may be amended from time to time) or (iv) any action, suit or proceeding asserting a claim against the Corporation governed by the internal affairs doctrine; and (b) subject to the preceding provisions of this Article XI, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act of 1933, as amended, including all causes of action asserted against any defendant to such complaint. If any action the subject matter of which is within the scope of clause (a) of the immediately preceding sentence is filed in a court other than the courts in the State of Delaware (a "Foreign Action") in the name of any stockholder, such stockholder shall be deemed to have consented to (x) the personal jurisdiction of the state and federal courts in the State of Delaware in connection with any action brought in any such court to enforce the provisions of clause (a) of the immediately preceding sentence and (y) having service of process made upon such stockholder in any such action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

For the avoidance of doubt, the provisions of this Article XI are intended to benefit and may be enforced by the Corporation, its officers and directors, the underwriters of, or any financial advisors in connection with, any offering giving rise to such complaint, and any other professional or entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering.

Any person or entity purchasing or otherwise acquiring any interest in any security of the Corporation shall be deemed to have notice of and consented to this Article XI. Notwithstanding the foregoing, the provisions of this Article XI shall not apply to suits brought to enforce any liability or duty created by the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts of the United States have exclusive jurisdiction.

If any provision or provisions of this Article XI shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article XI (including, without limitation, each portion of any paragraph of this Article XI containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (b) the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

Article XII - Definitions

As used in these bylaws, unless the context otherwise requires, the following terms shall have the following meanings:

An "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, including the use of, or participation in, one or more electronic networks or databases (including one or more distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

An "electronic mail" means an electronic transmission directed to a unique electronic mail address (which electronic mail shall be deemed to include any files attached thereto and any information hyperlinked to a website if such electronic mail includes the contact information of an officer or agent of the Corporation who is available to assist with accessing such files and information).

An "electronic mail address" means a destination, commonly expressed as a string of characters, consisting of a unique user name or mailbox (commonly referred to as the "local part" of the address) and a reference to an internet domain (commonly referred to as the "domain part" of the address), whether or not displayed, to which electronic mail can be sent or delivered.

The term "person" means any individual, general partnership, limited partnership, limited liability company, corporation, trust, business trust, joint stock company, joint venture, unincorporated association, cooperative or association or any other legal entity or organization of whatever nature, and shall include any successor (by merger or otherwise) of such entity.

Exhibit 4.2

NUMBER

SHARES

CARGO THERAPEUTICS

COMMON STOCK

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

SEE REVERSE FOR CERTAIN DEFINITIONS

CUSIP 14179K 10 1

THIS CERTIFIES THAT:

SPECIMEN - NOT NEGOTIABLE

IS THE OWNER OF

FULLY PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF $0.001 PAR VALUE EACH OF

CARGO THERAPEUTICS, INC.

transferable on the books of the Corporation by the holder hereof in person or by duly authorized attorney upon surrender of this certificate duly endorsed. This certificate and the shares represented hereby are subject to the laws of the State of Delaware, and to the Certificate of Incorporation and Bylaws of the Corporation, as now in effect or as hereafter amended.

This certificate is not valid until countersigned and registered by the Transfer Agent and Registrar.

WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

DATED:

SPECIMEN
NOT NEGOTIABLE

CARGO THERAPEUTICS, INC. CORPORATE SEAL 2019 DELAWARE

SECRETARY

PRESIDENT

COUNTERSIGNED AND REGISTERED:
EQUINITI TRUST COMPANY, LLC
BROOKLYN, NY

BY:

TRANSFER AGENT AND REGISTRAR

AUTHORIZED SIGNATURE

THE CORPORATION WILL FURNISH TO ANY STOCKHOLDER, UPON REQUEST AND WITHOUT CHARGE, A FULL STATEMENT OF THE DESIGNATIONS, RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF THE SHARES OF EACH CLASS AND SERIES AUTHORIZED TO BE ISSUED, SO FAR AS THE SAME HAVE BEEN DETERMINED, AND OF THE AUTHORITY, IF ANY, OF THE BOARD TO DIVIDE THE SHARES INTO CLASSES OR SERIES AND TO DETERMINE AND CHANGE THE RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF ANY CLASS OR SERIES. SUCH REQUEST MAY BE MADE TO THE SECRETARY OF THE CORPORATION OR TO THE TRANSFER AGENT NAMED ON THIS CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-	*as tenants in common*
TEN ENT	-	*as tenants by the entireties*
JT TEN	-	*as joint tenants with right of survivorship and not as tenants in common*

UNIF GIFT MIN ACT - .....Custodian.....
(Cust) (Minor)
under Uniform Gifts to Minors

Act.....
(State)

Additional abbreviations may also be used though not in the above list.

For Value Received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____

_____ *Shares*

of the stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ *Attorney*

to transfer the said stock on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

_____

NOTICE: THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

Signature(s) Guaranteed

By _____

The Signature(s) must be guaranteed by an eligible guarantor institution (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions with membership in an approved Signature Guarantee Medallion Program), pursuant to SEC Rule 17Ad-15.

CARGO THERAPEUTICS, INC.

AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

THIS AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "**Agreement**"), is made as of February 9, 2023, by and among CARGO 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**".

RECITALS

WHEREAS, certain of the Investors (the "**Existing Investors**") hold shares of Series Seed 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 February 18, 2021, by and among the Company and such Existing Investors (the "**Prior Agreement**");

WHEREAS, the Existing Investors are holders of a majority of the Registrable Securities (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; and

WHEREAS, certain of the Investors are parties to that certain Series A 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;

NOW, THEREFORE, the Existing Investors hereby agree that the Prior Agreement is hereby amended and restated in its entirety by this Agreement, and the parties to this Agreement further agree as follows:

1. **Definitions**. For purposes of this Agreement:

1.1 "**Affiliate**" means, 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, director or trustee of such Person, or any venture capital fund or other investment fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment advisers of, or shares the same management company or investment adviser with, such Person.

1.2 "**ABG**" means, together with its Affiliates, ABG V-Cargo Limited.

1.3 "**Board of Directors**" means the board of directors of the Company.

1.4 "**Certificate of Incorporation**" means the Company's Second Amended and Restated Certificate of Incorporation, as amended and/or restated from time to time.

1.5 "**Common Stock**" means shares of the Company's common stock, par value $0.001 per share.

1.6 "**Competitor**" means a Person engaged, directly or indirectly (including through any partnership, limited liability company, corporation, joint venture or similar arrangement (whether now existing or formed hereafter)), in the use of gene therapy and similar approaches to discover, develop and/or commercialize therapeutics, but shall not include any financial investment firm or collective investment vehicle that, together with its Affiliates, holds less than 20% of the outstanding equity of any Competitor and does not, nor do any of its Affiliates, have a right to designate any members of the board of directors of any Competitor; *provided*, that each of PXV, TRV, RTW, Wellington, Janus, ABG, Nextech, Samsara, Red Tree and Emerson shall not be deemed Competitors under this Agreement.

1.7 "**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.

1.8 "**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.

1.9 "**Emerson**" means, together with its Affiliates, ECI Health Fund 3, LLC.

1.10 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.11 "**Excluded Registration**" means (i) a registration relating to the sale or grant of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, equity incentive 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.

1.12 "**FOIA Party**" means a Person that, in the reasonable determination of the Board of Directors, may be subject to, and thereby required to disclose non-public information furnished by or relating to the Company under, the Freedom of Information Act, 5 U.S.C. 552 ("**FOIA**"), any state public records access law, any state or other jurisdiction's laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement; *provided*, that each of PXV, TRV, RTW, Wellington, Janus, ABG, Samsara, Red Tree and Emerson shall not be deemed a FOIA Party.

1.13 "**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.

1.14 "**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 forward incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.15 "**GAAP**" means generally accepted accounting principles in the United States as in effect from time to time.

1.16 "**Holder**" means any holder of Registrable Securities who is a party to this Agreement.

1.17 "**Immediate Family Member**" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, life partner or similar statutorily-recognized domestic partner, 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.

1.18 "**Initiating Holders**" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.19 "**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

1.20 "**Investor Directors**" means the Series Seed Directors and Series A Directors.

1.21 "**Janus**" means, together with its Affiliates, Janus Henderson Biotech Innovation Master Fund Limited.

1.22 "**Lead Investors**" means TRV, RTW and PXV.

1.23 "**Major Investor**" means any Investor that, individually or together with such Investor's Affiliates, holds (a) at least 3,000,000 shares of Registrable Securities (as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction) at or after the Initial Closing (as defined in the Purchase Agreement) but before the Second Tranche Closing (as defined in the Purchase Agreement), (b) at least 5,000,000 shares of Registrable Securities (as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction) at or after the Second Tranche Closing but before the Third Tranche Closing (as defined in the Purchase Agreement), or (c) at least 10,000,000 shares of Registrable Securities (as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction) at or after the Third Tranche Closing, in each case, for so long as such Major Investor is not a Defaulting Purchaser (as defined in the Certificate of Incorporation).

1.24 "**Nextech**" means, together with its Affiliates, Nextech VII Oncology SCSp.

1.25 "**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.

1.26 "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.27 "**Preferred Stock**" means shares of the Company's Series Seed Preferred Stock, Series A-1 Preferred Stock, and Series A-2 Preferred Stock.

1.28 "**PXV**" means Perceptive Advisors LLC and Perceptive Xontogeny Venture Fund II, and entities managed by or Affiliates of the foregoing.

1.29 "**Red Tree**" means, together with its Affiliates, Red Tree Venture Fund, L.P.

1.30 "**Registrable Securities**" means (i) the Common Stock issuable or issued upon conversion of the Preferred Stock, excluding any Common Stock issued upon conversion of the Series A-1 Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Certificate of Incorporation; (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; 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 (other than the restrictions on transfer and legend requirements in Section 2.12), however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.13 of this Agreement.

1.31 "**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.

1.32 "**Restricted Securities**" means the securities of the Company required to be notated with the legend set forth in Section 2.12(b) hereof.

1.33 "**Requisite Holders**" means the Investors holding sixty-six and two thirds percent (66 2/3%) of the Common Stock issuable or issued upon conversion of the Preferred Stock held by the Investors, excluding any Common Stock issued upon conversion of the Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Certificate of Incorporation.

1.34 "**RTW**" means RTW Investments, LP, RTW Master Fund, Ltd., RTW Innovation Master Fund, Ltd., RTW Venture Fund Limited, and entities managed by or Affiliates of the foregoing.

1.35 "**Samsara**" means, together with its Affiliates, Samsara BioCapital, L.P.

1.36 "**SEC**" means the Securities and Exchange Commission.

1.37 "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.38 "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

1.39 "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.40 "**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 Section 2.6.

1.41 "**Series A Director**" shall have the meaning set forth in the Certificate of Incorporation.

1.42 "**Series Seed Director**" shall have the meaning set forth in the Certificate of Incorporation.

1.43 "**Series A-1 Preferred Stock**" means shares of the Company's Series A-1 Preferred Stock, par value $0.001 per share.

1.44 "**Series A-2 Preferred Stock**" means shares of the Company's Series A-2 Preferred Stock, par value $0.001 per share.

1.45 "**Series Seed Preferred Stock**" means shares of the Company's Series Seed Preferred Stock, par value $0.001 per share.

1.46 "**TRV**" means Third Rock Ventures VI, L.P. "**TRV VI**" and entities managed by or Affiliates of TRV VI.

1.47 "**Wellington**" means Wellington Biomedical Innovation Master Investors (Cayman) II L.P and entities managed by or Affiliates of Wellington.

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) five years after the date of this Agreement or (ii) 180 days after the effective date of the registration statement for the IPO, the Company receives a request from the Requisite Holders that the Company file a Form S-1 registration statement with respect to at least 40% of the Registrable Securities then outstanding (or a lesser percent if the anticipated aggregate offering price, net of Selling Expenses, would exceed $10,000,000), then the Company shall (x) within ten 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 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 20 days of the date the Demand Notice is given, and in each case, subject to the limitations of Sections 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 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 $5,000,000, then the Company shall (i) within ten 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 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 20 days of the date the Demand Notice is given, and in each case, subject to the limitations of Sections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the 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 90 days after the request of the Initiating Holders is given; *provided, however*, that the Company may not invoke this right more than once in any 12-month period and *provided further* that the Company shall not register any securities for its own account or that of any other stockholder during such 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 Section 2.1(a), (i) during the period that is 60 days before the Company's good faith estimate of the date of filing of, and ending on a date that is 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 Section 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 Section 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(b), (i) during the period that is 30 days before the Company's good faith estimate of the date of filing of, and ending on a date that is 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 Section 2.1(b) within the 12-month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Section 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 Section 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 2.1(d); *provided*, that if such withdrawal is during a period the Company has deferred taking action pursuant to Section 2.1(c), then the Initiating Holders may withdraw their request for registration and such registration will not be counted as "effected" for purposes of this Section 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 securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration, a registration relating to a demand pursuant to Section 2.1 or the IPO), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within 20 days after such notice is given by the Company, the Company shall, subject to the provisions of Section 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 Section 2.2 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 Section 2.6.

2.3 **Underwriting Requirements**.

(a) If, pursuant to Section 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 Section 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Board of Directors of 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 Section 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting; *provided, however*, that no Holder (nor any of its assignees) shall be required to make any representations, warranties or indemnities except as they relate to such Holder's ownership of shares and authority to enter into the underwriting agreement and to such Holder's intended method of distribution, and the liability of such Holder shall be several and not joint, and limited to an amount equal to the net proceeds from the offering received by such Holder. Notwithstanding any other provision of this Section 2.3, if the 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 100 shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 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 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 25% 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 Section 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.

(c) For purposes of Section 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 2.3(a), fewer than 50% of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

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 as promptly as practicable and, upon the request of the Requisite Holders, keep such registration statement effective for a period of up to 120 days or, if earlier, until the distribution contemplated in the registration statement has been completed; *provided*, *however*, that (i) such 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 120 day period shall be extended for up to 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 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, not to exceed $35,000 per registration, of one counsel for the selling Holders selected by Holders of a majority of the Registrable Securities to be registered ("**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 Section 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 Sections 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 Sections 2.1(a) or 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 (other than fees and disbursements of counsel to any Holder, other than the Selling Holder Counsel, which shall be borne solely by the Holder engaging such counsel) 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 Section 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, except to the extent such information has been corrected in a subsequent writing reasonably prior to the sale of Registrable Securities to the Person asserting the claim.

(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 that has not been corrected in a subsequent writing reasonably prior to the sale of Registrable Securities to the Person asserting the claim; 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 Section 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 Sections 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 Section 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 Section 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 Section 2.8, only 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 Section 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 Section 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 Section 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 Section 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 Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 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; *provided*, *however*, that any matter expressly provided for or addressed by the foregoing provisions of this Section 2.8 that is not expressly provided for or addressed by the underwriting agreement shall be controlled by the foregoing provisions.

(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 Section 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 or any provisions 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 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 Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would (i) allow such holder or prospective holder to include such securities in any registration unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the number of the Registrable Securities of the Holders that are included; or (ii) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder; *provided* that this limitation shall not apply to Registrable Securities acquired by any additional Investor that becomes a party to this Agreement in accordance with Section 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, and ending on the date specified by the Company and the managing underwriter (such period not to exceed 180 days), (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 held immediately before the effective date of the registration statement for such offering 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 Section 2.11 shall apply only to the IPO

and shall not apply to (i) transactions (including, without limitation, any swap, hedge or similar agreement or arrangement) or announcements, in each case, relating to securities acquired in the IPO or securities acquired in open market or other transactions from and after the IPO or that otherwise do not involve or relate to shares of capital stock of the Company owned by a Holder prior to the IPO, notwithstanding any voluntary or required filings that may be made in connection therewith under Section 16(a) of the Exchange Act, (ii) the transfer of any shares to Affiliates of the Holder, and (iii) the sale of any shares to an underwriter pursuant to an underwriting agreement, the establishment of a trading plan pursuant to Rule 10b5-1 of the Exchange Act, *provided* that such plan does not permit transfers during the restricted period, 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 and the Company obtains a similar agreement from all stockholders individually owning more than 1% of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock). The underwriters in connection with such registration are intended third-party beneficiaries of this Section 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 Section 2.11 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all Company stockholders that are subject to such agreements, based on the number of shares subject to such agreements.

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. Notwithstanding the foregoing, the Company shall not require any transferee of shares pursuant to an effective registration statement or, following the IPO, SEC Rule 144, in each case, to be bound by the terms of this Section 2.12.

(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 Section 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 Section 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 or following the IPO, the transfer is made pursuant to SEC Rule 144, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer; *provided*, that no such notice shall be required if the intended sale, pledge or transfer complies with SEC Rule 144. 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 notice, 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 transfers or distributes Restricted Securities to an Affiliate of such Holder for no consideration; *provided* that, with respect to transfers under the foregoing clause (y), each transferee agrees in writing to be subject to the terms of this Section 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 Section 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 Sections 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 Certificate of Incorporation, in which the consideration received by the Holder in such Deemed Liquidation Event is in the form of cash and/or publicly traded securities, or if the Holder receives registration rights from the acquiring company or other successor to the Company reasonably comparable to those set forth in this Section 2;

(b) such time after consummation of the IPO as SEC 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 without the requirement for the Company to be in compliance with the current public information required under SEC Rule 144(c)(1) and such Holder (together with its "affiliates" determined under SEC Rule 144) holds less than 1% of the outstanding capital stock of the Company);

(c) the third anniversary of the IPO (or such later date that is 180 days following the expiration of all deferrals of the Company's obligations pursuant to Section 2 that remain in effect as of the third anniversary of the consummation of the IPO).

3. **Information and Observer 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:

(a) as soon as practicable, but in any event within 120 days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year and as included in the Budget (as defined below) for 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 of which shall be unaudited and prepared in accordance with GAAP (except that such financial statements may (x) be subject to normal year-end audit adjustments and (y) not contain all notes thereto that may be required in accordance with GAAP); *provided*, *however* that beginning with fiscal year 2023, all financial statements provided in this Section 3.1(a) shall be audited and certified by independent public accountants of nationally recognized standing selected by the Company, unless the Requisite Holders agree otherwise;

(b) as soon as practicable, but in any event within 45 days after the end of each quarter of each fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, a statement of stockholders' equity 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 45 days after the end of each quarter of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company;

(d) as soon as practicable, but in any event 30 days before the end of each fiscal year, a budget and business plan for the next fiscal year (the "**Budget**"), approved by the Board of Directors and 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 capitalization, 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 Section 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 Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 during the period starting with the date 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 Section 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), 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 Section 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 **Observer Rights**.

(a) As long as RTW holds at least 2,142,858 shares of Series A-1 Preferred Stock (or an equivalent amount of Common Stock issued upon conversion thereof, excluding any Common Stock issued upon conversion of the Series A-1 Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Certificate of Incorporation), the Company shall invite a representative of RTW to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; *provided, however*, that such representative shall agree to hold in confidence all information so provided; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if the applicable Investor or its representative is a Competitor of the Company.

(b) As long as Nextech holds at least 2,142,858 shares of Series A-1 Preferred Stock (or an equivalent amount of Common Stock issued upon conversion thereof, excluding any Common Stock issued upon conversion of the Series A-1 Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Certificate of Incorporation), the Company shall invite a representative of Nextech to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; *provided, however*, that such representative shall agree to hold in confidence all information so provided; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if the applicable Investor or its representative is a Competitor of the Company.

(c) Upon and after the Third Tranche Closing (as defined in the Purchase Agreement), as long as Red Tree holds at least 728,572 shares of Series A-1 Preferred Stock (or an equivalent amount of Common Stock issued upon conversion thereof, excluding any Common Stock issued upon conversion of the Series A-1 Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Certificate of Incorporation), the Company shall invite a representative of Red Tree to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors; *provided, however*, that such representative shall agree to hold in confidence all information so provided; and *provided further*, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if the applicable Investor or its representative is a Competitor of the Company.

3.4 **Termination of Information and Observer Rights**. The covenants set forth in Section 3.1, Section 3.2 and Section 3.3 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO; (ii) when the Company (or its successor or acquirer) first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act; or (iii) upon the closing of a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation, whichever event occurs first; *provided* that, with respect to clause (iii), the covenants set forth in Section 3.1 shall only terminate if the consideration received by the Investors in such Deemed Liquidation Event is in the form of cash and/or publicly traded securities or if the Investors receive financial information from the acquiring company or other successor to the Company comparable to that set forth in Section 3.1.

3.5 **Confidentiality**. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor or make decisions with respect to 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 Section 3.5 by such Investor), (b) is or has been independently developed or conceived by such Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to such 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 reasonably necessary or advisable 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 Section 3.5; (iii) to any existing or prospective Affiliate, partner, partner of 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; (iv) as may otherwise be required by law, regulation, rule, court order or subpoena, *provided* that such Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure; or (v) to the extent required in connection with any routine or periodic examination or similar process by any regulatory or self-regulatory body or authority, including confidential information obtained from the Company pursuant to the terms of this Agreement.

4. **Rights to Future Stock Issuances.**

4.1 **Right of First Offer**. Subject to the terms and conditions of this Section 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 Investor. A Major Investor shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among (i) itself and (ii) its Affiliates; *provided* that each such Affiliate (x) is not a Competitor or FOIA Party, unless such party's purchase of New Securities is otherwise consented to by the Board of Directors and (y) agrees to enter into this Agreement and the Voting Agreement of even date herewith among the Company, the Investors and the other parties named therein, as an "**Investor**" under each such agreement (*provided* that any Competitor or FOIA Party shall not be entitled to any rights as a Major Investor under Sections 3.1, and 3.2 hereof).

(a) The Company shall give notice (the "**Offer Notice**") to each Major Investor, 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 20 days after the Offer Notice is given, each Major Investor 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 Investor (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 Investor) bears to the total Common Stock of the Company then held by all the Major Investors (including all shares of Common Stock issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held by all the Major Investors). At the expiration of such 20 day period, the Company shall promptly notify each Major Investor that elects to purchase or acquire all the shares available to it (each, a "**Fully Exercising Investor**") of any other Major Investor's failure to do likewise. During the ten-day period commencing after the Company has given such notice, each Fully Exercising Investor may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which Major Investors were entitled to subscribe but that were not subscribed for by the Major Investors which is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Section 4.1(b) shall occur within the later of 90 days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 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 Section 4.1(b), the Company may, during the 90 day period following the expiration of the periods provided in Section 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 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 Investors in accordance with this Section 4.1.

(d) The right of first offer in this Section 4.1 shall not be applicable to (i) shares of Common Stock issued in the IPO; (ii) Exempted Securities (as defined in the Certificate of Incorporation) and (iii) the issuance of shares of Preferred Stock to Purchasers, Additional Purchasers and Milestone Purchasers pursuant to Section 1.2 of the Purchase Agreement.

(e) **Termination**. The covenants set forth in Section 4.1 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO; (ii) upon the closing of a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation, in which the consideration received by the Investors in such Deemed Liquidation Event is in the form of cash and/or publicly traded securities, or if the Investors receive participation rights from the acquiring company or other successor to the Company reasonably comparable to those set forth in this Section 4; or (iii) upon the consummation of a transaction or series of related transactions by merger, consolidation, share exchange or otherwise of the Company with a publicly-traded "special purpose acquisition company" or its subsidiary (collectively, a "**SPAC**"), immediately following the consummation of which the common stock or share capital of the SPAC or its successor entity is listed on the Nasdaq Stock Market, the New York Stock Exchange or another exchange or marketplace approved by the Board of Directors (such transaction or series of related transactions, a "**SPAC Transaction**"), whichever event occurs first.

5. **Additional Covenants**.

5.1 **Insurance**. The Company shall obtain, within 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, including at least one Series A Director, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board of Directors, including at least one Series A Director, determines that such insurance should be discontinued. Notwithstanding any other provision of this Section 5.1 to the contrary, for so long as any Series A Director is serving on the Board of Directors, the Company shall not cease to maintain a Directors and Officers liability insurance policy in an amount reasonably approved by the Board, including at least one Series A Director.

5.2 **Employee Agreements**. Unless otherwise approved by the Board of Directors, including at least one Series A Director, the Company will cause 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, or performing services that consist of the development of technology, to enter into a nondisclosure and proprietary rights assignment agreement, including with non-solicitation and non-competition provisions as appropriate in the relevant jurisdiction based on the advice of counsel, in the form reasonably acceptable to the Lead Investors; *provided* that any non-competition restrictions will be limited to engaging in activities that compete with the Company in the business of research, discovery and/or development of CD22, CAR, and novel CARs that incorporate our proprietary platform technologies. 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, including at least one Series A Director.

5.3 **Employee Stock**. Unless otherwise approved by the Board of Directors including at least one Series A Director, all employees 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-year period, with the first 25% of such shares vesting following 12 months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following 36 months, and (ii) a market stand-off provision substantially similar to that in Section 2.11. Without the prior approval by the Board of Directors, including at least one Series A Director, the Company shall not amend, modify, terminate, waive or otherwise alter, in whole or in part, any stock purchase, stock restriction or option agreement with any existing employee or service provider if such amendment would cause it to be inconsistent with this Section 5.3. In addition, unless otherwise approved by the Board of Directors, including at least one Series A Director, the Company (x) shall not agree to any acceleration of vesting for its employees, and (y) shall retain (and not waive) 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 **Matters Requiring Preferred Director Approval**. During such time or times as the holders of Preferred Stock are entitled to elect a Series A Director and such seat is filled, the Company hereby covenants and agrees with each of the Investors that it shall not, without approval of the Board of Directors, which approval must include the affirmative vote of a majority of the Preferred Directors (as defined in the Certificate of Incorporation), which must include at least one Series A Director then serving:

(a) make, or permit any subsidiary to make, any loan or advance to, or own any stock or other securities of, any subsidiary or other corporation, partnership, or other entity unless it is wholly owned by the Company;

(b) make, or permit any subsidiary to make, any loan or advance to any Person, including, without limitation, any employee or director of the Company or any subsidiary, except advances and similar expenditures in the ordinary course of business or under the terms of an employee stock or option plan approved by the Board of Directors;

(c) guarantee, directly or indirectly, or permit any subsidiary to guarantee, directly or indirectly, any indebtedness except for trade accounts of the Company or any subsidiary arising in the ordinary course of business;

(d) enter into or be a party to any transaction with any director, officer or employee of the Company or any "associate" (as defined in Rule 12b-2 promulgated under the Exchange Act) of any such person other than transactions made in the ordinary course of business and pursuant to reasonable requirements of the Company's business and upon fair terms approved by the Board of Directors;

(e) incur any aggregate indebtedness in excess of $100,000 that is not already included in the Budget, other than trade credit incurred in the ordinary course of business;

(f) change the compensation of the executive officers, including approving any option grants or stock awards to executive officers;

(g) approve, or recommend to the stockholders of the Company, any amendment to the Certificate of Incorporation that would change the composition of the Board of Directors;

(h) change the principal business of the Company, enter new lines of business, or exit the current line of business;

(i) sell, assign, license, pledge, or encumber material technology or intellectual property, other than licenses granted in the ordinary course of business; or

(j) enter into any corporate strategic relationship, including, but not limited to any merger or acquisition or asset transfer, involving the payment, contribution, or assignment by the Company or to the Company of money or assets greater than $500,000.

5.5 **Board Matters**. Unless otherwise determined by the Board of Directors, including a majority of the Investor Directors then serving, including the approval of at least one of the Series A Directors, the Board of Directors shall meet at least quarterly in accordance with an agreed upon schedule. The Company shall reimburse the non-employee 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, any committee thereof and any matters related to discharging such nonemployee directors' duties to the Board of Directors.

5.6 **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, the Certificate of Incorporation, or elsewhere, as the case may be.

5.7 **Indemnification Matters**. The Company hereby acknowledges that one or more of the Investor Directors nominated to serve on the Board of Directors by one or more Investors 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 "**Investor Indemnitors**"). The Company hereby agrees (a) that it is the indemnitor of first resort (*i.e.*, its obligations to any such Investor Director are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Investor Director are secondary); (b) that it shall be required to advance the full amount of expenses incurred by such Investor 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 Investor Director to the extent legally permitted and as required by the Certificate of Incorporation or Bylaws of the Company (or any agreement between the Company and such Investor Director), without regard to any rights such Investor Director may have against the Investor Indemnitors; and (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor 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 Investor Indemnitors on behalf of any such Investor Director with respect to any claim for which such Investor Director has sought indemnification from the Company shall affect the foregoing and the Investor 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 Investor Director against the Company. The Investor Directors and the Investor Indemnitors are intended third-party beneficiaries of this Section 5.7 and shall have the right, power and authority to enforce the provisions of this Section 5.7 as though they were a party to this Agreement.

5.8 **Right to Conduct Activities**. The Company hereby agrees and acknowledges that PXV, TRV, RTW, Wellington, Janus, ABG, Nextech, Samsara, Red Tree and Emerson (each, a "**Professional Investment Organization**") are professional investment organizations, and as such each reviews the business plans and related proprietary information of many enterprises, some of which may compete directly or indirectly with the Company's business (as currently conducted or as currently propose to be conducted). Nothing in this Agreement shall preclude or in any way restrict any Professional Investment Organization from evaluating or purchasing securities, including publicly traded securities, of a particular enterprise, or investing or participating in any particular enterprise whether or not such enterprise has products or services that compete with those of the Company; and the Company hereby agrees that, to the extent permitted under applicable law, no Professional Investment Organization shall be liable to the Company for any claim arising out of, or based upon, (i) the investment by any Professional Investment Organization in any entity competitive with the Company, or (ii) actions taken by any partner, officer, employee or other representative of any Professional Investment Organization to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; *provided, however*, that the foregoing shall not relieve (x) any of the Investors from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement, or (y) any director or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

5.9 **FCPA**. The Company covenants that it shall not (and shall not permit any of its subsidiaries or Affiliates or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents to) promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, to any third party, including any "foreign official" (as such term is defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA")), in each case, in violation of the FCPA or any other applicable anti-bribery or anti-corruption law. The Company further covenants that it shall (and shall cause each of its subsidiaries and Affiliates to) cease all of its or their respective activities, as well as remediate any actions taken by the Company, its subsidiaries or Affiliates, or any of their respective directors, officers, managers, employees, independent contractors, representatives or agents in violation of the FCPA or any other applicable anti-bribery or anti-corruption law. The Company further covenants that it shall (and shall cause each of its subsidiaries and Affiliates to) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) reasonably designed to promote compliance with the FCPA or any other applicable anti-bribery or anti-corruption law. Upon reasonable request, the Company agrees to provide responsive information and/or certifications concerning its compliance with applicable anti-corruption laws. The Company shall notify each Investor within a commercially reasonable time if the Company becomes aware of any Enforcement Action (as defined in the Purchase Agreement). The Company shall, and shall cause any direct or indirect subsidiary or entity controlled by it, whether now in existence or formed in the future, to comply with the FCPA. The Company shall use commercially reasonable efforts to cause any direct or indirect subsidiary, whether now in existence or formed in the future, to comply in all material respects with all applicable laws.

5.10 **OFAC; AML**. The Company represents and covenants that it shall and shall cause its subsidiaries and Affiliates and its and their respective directors, officers, managers, employees, representatives and agents to comply with all applicable anti-money laundering laws and regulations, including the Bank Secrecy Act as amended by the USA Patriot Act of 2001 ("**AML Laws**"), and with all Sanctions (as defined in the Purchase Agreement). Unless otherwise prohibited by applicable law, the Company shall promptly notify the Investors of any event or occurrence with respect to the Company or any of its subsidiaries or Affiliates and its or their respective directors, officers, managers, employees, representatives or agents, that would result in a violation of any AML Law or Sanctions, or if it or they become subject to any inquiry from any government authority related to compliance with AML Laws or Sanctions. The Company further represents and covenants that it shall (and shall cause each of its subsidiaries and Affiliates to) maintain its written policies and procedures designed to promote compliance with all AML Laws and Sanctions.

5.11 **Anti-Harassment Policy**. The Company shall, within 90 days following the Closing (as defined in the Purchase Agreement), adopt and thereafter maintain in effect (i) a code of conduct governing appropriate workplace behavior; and (ii) an anti-harassment and discrimination policy prohibiting discrimination and harassment at the Company. Such code of conduct and policy shall be reviewed and approved by the Board of Directors.

5.12 **Stock Plan**. Other than the grants to Gina Chapman, Shishir Gadam, and John Orwin in such amounts and under such terms set forth in their respective offer letters, as amended, the Company shall not grant more than (a) 5,000,000 shares of Common Stock (as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction) of the total authorized and available reserve under the Company's 2021 Stock Option and Grant Plan (the "**Plan**"), as calculated as of immediately after the Initial Closing (as defined in the Purchase Agreement), without the prior written

approval of the Milestone Requisite Holders (as defined in the Purchase Agreement), during the period commencing from immediately after the Initial Closing and ending on the Second Tranche Closing (as defined in the Purchase Agreement) and (b) 20,000,000 shares of Common Stock (as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction) of the total authorized and available reserve under the Plan, as calculated as of immediately after the Second Tranche Closing, without the prior written approval of the Milestone Requisite Holders, during the period commencing from immediately after the Second Tranche Closing and ending on the Third Tranche Closing (as defined in the Purchase Agreement).

5.13 **Termination of Covenants**. The covenants set forth in this Section 5, except for Sections 5.6 or 5.7, shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO; (ii) upon a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation; or (iii) upon the consummation of a SPAC Transaction, 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, together with its Affiliates, would be a Major Investor; *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; and (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 Section 2.11. 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, as a condition to the applicable transfer, establish 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 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 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**.

(a) *General*. 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 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 days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one 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 only at their addresses as set forth on **Schedule A** hereto, or (as to the Company) to the principal office of the Company and to the attention of the Chief Executive Officer, or, in any case, to such email address or address as subsequently modified by written notice given in accordance with this Section 6.5. If notice is given to the Company, a copy (which copy shall not constitute notice) shall also be sent to Goodwin Procter LLP, Three Embarcadero Center, San Francisco, CA 94111; Attention: Maggie Wong, and if notice is given to the Investors, a copy (which copy shall not constitute notice) shall also be given to Gregg Griner at Orrick, Herrington & Sutcliffe LLP, 222 Berkeley Street, Suite 2000, Boston, MA 02116, ggriner@orrick.com.

(b) *Consent to Electronic Notice*. Each Investor consents to the delivery of any stockholder notice pursuant to the Delaware General Corporation Law (the "**DGCL**"), as amended or superseded from time to time, by electronic transmission pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address set forth below such Investor's name on the Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic transmission is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted electronic notice shall be ineffective and deemed to not have been given. Each Investor agrees to promptly notify the Company of any change in such stockholder's electronic mail address, and that failure to do so shall not affect the foregoing.

6.6 **Amendments and Waivers**. Any term of this Agreement may be amended, modified or terminated 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 Requisite Holders; *provided* that the Company may in its sole discretion waive compliance with Section 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Section 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, (a) this Agreement may not be amended, modified 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, modification, 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; *provided, however*, that if, after giving effect to such waiver of Section 4 with respect to a particular transaction, a Major Investor purchases securities in such transaction or issuance (such Major Investor, a "**Participating Investor**"), such waiver of the provisions of Section 4 shall be deemed to apply to each other Major Investor whose rights were waived or amended only if such other Major Investor has been provided the opportunity to purchase a proportional number of the New Securities being offered by the Company in such transaction based on the pro rata purchase right of such other Major Investor set forth in Section 4, assuming a transaction size determined based upon the amount purchased by the Participating Investor that invested the largest percentage in such transaction, it being agreed that such opportunity may be provided subsequent

to the initial closing in which such Participating Investor(s) purchase securities), (b) Sections 3.1 and 3.2, Section 4.1 and any other section of this Agreement specifically applicable to the Major Investors (including this clause (b) of this Section 6.6) may be amended, modified, terminated or waived with only the written consent of the Company and the holders of at least sixty-six and two-thirds percent (66 2/3%) of the Registrable Securities then outstanding and held by the Major Investors; (c) the provisions of Section 1.1, Section 1.6, Section 5.8, and this Section 6.6(c) may not be amended, modified, terminated or waived without the written consent of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the Registrable Securities then outstanding and held by PXV, TRV, RTW, Wellington, Janus, ABG, Nextech, Samsara, Red Tree and Emerson; (d) the provisions of Section 1.23 and this Section 6.6(d) may not be amended, modified, terminated or waived without the written consent of each of PXV, TRV and RTW; (e) the provisions of Section 3.3(a) and this Section 6.6(e) may not be amended, modified, terminated or waived without the written consent of RTW, so long as it holds at least 2,142,858 shares of Series A-1 Preferred Stock (or an equivalent amount of Common Stock issued upon conversion thereof, excluding any Common Stock issued upon conversion of the Series A-1 Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Certificate of Incorporation), (f) the provisions of Section 3.3(b) and this Section 6.6(f) may not be amended, modified, terminated or waived without the written consent of Nextech, so long as it holds at least 2,142,858 shares of Series A-1 Preferred Stock (or an equivalent amount of Common Stock issued upon conversion thereof, excluding any Common Stock issued upon conversion of the Series A-1 Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Certificate of Incorporation) and (g) the provisions of Section 3.3(c) and this Section 6.6(g) may not be amended, modified, terminated or waived without the written consent of Red Tree, so long as it holds at least 728,572 shares of Series A-1 Preferred Stock (or an equivalent amount of Common Stock issued upon conversion thereof, excluding any Common Stock issued upon conversion of the Series A-1 Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Certificate of Incorporation). Notwithstanding the foregoing, **Schedule A** hereto may be amended by the Company from time to time to add transferees of any Registrable Securities in compliance with the terms of this Agreement without the consent of the other parties; and **Schedule A** hereto may also be amended by the Company after the date of this Agreement without the consent of the other parties to add information regarding any additional Investor who becomes a party to this Agreement in accordance with Section 6.9. The Company shall give prompt notice of any amendment, modification or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, modification, termination, or waiver. Any amendment, modification, termination, or waiver effected in accordance with this Section 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; Apportionment**. 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 Preferred Stock after the date hereof, pursuant to the Purchase Agreement, any purchaser of such shares of 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), the Certificate of Incorporation and the other Transaction Agreements (as defined in the Purchase Agreement) constitute 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 New York and to the jurisdiction of the United States District Court for the Southern District of New York 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 New York or the United States District Court for the Southern District of New York, 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. Each party will bear its own costs in respect of any disputes arising under this Agreement.

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.

(*signature page follows*)

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

COMPANY:

CARGO THERAPEUTICS, INC.

By: /s/ Gina Chapman
Name: Gina Chapman
Title: Chief Executive Officer

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

SAMSARA BIOCAPITAL, L.P.

By: Samsara BioCapital GP, LLC, General Partner

By: /s/ Srinivas Akkaraju
Name: Srinivas Akkaraju, MD, PhD
Title: Managing Member

Address:

628 Middlefield Road
Palo Alto, CA 94301
Attention: Srinivas Akkaraju, MD, PhD
E-mail: srini@samsaracap.com

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RED TREE VENTURE FUND, L.P.
By: Red Tree GP, LLC
Its: General Partner

By: /s/ Heath Lukatch
Name: Heath Lukatch, Ph.D.
Title: Managing Director

Address:

2055 Woodside Road
Suite 270
Redwood City, CA 94061

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

ECI HEALTH FUND 3, LLC

By: /s/ Steve McDermid
Name: Steve McDermid
Title: Authorized Signatory

Address:

PO Box 61239, Dept 1173
Palo Alto, CA 94306
Attention: Steve McDermid
E-Mail Address: steve@emersoncollective.com,
with a copy to legal@emersoncollective.com

Cc: Tina Rosado
Rosewood Family Advisors LLP
PO Box 61239
Dept 1173
Palo Alto, CA 94306
E-Mail: tina@rfallp.com
with a copy to: LAKFOS@rfallp.com

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

THIRD ROCK VENTURES V, L.P.

By: Third Rock Ventures V GP, L.P., its general partner

By: TRV GP V, LLC, its general partner

By: /s/ Kevin Gillis
Name: Kevin Gillis
Title: Partner and Chief Operating Officer

Address:

Third Rock Ventures V, L.P.
201 Brookline Avenue, Suite 1401
Boston, MA 02215
Attn: Kevin Gillis
Kevin.gillis@thirdrockventures.com

With a copy to:

Third Rock Ventures V, L.P.
201 Brookline Avenue, Suite 1401
Boston, MA 02215
Attn: Sascha Rosebush
srosebush@thirdrockventures.com

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
Name: Roderick Wong, M.D.
Title: Director

RTW INNOVATION MASTER FUND, LTD.

By: /s/ Roderick Wong
Name: Roderick Wong, M.D.
Title: Director

RTW VENTURE FUND LIMITED
By: RTW Investments, LP, its Investment Manager

By: /s/ Roderick Wong
Name: Roderick Wong, M.D.
Title: Managing Partner

Address:

c/o RTW Investments, LP
40 10th Avenue, Floor 7
New York, NY 10014
Attn: LegalOps; Lauren Lee
legalops@rtwfunds.com; LL@rtwfunds.com

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

PERCEPTIVE XONTOGENY VENTURE FUND II, LP

By: Perceptive Xontogeny Venture II GP, LLC

By: /s/ Frederick P. Callori
Name: Frederick P. Callori
Title: Authorized Signatory

By: /s/ James Mannix
Name: James Mannix
Title: Chief Operating Officer

Address:

Perceptive Xontogeny Venture Fund II, LP
51 Astor Place, 10th Floor
New York, NY 10003
Attn: Frederick P. Callori

With a copy to:

Choate, Hall & Stewart LLP
Two International Place
Boston, MA 02110
Attn: Kevin Tormey

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

NEXTECH VII ONCOLOGY SCSP
By: Nextech VII GP S.à r.l., its General Partner

By: /s/ Ian Charoub /s/ Dalia Bleyer
Name: Ian Charoub Dalia Bleyer
Title: Manager Manager

Address:

Nextech VII Oncology SCSp
Bahnhofstrasse 18
8001 Zurich, Switzerland
Attn: Thilo Schroeder

Email: NextechVII@aztecgroup.eu

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 Henderson Investors US LLC, its investment advisor

By: /s/ Daniel S. Lyons
Name: Daniel S. Lyons
Title: Authorized Signatory

Address:

Janus Henderson Investors US LLC
151 Detroit St.
Denver, CO 80206

Email: dan.lyons@janushenderson.com; angela.morton@janushenderson.com; and JHIPrivatePlacements@janushenderson.com

with a copy, which shall not constitute notice, to:

Perkins Coie LLC
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: ARich@perkinscoie.com

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

WELLINGTON BIOMEDICAL INNOVATION MASTER INVESTORS (CAYMAN) II L.P.

By: Wellington Management Company LLP, as investment adviser

By: /s/ Peter McIsaac
Name: Peter McIsaac
Title: Managing Director and Counsel

Address:

Legal and Compliance
280 Congress Street
Boston, MA 02210
Attn: Peter McIsaac, Managing Director and Counsel
Email: #legal-ecm@wellington.com

With a copy, which shall not constitute notice, to:

Wilmer Cutler Pickering Hale and Dorr LLP
60 State Street
Boston, MA 02109
Attn: Jason L. Kropp
Email: jason.kropp@wilmerhale.com

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

ABG V-CARGO LIMITED

By: /s/ Yu Ting Chau
Name: Yu Ting Chau
Title: Director

Address:

c/o Unit 3002-3004, 30/F., Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong
Att.: Charles Wong
Email: abg_ops@ally-bridge.com

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

PIPER HEARTLAND HEALTHCARE CROSSOVER FUND I, L.P.

By: PIPER HEARTLAND HEALTHCARE CAPITAL MANAGEMENT LLC, its general partner

By: /s/ Matthew S. Hemsley
Name: Matthew S. Hemsley
Title: Chief Executive Officer

Address:

800 Nicollet Mall
Minneapolis, MN 55402

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

CORMORANT PRIVATE HEALTHCARE FUND III, LP

By: Cormorant Private Healthcare GP III, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member

CORMORANT PRIVATE HEALTHCARE FUND IV, LP

By: Cormorant Private Healthcare GP IV, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member

CORMORANT GLOBAL HEALTHCARE MASTER FUND, LP

By: Cormorant Global Healthcare GP, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member

Address:

200 Clarendon Street, 52nd Floor
Boston, MA 02116

Email: neb@cormorant-asset.com

The parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

T. Rowe Price Health Sciences Fund, Inc.
TD Mutual Funds - TD 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

Address:

T. Rowe Price Associates, Inc.
100 East Pratt Street
Baltimore, MD 21202
Phone: 410-345-2090
E-mail: Equity_Transactions-Legal@troweprice.com

SCHEDULE A

Investors

Third Rock Ventures VI, L.P.
201 Brookline Avenue, Suite 1401
Boston, MA 02215
Attn: Kevin Gillis
Kevin.gillis@thirdrockventures.com

With a copy to:

Third Rock Ventures VI, L.P.
201 Brookline Avenue, Suite 1401
Boston, MA 02215
Attn: Sascha Rosebush
srosebush@thirdrockventures.com

RTW Master Fund, Ltd.
Attn: LegalOps; Lauren Lee
legalops@rtwfunds.com; LL@rtwfunds.com
c/o RTW Investments, LP
40 10thAvenue, Floor 7
New York, NY 10014

RTW Innovation Master Fund, Ltd.
Attn: LegalOps; Lauren Lee
legalops@rtwfunds.com; LL@rtwfunds.com
c/o RTW Investments, LP
40 10thAvenue, Floor 7
New York, NY 10014

RTW Venture Fund Limited
Attn: LegalOps; Lauren Lee
legalops@rtwfunds.com; LL@rtwfunds.com
c/o RTW Investments, LP
40 10thAvenue, Floor 7
New York, NY 10014

Perceptive Xontogeny Venture Fund II, LP
51 Astor Place, 10th Floor
New York, NY 10003
Attn: Frederick P. Callori

With a copy to:

Choate, Hall & Stewart LLP
Two International Place
Boston, MA 02110
Attn: Kevin Tormey

Samsara BioCapital, L.P.
628 Middlefield Road
Palo Alto, CA 94301
Attention: Srinivas Akkaraju, MD, PhD
E-mail: srini@samsaracap.com

Red Tree Venture Fund, L.P.
2055 Woodside Road, Suite 270
Redwood City, CA 94061

ECI Health Fund 3, LLC
PO Box 61239, Dept 1173
Palo Alto, CA 94306
Attention: Steve McDermid
E-Mail Address: steve@emersoncollective.com, with a copy to legal@emersoncollective.com

Cc: Tina Rosado
Rosewood Family Advisors LLP
PO Box 61239
Dept 1173
Palo Alto, CA 94306
Telephone Number: 650-210-5118
E-Mail: tina@rfallp.com with a copy to LAKFOS@rfallp.com

Janus Henderson Biotech Innovation Master Fund Limited
Janus Henderson Investors US LLC
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Email: andy.acker@janushenderson.com; angela.morton@janushenderson.com; and JHIPrivatePlacements@janushenderson.com

with a copy, which shall not constitute notice, to:

Perkins Coie LLC
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: ARich@perkinscoie.com

Wellington Biomedical Innovation Master Investors (Cayman) II L.P.
c/o Wellington Management Company, LLP
Legal and Compliance
280 Congress Street
Boston, MA 02210
Telephone number: (617) 790-7770
Attn: Peter McIsaac, Managing Director and Counsel
Email: #legal-ecm@wellington.com

With a copy, which shall not constitute notice, to:

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60 State Street
Boston, MA 02109
Attn: Jason L. Kropp
Email: jason.kropp@wilmerhale.com

Nextech VII Oncology SCSp
8 rue Lou Hemmer
L-1748 Senningerberg, Luxembourg
Attn: Ian Charoub
Email: nextechvii@aztecgroup.eu

with a copy to:

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8001 Zurich, Switzerland
Attn: Thilo Schroeder
Email: schroeder@nextechinvest.com

ABG V-Cargo Limited
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Email: Matthew.hemsley@psc.com

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Cormorant Private Healthcare Fund IV, LP
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Cormorant Global Healthcare Master Fund, LP
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T. Rowe Price Health Sciences Fund, Inc.
T. Rowe Price Associates, Inc.
100 East Pratt Street
Baltimore, MD 21202
Phone: 410-345-2090
E-mail: Equity_Transactions-Legal@troweprice.com

TD Mutual Funds - TD Health Sciences Fund
T. Rowe Price Associates, Inc.
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Baltimore, MD 21202
Phone: 410-345-2090
E-mail: Equity_Transactions-Legal@troweprice.com

T. Rowe Price Health Sciences Portfolio
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Phone: 410-345-2090
E-mail: Equity_Transactions-Legal@troweprice.com

Exhibit 5.1

LATHAM&WATKINS LLP

505 Montgomery Street, Suite 2000
San Francisco, California 94111-6538
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www.lw.com

November 6, 2023

CARGO Therapeutics, Inc.
1900 Alameda De Las Pulgas, Suite 350
San Mateo, California 94403

Re: Registration Statement on Form S-1 (File No. 333-275113)
Up to 21,562,500 shares of common stock of CARGO Therapeutics, Inc.

To the addressee set forth above:

We have acted as special counsel to CARGO Therapeutics, Inc., a Delaware corporation (the "***Company***"), in connection with the proposed issuance of up to 21,562,500 shares (the "***Shares***") of the Company's common stock, par value $0.001 per share, including 2,812,500 shares pursuant to the exercise of the underwriters' option to purchase additional shares of common stock. The Shares are included in a registration statement on Form S-1 under the Securities Act of 1933, as amended (the "***Act***"), initially filed with the Securities and Exchange Commission (the "***Commission***") on October 20, 2023 (Registration No. 333-275113) (as amended, the "***Registration Statement***"). The term "Shares" shall include any additional shares of common stock registered by the Company pursuant to Rule 462(b) under the Act in connection with the offering contemplated by the Registration Statement. This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or related prospectus (the "***Prospectus***"), other than as expressly stated herein with respect to the issue of the Shares.

As such counsel, we have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter. With your consent, we have relied upon certificates and other assurances of officers of the Company and others as to factual matters without having independently verified such factual matters. We are opining herein as to the General Corporation Law of the State of Delaware (the "***DGCL***"), and we express no opinion with respect to any other laws.

LATHAM & WATKINS LLP

Subject to the foregoing and the other matters set forth herein, it is our opinion that, as of the date hereof, when the amended and restated certificate of incorporation of the Company in the form most recently filed as an exhibit to the Registration Statement has been duly filed with the Secretary of State of the State of Delaware and when the Shares shall have been duly registered on the books of the transfer agent and registrar therefor in the name or on behalf of the purchasers and have been issued by the Company against payment therefor (not less than par value) in the circumstances contemplated by the form of underwriting agreement most recently filed as an exhibit to the Registration Statement, the issue and sale of the Shares will have been duly authorized by all necessary corporate action of the Company, and the Shares will be validly issued, fully paid and nonassessable. In rendering the foregoing opinion, we have assumed that the Company will comply with all applicable notice requirements regarding uncertificated shares provided in the DGCL.

This opinion is for your benefit in connection with the Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Act. We consent to your filing this opinion as an exhibit to the Registration Statement and to the reference to our firm in the Prospectus under the heading “Legal matters.” We further consent to the incorporation by reference of this letter and consent into any registration statement filed pursuant to Rule 462(b) with respect to the Shares. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Sincerely,

/s/ Latham & Watkins LLP

EXCLUSIVE LICENSE AGREEMENT WITH EQUITY

This Agreement between THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY ("Stanford"), an institution of higher education having powers under the laws of the State of California, and Syncopation Life Sciences ("Syncopation"), a corporation having a principal place of business at 628 Middlefield Rd, Palo Alto, CA 94301, is effective on the 1st day of August, 2022 ("Effective Date").

1. BACKGROUND

Stanford has assignment of inventions on predictive biomarker for response to immunotherapy and T cells engineered to overcome therapy resistance. They are entitled:

"CARs Engineered to Overcome Loss of CD58," and is described in Stanford Docket S19-520. The invention was made in the course of research supported by the National Institutes of Health and the Parker Institute of Cancer Immunotherapy ("PICI").

"Predictive Biomarker for Response to Immunotherapy," and is described in Stanford Docket S20-243. The invention was made in the course of research supported by the National Institutes of Health, the Leukemia and Lymphoma Society ("LLS") and the Parker Institute of Cancer Immunotherapy ("PICI").

PICI is a consortium comprising universities and research institutions ("Parker Member Institutions") that have signed a Master Collaboration Agreement dated as of July 1, 2015 (the "MCA") and are under mutual obligations of confidentiality. Individual researchers, many of whom are faculty members of Parker Member Institutions, have also signed agreements with Parker, making them Member Researchers (as defined in the MCA) of the Parker consortium. Certain intellectual property invented by Member Researchers, including the disclosures comprising the inventions, are considered Subject IP (as defined in the MCA) under the MCA. PICI has certain rights in the Subject IP under the terms of the MCA. Since Dr. Crystal Mackall is a Member Researcher of PICI, the inventions listed above are considered Subject IP under the MCA. Consistent with the terms of the MCA and as between Stanford and PICI, Stanford retains sole ownership of the inventions and has the sole power and authority to grant an exclusive license to, and rights to Prosecute and enforce, Subject IP in consultation with PICI to Syncopation or any other third party. PICI was consulted and has granted consent to include the above listed inventions and license terms in this Agreement.

Stanford wants to have the inventions perfected and marketed as soon as possible so that resulting products may be available for public use and benefit.

2. DEFINITIONS Whenever used in this Agreement with an initial capital letter, the following terms, whether used in the singular or the plural, shall have the meanings specified below.

2.1 **"Affiliates"** means any person, corporation, or other business entity which controls, is controlled by, or is under common control with Syncopation; and for this purpose, "control" of a corporation means the direct or indirect ownership of more than fifty percent (50%) of its voting stock, and "control" of any other business entity means the direct or indirect ownership of greater than a fifty percent (50%) interest in the income of such entity.

2.2 "**Biological Materials**" means: (a) the tangible materials listed in Appendix C and provided by Stanford to Syncopation, their progeny and unmodified derivatives and unmodified fragments generated therefrom by Syncopation ("Materials"); (b) any material created by or on behalf of Syncopation to the extent it incorporates the Materials; or (c) material contained in or produced by the Materials, including cells, DNA, RNA or secreted products or encoded products, in each case, obtained by Syncopation from the Materials.

2.3 **"Change of Control"** means the first to occur of the following:

(A) acquisition of ownership—directly or indirectly, beneficially or of record—by any Third Party that was not an Affiliate prior to the Change of Control (within the meaning of the Exchange Act and the rules of the SEC or equivalent body under a different jurisdiction) of the capital stock of Syncopation representing more than 50% of either the aggregate ordinary voting power or the aggregate equity value represented by the issued and outstanding capital stock of Syncopation (provided, however, that this Section 2.3(A) shall exclude an equity financing undertaken primarily for the purpose of raising working capital); and/or

(B) the sale of all or substantially all Syncopation's assets and/or business to which this Agreement relates, in one transaction or in a series of related transactions.

2.4 **"Combination Product**" means any single product that contains a Licensed Product and one or more other active therapeutic ingredients or functional components necessary or used for formulation or delivery of such product that are not Licensed Products (each referred to as a "Combination Product Component"), where (a) if such Combination Product Component were removed from such combined Licensed Product, the manufacture, use, sale or import of the remaining product in or into a particular country would infringe, but for the licenses granted herein, the Licensed Patent in such country, (b) such Combination Product Component could, if so formulated or designed, be sold separately from such combined Licensed Product and (c) such Combination Product Component has independent economic value such that the market price of such combined Licensed Product is or would be higher as a result of the inclusion of such Combination Product Component into such combined Licensed Product than the market price for the applicable product not in combination with such Combination Product Component.

2.5 **"Commercially Reasonable Efforts"** means, with respect to Syncopation, that Syncopation will use the level of effort that would reasonably be undertaken by a similarly situated company in the same industry if it were entrusted with the exercise of rights under an Exclusive patent license to develop and commercialize a biotechnology or pharmaceutical product that is at a

similar stage in its development or product life, taking into account, among other considerations, actual and potential safety issues, efficacy, product profile, stage of development or life cycle status, actual and projected development, marketing approval, manufacturing and commercialization costs that are generally taken into account by a similarly situated company. Under no circumstances will the level of effort be less than the level of effort that would reasonably be undertaken by a similarly situated company in the same industry, taking into account the considerations described above, with respect to: (a) diligently developing and manufacturing Licensed Products, (b) marketing Licensed Products in quantities calculated to address anticipated market demand once marketing has begun, and (c) prior to obtaining the first governmental approval to market a Licensed Product, seeking any needed governmental approvals for marketing Licensed Products with reasonable diligence in supplying indicated information to, and replying to, appropriate governmental offices in the process. Commercially Reasonable Efforts shall in no case involve a shelving of the development, marketing or sale of Licensed Products for more than [***], or, prior to obtaining governmental approval for the marketing of a Licensed Product, suspension for more than [***] of the diligent pursuit of any needed governmental approval for marketing of all Licensed Products; provided that, for clarity, a Licensed Product shall not be deemed "shelved" if Syncopation is, with respect to such Licensed Product, in compliance with the diligence obligations provided in Appendix A, as may be extended pursuant to Section 6.2, or if the development, marketing (or the pursuit of any needed governmental approval for marketing), or sale of any Licensed Product is ceased or suspended for any reasons outside the reasonable control of Syncopation, its Affiliates or Sublicensees, including without limitation for technical difficulties or delays in clinical studies or regulatory processes that are outside of the reasonable control of Syncopation, its Affiliates or Sublicensees.

2.6 "**Development Candidate**" means any therapeutic candidate that is a Licensed Product nominated by the board of Syncopation to advance into IND-enabling studies.

2.7 **"Exclusive"** means that, subject to Sections 3 and 5, Stanford will not grant further licenses under the Licensed Patents in the Licensed Field of Use in the Licensed Territory.

2.8 **"First Commercial Sale"** means, with respect to a Licensed Product, the first transfer or sale of such Licensed Product, for value, by Syncopation, its Affiliates or a Sublicensee, to a Third Party for distribution to or use by an end user customer, after receipt of all applicable regulatory approval for marketing of such Licensed Product in the applicable territory, provided that (i) sales or transfers between and among Syncopation and its Affiliates or Sublicensees, unless the Affiliate or Sublicensee is the last entity in the distribution chain or end user of the Licensed Product and such sale or transfer is above cost, and (ii) sales or transfers at or below cost for *bona fide* (a) clinical studies, (b) experimental use, and/or (c) compassionate use exemptions or similar charitable purposes shall not, in each case of (i) and (ii), be deemed a First Commercial Sale.

2.9 **"Fully-Diluted Basis"** means the total number of shares of Syncopation's issued and outstanding common stock, assuming:

(A) the conversion of all issued and outstanding securities convertible into common stock;

(B) the exercise of all issued and outstanding warrants or options, regardless of whether then exercisable; and

(C) the issuance, grant, and exercise of all securities reserved for issuance pursuant to any Syncopation stock option or equity incentive plan then in effect.

2.10 **"Licensed Field of Use"** means development of human therapeutic and diagnostic products.

2.11 **"Licensed Patent"** means Stanford's rights in patent applications listed in Appendix E, any foreign patent application corresponding thereto, and any divisional, continuation, continuation-in-part claims (but only to the extent the claims are entirely supported in the parent application's original specification and entitled to the parent application's priority date) or reexamination application, extension, and each patent that issues or reissues from any of these patent applications. Any claim of an unexpired Licensed Patent is presumed to be valid unless it has been held to be invalid by a final judgment of a court of competent jurisdiction from which no appeal can be or is taken.

2.12 **"Licensed Product"** means a product, method or service in the Licensed Field of Use:

(A) the making, having made, using, importing or selling of which, absent the license granted under Section 3.1, infringes, induces infringement, or contributes to infringement of a Valid Claim of a Licensed Patent ("Licensed Patent Product"); or

(B) Any CAR therapeutic product that contains a CD2 chimeric antigen receptor that is not a Licensed Patent Product and is identified, conceived, invented or reduced to practice by or on behalf of Syncopation as a result of (a) the use of the Technology within [***] after publication or public disclosure of such Technology ("Licensed Non-Patent Product") or (b) the use of Licensed Patent Product.

For purposes of Section 7.7 and Section 7.8(D), a Licensed Product shall be considered distinct from other Licensed Products only if a new IND filing was submitted to a regulatory authority to obtain authorization to conduct clinical development of such Licensed Product.

2.13 **"Licensed Territory"** means worldwide.

2.14 **"Net Sales"** means all gross revenue received by Syncopation, its Affiliates or Sublicensees, from the sale, transfer or other disposition of Licensed Product to an end user. Net Sales excludes the following items, to the extent included in gross revenue and specifically allocated to such sale, transfer or other disposition of such Licensed Product and actually taken, paid, accrued, allowed, included or allocated consistent with Syncopation's, its Affiliates' or Sublicensees' general practice and applicable accounting standards, consistently applied:

(A) import, export, excise, sales, value-added, and other direct taxes, and customs, duties, and other similar governmental charges, but only to the extent that these are not subsequently reimbursed and expressly excluding taxes when assessed on income derived from sales;

(B) costs of insurance, packing, storage, and transportation;

(C) credit for returns, allowances, adjustments or trades; and

(D) trade, quantity or cash discounts and customary rebates and chargebacks.

For purposes of calculating Net Sales, transfers between Syncopation and Sublicensees or between Sublicensees of Licensed Product for (i) end use (but not resale) by Syncopation or the applicable Sublicensee shall be treated as sales by Syncopation or the Sublicensee at list price of Syncopation or the Sublicensee, as applicable, or (ii) resale to a Third Party end user by Syncopation or the applicable Sublicensee shall be treated as sales at the list price of Syncopation or such Sublicensee upon such sale by Syncopation or such Sublicensee, as the case may be, but not upon the transfer between Syncopation and its Sublicensee or between Sublicensees.

In the event that a Licensed Product is sold in the form of a Combination Product, the Net Sales with respect to the Licensed Product portion of the Combination Product shall be determined on a country-by-country basis by the fraction A/(A + B) in which "A" is the weighted average invoice price of the Licensed Product portion of the Combination Product when sold separately during the applicable calendar quarter, and "B" is the weighted average invoice price of all other Combination Product Components when sold separately; provided, however, that in no event shall Net Sales for a Combination Product be [***] of Net Sales, calculated without regard to this formula, of the Licensed Product that is the Combination Product.

In the event that such other Combination Product Components are not sold separately in such country (but such Licensed Product is), the weighted average invoice price for such Licensed Product shall be calculated by multiplying the weighted average invoice price for the Combination Product by the fraction A/C, where "A" is the weighted average invoice price for such Licensed Product, and "C" is the weighted average invoice price for the Combination Product. In the event that such Licensed Product is not sold separately, the portion of the weighted average invoice price for the Combination Product that is attributable to Net Sales for purposes of royalty determination shall be mutually agreed by the parties based upon (x) good faith discussions to determine an equitable fair market price to apply to such Licensed Product and the relative importance and (y) proprietary protection of the Licensed Product and the other product(s) included in the Combination Product. Licensee shall, in all cases, provide reasonably detailed information to Stanford, pursuant to Section 8.1, to fully support the Net Sales calculations of Combination Products. If the parties do not mutually agree on the portion that is attributable to Net Sales, then at the request of either party such portion shall be determined by arbitration pursuant to Section 17.1.

Net Sales will not include any sales, transfers, or other dispositions of Licensed Product for use in Clinical Trials or compassionate use programs, for transfers to Stanford or any other non-profit institution or for research, charitable or promotional purposes in reasonable quantities, at or below cost. In all cases, any such disposition of Licensed Products must be reported on the royalty report due to Stanford. If it is unclear to Stanford that a transfer or other disposition of Licensed Products falls within the scope of this paragraph, the parties will promptly confer and attempt to resolve the matter in good faith.

2.15 **"Nonroyalty Sublicensing Consideration"** means any cash, equity or other forms of payment in lieu of cash received by Syncopation from a Sublicensee in consideration of a grant of a Sublicense hereunder but excluding any consideration for:

(A) Earned royalties on Licensed Product sales (earned royalties on product sales by Sublicensees will be treated as if Syncopation made the sale of such product);

(B) Profit Sharing Income

(C) investments in Syncopation stock, but only to the extent the investments is made at market value;

(D) documented research and development expenses, and commercialization expenses, in each case for the Licensed Product with respect to which such Sublicense grants such rights, calculated at commercially reasonable rates at Syncopation's fully burdened costs, incurred after the effective date of the Sublicense;

(E) reimbursement of out-of-pocket expenses incurred for the filing, prosecution, maintenance, enforcement and defense of intellectual property rights directly related to Licensed Patents being sublicensed;

(F) debt unless and until forgiven; and

(G) amounts paid for supplies of product or other tangible materials to the extent at or below fair market value.

2.16 "**Phase I Clinical Trial**" means a clinical trial in human subjects that has as its principal purpose a preliminary determination of the safety of a Licensed Product in human subjects as required in 21 C.F.R. §312.21(a), or its successor regulation, or the equivalent regulation in any other country.

2.17 "**Phase II Clinical Trial**" means a clinical trial in human subjects that has as its principal purpose a preliminary evaluation of the clinical efficacy and safety of a Licensed Product, and/or to obtain an indication of the dosage regimen of a Licensed Product, in each case in human subjects, as required in 21 C.F.R. §312.21(b), or its successor regulation, or the equivalent regulation in any other country.

2.18 "**Phase III Clinical Trial**" means a clinical trial in human subjects with a defined dose or a set of defined doses of a Licensed Product that has as its principal purpose establishing safety and efficacy of a Licensed Product in human subjects for its intended use, as required in 21 C.F.R. §312.21(c), or its successor regulation, or the equivalent regulation in any other country.

2.19 "**PICI Indemnitees**" means PICI, its directors, officers, employees, contractors, representatives and agents.

2.20 "**Profit Sharing Income**" means amounts received by Syncopation from any Sublicensee under an arrangement, including but not limited to a joint development and commercialization agreement, which requires or permits Syncopation to fund a share of the research, development and/or commercialization costs of the Licensed Product in return for a share of net profits (as

specifically defined in such agreement) resulting from actual sales of any Licensed Product. If, pursuant to Section 7.8(D), Stanford has elected to forego payments under Section 7.8(A) and 7.8(B) with respect to such sales of Licensed Product, then such Profit Sharing Income shall be limited to a percentage of net profits that is [***] the percentage of such research, development and/or commercialization funding received by a Sublicensee from Syncopation and/or activities conducted by or on behalf of Syncopation. For example, [***]. For the avoidance of doubt, any sales of Licensed Products by such Sublicensee shall be subject to the payment of an earned royalty under Section 7.8. For clarity, any other amounts, including amounts received beyond the attribution and proportionality referred to above, or any other type of income that Syncopation receives from such Sublicensee in relation to the grant of the sublicense of rights to the Licensed Product, including but not limited to any upfront, milestone, or license maintenance payments, that exceed such attribution and proportionality shall not be considered Profit Sharing Income.

2.21 **"Stanford Indemnitees"** means Stanford, Stanford Health Care and Lucile Packard Children's Hospital at Stanford and their respective trustees, officers, employees, students, agents, faculty, representatives, and volunteers.

2.22 "**Subcontractor**" means contract manufacturing organizations, contract research organizations, contract sales force, or any third party performing activities on behalf of or for the benefit of Syncopation or its Affiliates under a written and executed agreement where such party has no right to sell (or have sold) Licensed Products except on behalf of Syncopation and has no right to grant Sublicenses. Syncopation shall remain directly responsible for all of its obligations under this Agreement that have been delegated, or subcontracted to any Subcontractor.

2.23 **"Sublicense"** means any agreement between Syncopation and a Third Party ("**First Tier Sublicensee**") or between a First Tier Sublicensee and a Third Party ("**Second Tier Sublicensee**") that contains a grant to such Third Party under the Licensed Patents regardless of the name given to the agreement by the parties; provided that any agreement with a Subcontractor, is not and shall not be considered a Sublicense. In this Agreement, First Tier Sublicensees and Second Tier Sublicensees are collectively referred to as Sublicensees, and the agreements granting such rights collectively referred to as "**Sublicenses**".

2.24 **"Technology"** means Stanford's rights in the proprietary know-how, data, and Biological Materials related to the claimed subject matter of the Licensed Patents, in existence as of the Effective Date, as specifically described and/or listed in Appendix C, as provided by or derived from Materials provided by Stanford to Syncopation in accordance with Section 3.6 that: (a) were developed in the laboratory of Dr. Crystal Mackall and Dr. Robbie Majzner, (b) are necessary and useful for development or commercialization of Licensed Products, and (c) are not covered by any Third Party rights that would prevent delivery to Syncopation. Technology may or may not be confidential in nature.

2.25 **"Third Party"** means any person or entity other than Stanford, Syncopation or Syncopation's Affiliates.

2.26 **"Valid Claim**" means, with respect to a particular country, (a) any claim of an issued and unexpired Licensed Patent which has not irrevocably been held unenforceable or invalid by a court or other governmental agency of competent jurisdiction from which no appeal can be taken and which has not been disclaimed or admitted to be invalid or unenforceable through abandonment, reissue, disclaimer or otherwise, or (b) a pending claim in a pending Licensed Patent application, provided that if such pending claim does not issue a valid and enforceable claim within [***] from the first date of receipt of first office action for any Licensed Patent, such pending claim will cease to be a Valid Claim unless and until actually issued issues after which it will be considered a Valid Claim.

3. GRANT

3.1 **Grant.** Subject to the terms and conditions of this Agreement, Stanford grants Syncopation a license under the Licensed Patent and Technology in the Licensed Field of Use to make, have made, use, import, offer to sell, sell and otherwise exploit Licensed Products in the Licensed Territory. Syncopation shall have the right to exercise the foregoing licenses through an Affiliate only if such Affiliate has agreed in writing to comply with this entire Agreement. Syncopation shall remain fully responsible for such Affiliates' compliance and performance under this Agreement, and for any breach of this Agreement by such Affiliate, and in the exercise of such rights or such performance, any such Affiliates will be considered to have the same rights and obligations as Syncopation as if such Affiliate were Syncopation under this Agreement. An exercise of the licensed rights by such an Affiliate shall not require a Sublicense.

3.2 **Exclusivity.** The license to the Licensed Patents is Exclusive, including the right to enter into a Sublicense under Section 4, in the Licensed Field of Use beginning on the Effective Date and ending on the expiration date of the last-to-expire Licensed Patents.

3.3 **Non-exclusivity.** The license is non-exclusive to Technology in the Licensed Field of Use beginning on the Effective Date and ending on the termination of this Agreement.

3.4 **Retained Rights.** Stanford retains the right, on behalf of itself, Stanford Health Care, Lucile Packard Children's Hospital at Stanford and all other non-profit research institutions, including PICI Member Institutions, to practice the Licensed Patent and use Technology for any non-profit purpose, including sponsored research and collaborations. For clarity, Stanford does not retain the right under this Section 3.4 for any entity other than Stanford, Stanford Health Care, Lucile Packard Children's Hospital at Stanford or any other non-profit research institution to practice the License Patents. Syncopation agrees that, notwithstanding any other provision of this Agreement, it has no right to enforce the Licensed Patent against any such institution for use of the Licensed Patents for such non-profit purposes. Stanford and any such other institution have the right to publish any information included in the Technology or a Licensed Patent.

3.5 **Specific Exclusion.** Under this Agreement, Stanford does not:

(A) grant to Syncopation any other licenses, implied or otherwise, to any patents or other rights of Stanford other than those rights granted under Licensed Patent and Technology, regardless of whether the patents or other rights are dominant or subordinate to any Licensed Patent, or are required to exploit any Licensed Patent or Technology;

(B) commit to Syncopation to bring suit against third parties for infringement, except as described in Section 14; and

(C) agree to furnish to Syncopation any technology or technological information other than the items described in Appendix C or to provide Syncopation with any assistance.

3.6 **Technology Transfer**. Within [***] after the Effective Date, Stanford through the inventors of the Licensed Patents shall make available and deliver the Technology to Syncopation or its designee, in a form, manner and quantity mutually agreed to by the inventors of the inventions being licensed under this Agreement and Syncopation.

4. SUBLICENSING

4.1 **Permitted Sublicensing.** Syncopation and its First Tier Sublicensees may grant sublicenses under the Licensed Patents and Technology in the Licensed Field of Use and Licensed Territory during the Exclusive Term and only if, at the time such sublicense is granted, Syncopation is developing or selling Licensed Products, directly or through its Affiliates, its and their Sublicensees and/or Subcontractors. Technology can only be sublicensed in conjunction with Licensed Patents. Sublicenses with any exclusivity must include diligence requirements commensurate with the diligence requirements of Appendix A, to the extent applicable to the scope of such license. Stanford agrees that Syncopation may apportion without discrimination between Syncopation patents and Stanford patents a commercially reasonable percentage of sublicensing payments made to Stanford pursuant to Section 4.6. In order to exercise this apportionment, Syncopation shall provide Stanford with the total amount of Nonroyalty Sublicensing Consideration received, the proposed apportionment of such amount, and a reasonably detailed written justification for such proposal within [***] of execution of such Sublicense; provided that in no event shall such Nonroyalty Sublicensing Consideration payable to Stanford under Section 4.6 be reduced by more than [***] as a result of apportionment. If the parties are unable to come to an agreement on the proposed apportionment after discussing such proposed apportionment in good faith, then the determination of such apportionment shall be subject to the Dispute Resolution process as described in Section 17. Negotiation of any Sublicense must be an arms-length transaction.

4.2 **Required Sublicensing.** Stanford would like licensees to address unmet needs, such as those of neglected patient populations or geographic areas, giving particular attention to improved therapeutics, diagnostics and agricultural technologies for the developing world.

If Syncopation, directly or through any Affiliate, Sublicensee or Subcontractor, is unable or unwilling to serve or develop a potential neglected market or market territory for which there is a reputable company willing to be a Sublicensee to facilitate the supply of a Licensed Product in such under-served market or territory and which has adequate resources and (a) such company has provided Stanford and Syncopation with a bona fide, detailed proposal to develop a Licensed Product for such potential market, and (b) such proposed development is not within or detrimental to Syncopation’s current or planned Licensed Products, as reasonably demonstrated by Syncopation in a material communication to third parties such as an investor presentation or a public disclosure, Syncopation will, at Stanford’s request, negotiate in good faith a Sublicense with any such company, for a period not to exceed [***]. For purposes of clarification, in no

event shall Syncopation be required to provide any of Syncopation's own intellectual property to such Third Party company or organization and such Third Party company or organization shall be responsible for obtaining all necessary regulatory permissions to develop, market and distribute the Licensed Products in the territory.

4.3 **Sublicense Requirements.** Any Sublicense:

(A) is subject to this Agreement;

(B) Will reflect that any First Tier Sublicensee may grant Sublicenses to Second Tier Sublicensees, but any Second Tier Sublicensee will not grant further Sublicenses;

(C) will prohibit Sublicensee from paying royalties to an escrow or other similar account that would prevent payments to Stanford hereunder;

(D) will expressly include the provisions that are consistent and at least as protective of Stanford as those set forth in Sections 8, 9, 10 and 11 for the benefit of Stanford; and

(E) will include the provisions of Section 4.4 and require the Sublicensee to assume all obligations of Syncopation hereunder to the extent applicable to the Sublicensee's activities under the Sublicense, including the payment of earned royalties specified in Section 7, to Stanford or its designee, if this Agreement is terminated, unless the Sublicensee elects for its Sublicense to terminate upon the termination of this Agreement. If the Sublicensee is a spin-out from Syncopation, Syncopation must guarantee the Sublicensee's performance with respect to the payment of Stanford's share of earned royalties under this Agreement.

4.4 **Litigation by Sublicensee.** Any Sublicense must include the following clauses:

(A) In the event a Sublicensee brings an action seeking to invalidate any Licensed Patent, excluding any invalidity claim directed to any of the Licensed Patents made as a counterclaim or defense in an action brought against the Sublicensee by Stanford outside of the Licensed Field of Use:

(1) Sublicensee will double the payment paid to Syncopation during the pendency of such action with respect to sales of Licensed Product covered by such challenged patent. Moreover, should the outcome of such action determine that any claim of a Licensed Patent challenged by the Sublicensee is both valid and infringed by a Licensed Product, Sublicensee will pay triple times the payment paid under the original Sublicense with respect to sales of Licensed Product covered by such challenged patent;

(2) Sublicensee will have no right to recoup any royalties paid before or during the period challenge;

(3) any dispute regarding the validity of any Licensed Patent shall be litigated in the courts located in Santa Clara County, and the parties agree not to challenge personal jurisdiction in that forum; and

(4) Sublicensee shall not pay royalties into any escrow or other similar account that would prevent payment to Stanford hereunder.

(B) The Sublicensee will provide written notice to Stanford at least [***] prior to bringing an action seeking to invalidate a Licensed Patent, excluding with respect to any invalidity claim directed to any of the Licensed Patents made as a counterclaim or defense in an action brought against the Sublicensee by Stanford outside of the Licensed Field of Use.

4.5 **Copy of Sublicenses and Sublicensee Royalty Reports.** Syncopation will submit to Stanford a copy of each executed Sublicense within [***] of both parties signing such Sublicense, any subsequent amendments and all copies of its Sublicensees' royalty reports; provided that any such documents may be redacted for information not necessary to determine compliance with this Agreement. Beginning with the first Sublicense, the Chief Financial Officer or equivalent will certify annually regarding the name and number of Sublicensees.

4.6 **Sharing of Nonroyalty Sublicensing Consideration.** Syncopation will pay to Stanford a portion of all Nonroyalty Sublicensing Consideration for the Sublicense of Licensed Patents and Technology, as provided below:

(A) [***]% if a Sublicense is executed prior to the selection of a Development Candidate;

(B) [***]% if a Sublicense is executed after selection of a Development Candidate but prior to the initiation of the first Phase I Clinical Trial of a Licensed Product;

(C) [***]% if a Sublicense is executed after initiation of the first Phase I Clinical Trial for a Licensed Product but prior to the initiation of the first Phase II Clinical Trial for a Licensed Product; and

(D) [***]% if a Sublicense is executed after initiation of the first Phase II Clinical Trial for a Licensed Product.

For clarity, in the event that Syncopation enters into a Sublicense of Licensed Patents and Technology with respect to more than one Development Candidate, Syncopation will pay to Stanford a portion of all Nonroyalty Sublicensing Consideration for such Sublicense at the rate set forth above applicable to the most advanced Licensed Product. By way of example only, if such Sublicense grants such rights with respect to both a Licensed Product that has been selected, but for which a Phase I Clinical Trial has not been initiated, and a Licensed Product for which a Phase II Clinical Trial has been initiated, Syncopation will pay to Stanford [***]% of all Nonroyalty Sublicensing Consideration for such Sublicense.

Notwithstanding the foregoing, if the Sublicense includes the grant of rights under the Licensed Patents to make, have made, use or sell a Licensed Patent Product that is a diagnostic product (defined as "**Diagnostic Patent Product**"), then any Nonroyalty Sublicensing Consideration for the grant of such rights will be included in calculating Stanford's share of any Nonroyalty Sublicensing Consideration. If such grant of rights with respect to the Diagnostic Patent Product is sublicensed separately, then Syncopation will pay to Stanford a portion of all Nonroyalty Sublicensing Consideration for the Sublicense of Diagnostic Patent Product, as provided below:

(A) [***]% if a Sublicense is executed prior to the selection of the Development Candidate;

(B) [***]% if a Sublicense is executed after selection of the Development Candidate but prior to the initiation of the first Phase I Clinical Trial for a Licensed Product;

(C) [***]% if a Sublicense is executed after initiation of the first Phase I Clinical Trial for a Licensed Product but prior to the initiation of the first Phase II Clinical Trial for a Licensed Product; and

(D) [***]% if a Sublicense is executed after initiation of the first Phase II Clinical Trial for a Licensed Product.

5. GOVERNMENT RIGHTS

This Agreement is subject to Title 35 Sections 200-204 of the United States Code. Among other things, these provisions provide the United States Government with nonexclusive rights in the Licensed Patent. They also impose the obligation that Licensed Product sold or produced in the United States be "manufactured substantially in the United States," subject to such waivers as may be obtained under applicable law. Syncopation will ensure all obligations of these provisions are met.

6. DILIGENCE

6.1 **Milestones.** Because the invention is not yet commercially viable as of the Effective Date, Syncopation, directly or through its Affiliates, its or their Sublicensees and/or Subcontractors, will use Commercially Reasonable Efforts to develop, manufacture, and sell Licensed Product. In addition, Syncopation, directly or through its Affiliates, its or their Sublicensees and/or Subcontractors, will meet the milestones shown in Appendix A, and notify Stanford in writing as each milestone is met.

6.2 **Extensions.** Stanford agrees to grant reasonable extensions to the target dates of the applicable milestones in Appendix A without payment if at any time Syncopation is unable to meet one or more of the milestones due to technical, clinical, regulatory or other reasons (including delays in regulatory review or regulatory policies applicable to Licensed Products) out of the reasonable control of Syncopation and despite its use of Commercially Reasonable Efforts. In consideration of such extensions, Syncopation will provide a written explanation for such delay and a proposed plan, reasonably satisfactory to Stanford, to overcome such issues and the parties will agree to a reasonable extension period not to exceed [***] year at a time not to exceed [***] years in total for the term of this Agreement. In addition, in the event that Syncopation is unable to meet any of the milestones set forth in Appendix A, Syncopation may request up to [***] extensions of such missed deadline(s). Each such request shall be accompanied by an extension fee ("Extension Fee") of [***] for each subsequent extension. Upon receipt of such request and the associated payment of the Extension Fee, Stanford shall grant Syncopation an extension of such missed deadline by [***] per extension provided that the total extension period does not exceed [***] for the term of this Agreement. Upon extension of any deadline under this Section 6.2, all subsequent deadlines will be extended by the same length of time. Notwithstanding the above, if despite their good faith negotiation, Stanford and Syncopation have not reached an agreement on any milestone adjustment within [***] following the date specified for that specific milestone and Syncopation is in material breach of its diligence obligations, then Stanford may terminate the license in accordance with Section 15.2 unless Syncopation elects to engage the Independent Expert, as described in and in accordance with Section 6.2(A) below, to review the parties' disagreement regarding extension under this Section 6.2, and in case, the termination shall be suspended until the earlier of (i) issuance of the final determination by the Independent Expert review; or (ii) [***] following the deadline specified for the specific milestone.

(A) Expedited Dispute Resolution. If the parties are unable, despite good faith attempts, to resolve any dispute related to any extension of any diligence milestone as specified above in Section 6.2, Syncopation may elect to submit such dispute to an independent third party expert with at least [***] of experience in the pharmaceutical and/or biotechnology industry and possessing subject matter expertise (the "Independent Expert"), for resolution. The Independent Expert shall be mutually agreed upon by the parties or, failing such agreement, designated by the International Centre for Dispute Resolution located in New York City, NY. The dispute resolution proceeding, if conducted in person, shall be held in Palo Alto, California. The sole authority of the Independent Expert will be to (i) determine which of the parties' respective positions is the more reasonable of the two based on the terms of Section 6.2 of this Agreement; and (ii) if he/she determines that an extension should be granted, the length and terms for such extension, based on the terms of Section 6.2. The Independent Expert's determination shall be final and binding upon the parties. The Independent Expert shall be required to make his or her determination within [***] after his or her selection and in any case within [***] following the date specified for the specific milestones. [***] shall be responsible for [***] of the fees and expenses of the Independent Expert.

6.3 **Progress Report.** By [***] of each year, Syncopation will submit a written annual report to Stanford covering the preceding calendar year. The report will use the template of Appendix D and will include information sufficient to enable Stanford to satisfy reporting requirements of the U.S. Government and for Stanford to ascertain progress by Syncopation toward meeting this Agreement's diligence requirements. Each report will describe, where relevant: Syncopation's progress toward commercialization of Licensed Product, including work completed, key scientific discoveries, summary of work-in-progress, current schedule of anticipated events or milestones, market plans for introduction of Licensed Product, and significant corporate transactions involving Licensed Product. For the purpose of facilitating Stanford's accounting practices, including with respect to payments made to its inventors of the Licensed Patents, Syncopation will specifically identify each claim of a Licensed Patent that covers each Licensed Product.

6.4 **Clinical Trial Notice.** Syncopation will notify the Stanford University Office of Technology Licensing at least [***] prior to enrolling the first patient in any human clinical trials at Stanford. If Syncopation does not notify the Stanford University Office of Technology Licensing at least [***] prior to enrolling the first patient in a human clinical trial at Stanford, Syncopation agrees that it will pay $[***] to Stanford within [***] of being invoiced.

7. LICENSE CONSIDERATION

7.1 **Issue Fee.** Syncopation will pay to Stanford a non-creditable, non-refundable license issue fee of $[***] within [***] of the Effective Date of this Agreement.

7.2 **Equity Interest.** As further consideration, Syncopation will grant to Stanford (together with its designees as set forth below) an aggregate of 917,376 shares of common stock in Syncopation. Those shares, as of January 2022, represent no less than [***]% of the common stock in

Syncopation on a Fully-Diluted Basis. Prior to signing this Agreement, Syncopation will provide Stanford with its capitalization table and the results of an independent third-party 409A valuation conducted for the purposes of valuing Syncopation's common stock. Syncopation will issue a portion of all shares granted to Stanford pursuant to this Section 7.2 and Section 7.3 directly to and in the name of the inventors and sponsors listed below within [***] after the Effective Date allocated as stated below:

Inventor 1: [***]	[***] shares
Inventor 2: [***]	[***] shares
Inventor 3: [***]	[***] shares
Inventor 4: [***]	[***] shares
Inventor 5: [***]	[***] shares
Inventor 6: [***]	[***] shares
Inventor 7: [***]	[***] shares
Inventor 8: [***]	[***] shares
Inventor 9: [***]	[***] shares
Inventor 10: [***]	[***] shares
Inventor 11: [***]	[***] shares
Sponsor 1: [***]	[***] shares
Sponsor 2: [***]	[***] shares

For avoidance of doubt, the requirement to complete the equity issuance specified in this Section 7.2 survives termination of this Agreement.

7.3 **Anti-Dilution Protection.** Syncopation will issue to Stanford and its designees, without further consideration, any additional shares of stock of the class issued pursuant to Section 7.2 necessary to ensure that the total number of shares issued to Stanford and its designees pursuant to Section 7.2 and this Section 7.3 does not represent less than [***]% of the shares of common stock then issued and outstanding on a Fully-Diluted Basis (such right of Stanford and its designees to receive additional shares, the "**Anti-Dilution Protection**"). The Anti-Dilution Protection under this Section 7.3 will continue until an amount of $[***], when aggregated with prior closings, has been raised by Syncopation in a bona fide round of financing through the sale of securities or by conversion of instruments convertible into equity ("Dilution Trigger"). If the Dilution Trigger is reached or exceeded during a specific round of funding, Anti-Dilution Protection will extend to the total amount of funding raised through the Dilution Trigger only and will not apply to any amounts raised by Syncopation in such round of funding in excess of the Dilution Trigger.

Based on Syncopation's representation and warranty of such, the parties acknowledge and agree that the Dilution Trigger was reached upon the milestone closing of Syncopation's Series Seed Preferred Stock Financing on January 7, 2022.

7.4 **Purchase Right.**

(A) *Definitions*. For purposes of this Section 7.4 and Section 7.5:

(1) "Board of Directors" means (i) if Syncopation is organized as a corporation, its board of directors, and (ii) if Syncopation is organized as a limited liability company, Syncopation's manager(s) or member(s) or both that have the power to direct the principal management and activities of Syncopation, whether through ownership of voting securities, by agreement, or otherwise.

(2) "Qualifying Offering" means a private offering of Syncopation's preferred equity securities (or securities convertible into or exercisable for Syncopation's equity securities) for cash (or in satisfaction of debt issued for cash) having its final closing on or after the date of this Agreement and which is led by one or more venture capital, professional angel, or corporate or other similar institutional investors that either (i) have the industry expertise to perform appropriate due diligence on Syncopation, its industry and technology and have performed such due diligence, or (ii) have retained an independent consultant with such expertise that has performed due diligence and reported its evaluation of Syncopation to the lead investor. For the avoidance of doubt, if Syncopation is a limited liability company, then "equity securities" means limited liability company interests in Syncopation.

(3) "Share" means:

a) [***]% with respect to the first Qualifying Offering;

b) if the first Qualifying Offering is not a Threshold Qualifying Offering, [***]% with respect to any subsequent Qualifying Offering up to and including the first Threshold Qualifying Offering, if any, provided that Stanford or an Osage Party has participated (in any amount) in every preceding Qualifying Offering; and

c) after the first Threshold Qualifying Offering, if any, the percentage necessary for Stanford and the Osage Parties to maintain their respective ownership interests in Syncopation on a Fully-Diluted Basis; provided, that if Stanford and the Osage Parties are granted an equivalent or more favorable right to maintain their respective ownership interests in Syncopation on a Fully-Diluted Basis pursuant to a Rights Agreement in accordance with Section 7.5 below, such rights granted under the Rights Agreement shall be deemed to satisfy this clause (c).

Notwithstanding the foregoing, Share will mean [***]% following the occurrence of any Termination Event.

(4) "Threshold Qualifying Offering" means any Qualifying Offering which either (i) is at least $[***] in aggregate proceeds received by Syncopation or (ii) involves the sale to outside investors of at least [***]% of the equity securities outstanding after such round on a Fully-Diluted Basis.

(5) The parties shall construe the term “Fully-Diluted Basis” mutatis mutandis in the case where Syncopation is organized as a limited liability company.

(B) *Grant of Right; Assignment*. Stanford shall have the right, but not the obligation, to purchase for cash up to its Share of the securities issued in any Qualifying Offering on the terms, and subject to the conditions, set forth in this Section 7.4 and Section 7.5 (the “Purchase Right”). Such right is assignable by Stanford to Osage University Partners or any of its affiliated investment funds (each, an “Osage Party” and collectively, the “Osage Parties”). Except to the extent that Stanford assigns its Purchase Right to one or more Osage Parties, no investment by an Osage Party in Syncopation shall reduce or otherwise affect Stanford’s right to participate in any Qualifying Offering under this Agreement. For the avoidance of doubt, if Syncopation has entered into another Exclusive (Equity) Agreement or other agreement to license intellectual property from Stanford that includes a right equivalent to the Purchase Right, Stanford and the Osage Parties may only exercise their right(s) to purchase all or part of a Share under one agreement.

(C) *Termination of Right*. The Purchase Right shall terminate as to Stanford and the Osage Parties upon the earliest to occur of the following (each a “Termination Event”):

(1) Immediately prior to the closing of a firm commitment underwritten public offering of Syncopation’s common stock;

(2) Immediately prior to the closing of the sale of all or substantially all of Syncopation’s assets or voting stock to a company that has a class of securities publicly traded on one of the major recognized exchanges for cash, marketable securities of such company, or both; or

(3) Immediately prior to the closing of a bona fide acquisition of all or substantially all of Syncopation’s assets or voting stock for cash, marketable securities, or both by either:

a) a private operating company (as opposed to a shell company or other business entity organized primarily for the purpose of acquiring such assets or voting stock); or

b) an investment firm or other financial buyer in furtherance of a “roll-up” or similar strategy in Syncopation’s current or prospective market(s);

provided that, in each case: (i) such acquisition is duly approved by (x) Syncopation’s board of directors in accordance with applicable fiduciary duties and (y) Syncopation’s stockholders in accordance with the law of Syncopation’s jurisdiction of organization; and (ii) no person or entity that held Syncopation securities immediately prior to the closing of such acquisition shall have any right, arrangement or understanding to purchase any direct or indirect interest in the acquiring entity unless Stanford is advised in writing of the terms thereof and is given a written offer to receive such right, arrangement or understanding.

(D) *Excluded Issuances*. The Purchase Right shall not apply to the issuance of securities: (i) to employees, individuals who are members of Syncopation's Board of Directors as of the time of issuance, and service providers to Syncopation pursuant to a plan, agreement or arrangement approved by Syncopation's Board of Directors; (ii) as additional consideration in lending or leasing transactions; (iii) to an entity pursuant to an arrangement that Syncopation's Board of Directors determines in good faith is a strategic partnership or similar arrangement of Syncopation (i.e., an arrangement in which the entity's purchase of securities is not primarily for the purpose of financing Syncopation); or (iv) to owners of another entity in connection with the acquisition of that entity by Syncopation.

(E) *Coordination with Sections 7.2 and 7.3*. For the avoidance of doubt: (i) any securities Stanford may acquire or have the right to acquire under Section 7.2 or 7.3 above shall not reduce the number of securities Stanford and the Osage Parties may collectively purchase under this Section 7.4 or under any rights agreement or similar agreement regarding Syncopation entered into by Stanford (each, a "Rights Agreement"); and (ii) Stanford shall not be obligated to purchase under this Section 7.4 any Syncopation securities it has the right to acquire under Section 7.2 or 7.3 above.

7.5 **Rights Agreements; Information Rights; Notice; Elections.**

(A) Syncopation shall ensure that each Rights Agreement to which Stanford is a party will at all times grant it the same rights as all other investors that are parties to that Rights Agreement, including, without limitation: the same right to purchase additional securities in future offerings; the same information rights; the same registration rights as are granted to other parties thereto; and all such rights granted to any investor designated as a "Major Investor" or other similar designation, even if Stanford is not so designated. Notwithstanding the foregoing, this Section 7.5(A) shall not be construed to limit any rights to which Stanford would otherwise be entitled under this Agreement.

(B) Notwithstanding any terms to the contrary contained in any applicable Rights Agreement:

(1) Neither Stanford nor the Osage Parties shall be entitled under any Rights Agreement to representation on the Board of Directors or to attend meetings of the Board of Directors;

(2) In connection with all Qualifying Offerings, Syncopation shall give Stanford notice ("Notice") of the terms of the offering, including: (i) the names of the investors, the allocation of equity and equity-linked securities among them, and the total amounts to be invested by each of them in such offering; (ii) pre- and post- (projected) financing capitalization table; (iii) investor presentation(s); (iv) an introduction to the lead investor in such offering for the purpose of discussing the lead investor's due diligence process and evaluation of the investment opportunity; and (v) such other documents and information as Stanford may reasonably request for the purpose of making an investment decision or verifying the number of units of the equity or equity-linked security it is entitled to purchase in such offering; and

(3) Stanford will have a period of [***] after receiving Notice of a Qualifying Offering to elect to (i) exercise its Purchase Right in whole or in part, (ii) decline to exercise its Purchase Right, or (iii) take no action (in which case Stanford will be deemed to have declined to exercise its Purchase

Right). Syncopation shall provide Stanford updated information promptly after information in the Notice becomes inaccurate, regardless of whether Stanford has previously elected or declined to exercise its Purchase Right. If the updated information constitutes a material change from the information included in the original Notice (as it may have been previously updated), a new Notice Period for the Qualifying Offering will commence and Stanford may within [***] from and including the date it received the updated information either (x) modify or revoke a previous election, (y) make a new election if it had previously declined to exercise its Purchase Right, or (z) take no action (in which case Stanford's election in the immediately previous Notice Period will continue to apply).

(C) If Stanford has no information rights under a Rights Agreement and to the extent that such information has been prepared by Syncopation for other purposes, so long as Stanford holds Syncopation securities, Syncopation shall furnish to Stanford, upon request and as promptly as reasonably practicable, Syncopation's annual consolidated financial statements and annual operating plan, including an annual report of the holders of Syncopation's securities, and such other information as Stanford may reasonably request from time to time for the purpose of valuing its interest in Syncopation.

(D) Notwithstanding any notice provision in this Agreement to the contrary, any notice given under this Agreement that refers or relates to any of Section 7.4 above or this Section 7.5 shall be copied concurrently to [***]; provided, however, that delivery of the copy will not by itself constitute notice for any purpose under this Agreement.

7.6 **License Maintenance Fee.** Beginning on the first annual anniversary of the Effective Date and each year on the annual anniversary thereafter, Syncopation will pay Stanford a yearly license maintenance fee as follows:

(A) $[***] on the [***] anniversary, prior to First Commercial Sale of a Licensed Product;

(B) $[***] per year on the [***] anniversary, in each case prior to First Commercial Sale of a Licensed Product;

(C) $[***] per year on the [***] anniversary and each anniversary thereafter, in each case prior to First Commercial Sale of a Licensed Product; and then

(D) $[***] per year on the anniversary of the Effective Date occurring after the First Commercial Sale of a Licensed Product.

Yearly maintenance payments are non-refundable but are creditable against earned royalties owed for that calendar year the license maintenance fee is due.

7.7 **Milestone Payments.** Syncopation will pay Stanford the following milestone payments upon first achievement by each Licensed Product, as applicable, of the corresponding milestone event by or on behalf of Syncopation or its Sublicensees.

(A) **Development Milestones**. With respect to each Licensed Patent Product that is a therapeutic product to achieve the corresponding milestone events:

(1) $[***] upon initiation of the first Phase I Clinical Trial

(2) $[***] upon initiation of the first Phase II Clinical Trial

(3) $[***] upon initiation of the first Phase III Clinical Trial

If instead of a distinct Phase II Clinical Trial or Phase III Clinical Trial, Syncopation initiates a pivotal trial such as a combined Phase II/Phase III Clinical Trial or any Phase II Clinical Trial in lieu of a Phase III Clinical Trial, with respect to each, that is intended to provide the substantial evidence of efficacy necessary to support an NDA filing, Syncopation will pay a milestone of $[***] upon initiation of such pivotal trial and, in such case, Syncopation shall have no obligation to pay milestones under Sections 7.7(A)(2) or 7.7(A)(3).

As used herein, “initiation” means the first dosing of the first subject in such clinical trial.

(4) $[***] upon BLA acceptance

(5) $[***] upon FDA approval

(6) $[***] upon EMA approval

(7) $[***] upon approval in Japan

For the above Development Milestones, if at any time such a milestone is achieved for a Licensed Product for which such a milestone payment is payable, then any milestone payment with respect to earlier milestones that have not yet been paid for such Licensed Product shall become due and payable together with the subsequent milestone, irrespective of whether such earlier milestone was actually achieved.

(B) **Sales Milestones.** With respect to the first two Licensed Patent Products that are a therapeutic product to achieve the corresponding milestone events:

(1) $[***] upon the first time annual Net Sales of such Licensed Patent Product exceed $[***]

(2) $[***] upon the first time annual Net Sales of such Licensed Patent Product exceed $[***]

For the above Sales Milestones, for clarity, any earlier sales milestones that have not been achieved at the time of achievement of a later sales milestone shall be deemed achieved and payable upon achievement of the later sales milestone by a Licensed Product.

(C) **Breakthrough designation**. In addition, for the first Licensed Product to receive a breakthrough designation from the FDA, Syncopation agrees to pay an additional milestone of $[***] upon the earlier of:

(1) a financing of at least $[***] in the round after breakthrough designation;

(2) a licensing partnership with a pharma company for an upfront of at least $[***];

(3) an acquisition of all or substantially all of Syncopation’s assets or business or an IPO; or

(4) First Commercial Sale of the Licensed Product.

(D) **Diagnostic Products**. With respect to any Licensed Patent Product that is a diagnostic product:

(1) $[***] upon the First Commercial Sale of such a Licensed Product

(E) **Licensed Non-Patent Product**. With respect to any Licensed Non-Patent Product:

[***]% of the milestone payment on Licensed Patent Product for the first two Licensed Non-Patent Products to achieve the corresponding milestone.

Milestone payments in this Section 7.7 are non-refundable and non-creditable.

7.8 **Earned Royalty.** Syncopation will pay Stanford earned royalties on a country-by-country basis on Net Sales of Licensed Products as follows:

(A) With respect to a Net Sale of a Licensed Patent Product that is covered by a Valid Claim:

(1) [***]% on Licensed Patent Product which is a therapeutic product; or

(2) [***]% on a Licensed Patent Product which is a diagnostic product

(B) With respect to a Net Sale of a Licensed Non-Patent Product:

(1) [***]% on Licensed Non-Patent Product

(C) For clarity, the royalty due for Licensed Products shall not be cumulative, and shall correspond to the higher of the applicable royalties specified above (i.e., only one of 7.8(A)(1), 7.8(A)(2) or 7.8(B)(1) shall apply).

(D) **Royalty Term**: Syncopation's obligation to pay royalties as set forth above shall commence on the First Commercial Sale of a Licensed Product and expire on a country-by-country basis upon the latest to occur of (1) expiration of the last-to-expire Licensed Patent in the applicable country covering such Net Sale of the Licensed Product, or (2) [***] from the First Commercial Sale of such Licensed Product in such country.

(E) **Royalty Stacking***:*

If a Third Party license is needed for commercialization of a Licensed Product and the combined royalty due to Stanford and under such third-party licenses exceeds [***] for a therapeutic patent product, [***] for a diagnostic product and [***] for a non-patent product, then the royalty percentage due to Stanford will be reduced by the amount determined by the following formula: (A-[%])/B, where "A" equals the total royalty burden percentage due for the Licensed Product (including the royalty due to Stanford and any royalty due to a Third Party), and "B" equals the total number of licenses, including Stanford's license and such licenses from all unaffiliated third parties, provided that in no event will the royalty due to Stanford be reduced to less than [***] of the amount due Stanford as specified above in this Section 7.8, in any given payment period.

7.9 **Earned Royalty if Syncopation Challenges the Patent.** Notwithstanding the above, should Syncopation bring an action seeking to invalidate any Licensed Patent, excluding any invalidity claim directed to any of the Licensed Patents made as a counterclaim or defense in an action brought against Syncopation by Stanford outside of the Licensed Field of Use, Syncopation will pay royalties to Stanford at double the rates specified in Section 7.8 with respect to the applicable Licensed Product during the pendency of such action. Moreover, should the outcome of such action determine that any claim of a patent challenged by Syncopation is both valid and infringed by a Licensed Product, Syncopation will triple the rates specified in Section 7.8 with respect to the applicable Licensed Product.

7.10 **Obligation to Pay Royalties.** A royalty is due Stanford under this Agreement for any activity conducted under the licenses granted under this Agreement. For convenience's sake, the amount of that royalty is calculated using Net Sales. Nonetheless, if certain Licensed Products are made, used, imported, or offered for sale before the date this Agreement terminates or expires, and those Licensed Products are sold after the termination or expiration date, whether by Syncopation, its Affiliates and/or Sublicensees, Syncopation, its Affiliates and Sublicensees will pay Stanford an earned royalty for their respective exercise of rights based on the Net Sales of those Licensed Products. Upon expiration or termination of this agreement, Syncopation, its Affiliates and Sublicensees will provide to Stanford an inventory listing of all Licensed Products on hand that were manufactured prior to the expiration or termination date ("Existing Inventory"), and such listing to be certified and signed by an officer of Syncopation. Syncopation, it Affiliates and Sublicensees will be responsible for paying royalties on sales of such Licensed Products in accordance with Section 7.8 of this Agreement.

7.11 **No Escrow.** Syncopation shall not pay royalties into any escrow or other similar account that would prevent payment to Stanford hereunder.

7.12 **Currency.** Syncopation will calculate the royalty on sales in currencies other than U.S. Dollars using the appropriate foreign exchange rate for the currency quoted by the Wall Street Journal on the close of business on the last banking day of each calendar quarter. Syncopation will make royalty payments to Stanford in U.S. Dollars.

7.13 **Non-U.S. Taxes.** Syncopation will pay all non-U.S. taxes related to royalty payments. These payments are not deductible from any payments due to Stanford.

7.14 **Interest.** Any payments not made when due will bear interest at the lower of (a) the Prime Rate published in the Wall Street Journal plus [***] basis points or (b) the maximum rate permitted by law.

8. ROYALTY REPORTS, PAYMENTS, AND ACCOUNTING

8.1 **Earned Royalty Payment and Report.** Beginning with the First Commercial Sale of a Licensed Product by Syncopation, its Affiliate or a Sublicensee, or with the first receipt of any Nonroyalty Sublicensing Consideration by Syncopation, whichever is first, Syncopation will submit to Stanford a written report and an earned royalty payment and/or Nonroyalty Sublicensing Consideration payment due Stanford within [***] after the end of each calendar period, where the period is initially on a per-year basis, and changes to a per-quarter basis when

annual royalty payments to Stanford exceed $[***]. This report will use the template of Appendix B and will state the number, description, and aggregate Net Sales of Licensed Product during the completed calendar period and details about any Sublicenses. The report will include an overview of the process and documents relied upon to permit Stanford to understand how the earned royalties and Nonroyalty Sublicensing Consideration are calculated. With each report, Syncopation will include any earned royalty payment and Nonroyalty Sublicensing Consideration payment due Stanford for the completed calendar period (as calculated under Section 7.8 and Section 4.6).

8.2 **No Refund.** In the event that a validity or non-infringement challenge of a Licensed Patent brought by Syncopation is successful, Syncopation will have no right to recoup any royalties paid under this Agreement before or during the period challenge.

8.3 **Termination Report.** Syncopation will pay to Stanford all applicable royalties and submit to Stanford a written report within 90 days after this Agreement terminates or expires. Syncopation will continue to submit earned royalty payments and reports to Stanford after this Agreement terminates or expires, until all Existing Inventory made or imported under such license have been sold.

8.4 **Accounting.** Syncopation will maintain records showing manufacture, importation, sale, and use of a Licensed Product for [***] years from the date of sale of that Licensed Product. Records will include general-ledger records showing cash receipts and expenses, and records that include: production records, customers, invoices, serial numbers, and related information in sufficient detail to enable Stanford to determine the royalties payable under this Agreement.

8.5 **Audit by Stanford.** During the term of this Agreement, subject to reasonable advance notice and during normal business hours, and no more than once per each [***] month period, Syncopation will allow Stanford or its designee to examine Syncopation's records for a period not to exceed the [***] years prior to the audit request, solely to verify payments made by Syncopation under this Agreement.

8.6 **Paying for Audit.** Stanford will pay for any audit done under Section 8.5. But if the audit reveals an underreporting of earned royalties due Stanford of [***]% or more for the period being audited, Syncopation will pay the audit costs.

8.7 **Self-audit.** Syncopation will conduct an independent audit of sales and royalties at least every [***] years if annual sales of Licensed Product are over $[***]. The audit will address, at a minimum, the amount of gross sales by or on behalf of Syncopation during the audit period, the amount of funds owed to Stanford under this Agreement, and whether the amount owed has been paid to Stanford and is reflected in the records of Syncopation. Syncopation will submit the auditor's report promptly to Stanford upon completion. Syncopation will pay for the entire cost of the audit.

9. EXCLUSIONS AND NEGATION OF WARRANTIES

9.1 **Representations of Stanford's Office of Technology Licensing**. Except for the rights of the U.S. Government and State of California as set forth in Section 5, Stanford represents that as of the Effective Date and that to the actual knowledge of Stanford's Office of Technology Licensing's representatives and without conducting any further investigation, except a review of its agreements with LLS and PICI: (a) Stanford has assignments from all Stanford inventors known as of the Effective Date on the Licensed Patents, (b) Stanford has the sole right to grant rights in the Licensed Patents, including as granted herein to Syncopation, and (c) Stanford has not granted any rights in conflict with the rights granted to Syncopation hereunder. Stanford agrees not to grant any rights in conflict with the rights granted to Syncopation hereunder. Stanford represents that neither LLS nor PICI have any ownership interest in the Licensed Patents or any control over the licensing (except for PICI's right to review and comment on the terms of this Agreement prior to execution), prosecution or enforcement of the Licensed Patents.

9.2 **Negation of Warranties.** Stanford provides Syncopation the rights granted in this Agreement AS IS and WITH ALL FAULTS. Except as provided in Section 9.1, Stanford makes no representations and extends no warranties of any kind, either express or implied. Among other things, Stanford disclaims any express or implied warranty:

(A) of merchantability, of fitness for a particular purpose;

(B) of non-infringement; or

(C) arising out of any course of dealing.

9.3 **No Representation of Licensed Patent.** Syncopation also acknowledges that Stanford does not represent or warrant:

(A) the validity or scope of any Licensed Patent; or

(B) that the exploitation of Licensed Patent or Technology will be successful.

10. INDEMNITY

10.1 **Indemnification.** Syncopation will indemnify, hold harmless, and defend all Stanford Indemnitees and PICI Indemnitees against any liability, loss, award, judgment, cost or expense (including reasonable attorneys' fees) incurred as a result of any investigation or claim brought by a Third Party against any Stanford Indemnitees or PICI Indemnitees (provided that a PICI Indemnitee shall not be considered a Third Party for purposes of the foregoing if it brings any investigation or claim based upon the underlying MCA between Stanford and PICI) (each, a "Claim") of any kind to the extent arising out of or related to the exercise of any rights granted Syncopation under this Agreement or the breach of this Agreement by Syncopation; except Syncopation shall have no obligations pursuant to the foregoing with respect to any Claim to the extent such Claim arises from the material breach of this Agreement by, or the gross negligence or willful misconduct of, any Stanford Indemnitees or PICI Indemnitees. Stanford shall promptly notify Syncopation in writing of any Claim or threatened Claim that may give rise to an obligation of indemnity under this Agreement. The failure to so notify Syncopation shall not relieve Syncopation of any liability or indemnification obligations hereunder unless such failure is materially prejudicial to Syncopation's ability to defend such Claim. Stanford shall provide Syncopation with the exclusive control of the defense or settlement of any such Claim, provided

that (1) Syncopation must do so in a manner that does not adversely affect Stanford's interests unless otherwise expressly agreed by Stanford in writing; (2) it must obtain Stanford's prior consent to any settlement that adversely impacts Stanford, such consent not to be unreasonably withheld or delayed, (3) it will select legal counsel with experience in similar actions and which is reasonably acceptable to Stanford, (4) the defense activities to be taken by Syncopation shall not impair the Stanford Indemnitee's or PICI Indemnitee's reputation or admit or increase any criminal liability of the Stanford Indemnitees or PICI Indemnitee without consent from the affected Stanford Indemnitees or PICI Indemnitees. Subject to Syncopation's compliance with this Section 10.1, Syncopation shall have no obligation under this Section 10.1 with respect to any settlement entered into by any Stanford Indemnitee or PICI Indemnitee that adversely impacts Syncopation without Syncopation's prior written consent, such consent not to be unreasonably withheld or delayed. Stanford shall reasonably cooperate with Syncopation, at Syncopation's expense, in the investigation and defense of any claim covered by this indemnification.

10.2 **No Indirect Liability.** EXCEPT FOR EITHER PARTY'S INFRINGEMENT OF THE OTHER PARTY'S INTELLECTUAL PROPERTY RIGHTS AND INDEMNIFICATION OBLIGATIONS HEREUNDER, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, LOST PROFIT, EXPECTATION, PUNITIVE OR OTHER INDIRECT DAMAGES IN CONNECTION WITH ANY CLAIM ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE BREACH HEREOF, WHETHER GROUNDED IN TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, CONTRACT, OR OTHERWISE, AND REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES. Stanford shall not have any responsibilities or liabilities whatsoever with respect to Syncopation's or any of its Affiliates or any Sublicensees' use or sale of Licensed Products either directly or through a Subcontractor.

10.3 **Workers' Compensation.** Syncopation will comply with all applicable statutory workers' compensation and employers' liability requirements for activities performed under this Agreement.

10.4 **Insurance.** During the term of this Agreement, Syncopation will maintain Commercial General Liability Insurance, including Product Liability Insurance, with a reputable and financially secure insurance carrier to cover the activities of Syncopation, its Affiliates, or any Sublicensees. The insurance will provide minimum limits of liability of $[***] per occurrence and will include all Stanford Indemnitees and PICI Indemnitees as additional insureds. Prior to any use of a Licensed Product by Syncopation, or its Affiliates or any Sublicensees in or for humans, the insurance will include Product Liability Insurance, and the insurance coverage will provide minimum limits of liability of $[***] per occurrence. Immediately prior to any clinical trial using the Licensed Product, the insurance will include Clinical Trial Insurance in addition to the increased minimum limits of liability of $[***] per occurrence. Prior to any offering for sale of Licensed Product by Syncopation, or its Affiliates or Sublicensees, the insurance will include Product Liability Insurance, and will have minimum limits of liability of $[***] per occurrence. Insurance must cover claims incurred, discovered, manifested, or made during or after the expiration of this Agreement and must be placed with carriers with ratings of at least A- as rated by A.M. Best. Within [***] of the Effective Date of this Agreement, and upon Stanford's request for each instance in which the coverage is changed as per the requirement above,

Syncopation will furnish a Certificate of Insurance evidencing primary coverage and additional insured requirements. Syncopation will provide to Stanford [***] prior written notice of cancellation or material reduction to this insurance coverage. Syncopation will advise Stanford in writing that it maintains a combination of excess liability coverage (following form) over primary insurance for at least the minimum limits set forth above. All insurance of Syncopation will be primary coverage; insurance of Stanford Indemnitees and PICI Indemnitees will be excess and noncontributory.

11. EXPORT

Syncopation shall and shall require its Sublicensees and Affiliates to comply with all applicable United States laws and regulations controlling the export of licensed commodities and technical data relating to this Agreement. (For the purpose of this paragraph, "licensed commodities" means any article, material or supply but does not include information; and "technical data" means tangible or intangible technical information that is subject to U.S. export regulations, including blueprints, plans, diagrams, models, formulae, tables, engineering designs and specifications, manuals and instructions.) These laws and regulations may include, but are not limited to, the Export Administration Regulations (15 CFR 730-774), the International Traffic in Arms Regulations (22 CFR 120-130) and the various economic sanctions regulations administered by the U.S. Department of the Treasury (31 CFR 500-600).

Among other things, these laws and regulations may prohibit or require a license for the export or retransfer of certain commodities and technical data to specified countries, entities and persons. Syncopation hereby gives written assurance that it will comply with, and will require its Sublicensees and Affiliates to comply with, all applicable United States export control laws and regulations, and that it understands it may be held responsible for any violation of such laws and regulations by itself, and that it will indemnify, defend, and hold Stanford Indemnitees and PICI Indemnitees harmless for any losses such indemnitees incur as a result of a Claim resulting from the consequences of any such violation in accordance with Section 10.1.

12. MARKING

Before any Licensed Patent issues, Syncopation will mark Licensed Product that are sold to an end user with the words "Patent Pending." Otherwise, Syncopation will mark Licensed Product that are sold to an end user with the number of any issued Licensed Patent, in each case to the extent customary in the applicable country and market.

13. STANFORD AND SYNCOPATION NAMES AND MARKS

Syncopation will not use (i) Stanford's or PICI's name or other trademarks, (ii) the name or trademarks of any organization related to Stanford or PICI, or (iii) the name of any Stanford faculty member, Stanford or PICI employee, student or volunteer; in each case without Stanford's prior written consent. Stanford will not use (x) Syncopation's name or other

trademarks, (y) the name or trademarks of any Syncopation Affiliate or any organization related to Syncopation or its Affiliates, or (z) the name of any Syncopation officer, director or employee; in each case without Syncopation's prior written consent, not to be unreasonably withheld. This prohibition includes, but is not limited to, use in press releases, advertising, marketing materials, other promotional materials, presentations, case studies, reports, websites, application or software interfaces, and other electronic media. Notwithstanding the foregoing, each party may include the other party's name in factual statements in legal proceedings, patent applications and other regulatory filings. In addition, Syncopation (a) may make a short factual statement that identifies Stanford as the licensor of the rights granted under this Agreement to actual or potential investors or acquirers, as well as in the "About Syncopation" or other similar section of the Syncopation website, and (b) describe the relationship between Syncopation and certain inventors of the Licensed Patents acting as advisors or consultants to Syncopation provided that such inventors have consented to such use.

14. PROSECUTION AND PROTECTION OF PATENTS

14.1 **Patent Prosecution.**

(A) Stanford will be responsible for and will keep Syncopation reasonably informed as to the preparing, filing, prosecuting and maintaining ("**Prosecuting**") the Licensed Patents, using patent counsel selected by Stanford and reasonably acceptable to Syncopation. As long as Syncopation is current on its payments due under Section 14.2 with respect to the applicable Licensed Patent, Stanford agrees to (i) instruct Stanford's patent counsel to furnish to Syncopation copies of material documents relevant to such filing and prosecution prior to any deadlines, and (ii) allow Syncopation a reasonable opportunity to comment on material documents (including drafts of any applications within the Licensed Patents) to be filed with any patent office with respect to the Licensed Patents. Stanford agrees to consider Syncopation's comments in good faith and shall not unreasonably withhold its consent to modify such documents in accordance with Syncopation's comments. Stanford shall make good faith effort to notify Syncopation at least [***] prior to filing or otherwise initiating Prosecution of any continuation-in-part application of a Licensed Patent.

(B) In the event Syncopation decides that it no longer intends to pay for filing, prosecution, or maintenance of one or more Licensed Patents, Syncopation shall give Stanford written notice at least [***] in advance of any applicable deadline for that Licensed Patent. Stanford may in its discretion continue to prosecute and maintain such Licensed Patent(s) at its expense, in which case such Licensed Patent(s) will no longer be covered by the license granted under this Agreement and Syncopation will have no further obligation regarding patent expenses for such Licensed Patent(s).

14.2 **Patent Costs.** Within [***] after receiving a statement from Stanford, Syncopation will reimburse Stanford:

(A) $[***] to offset Licensed Patent's patenting expenses, including but not limited to interference or reexamination matters, inventorship disputes and opposition proceedings incurred by Stanford before the Effective Date; and

(B) for all Licensed Patent's patenting expenses, including but not limited to interference or reexamination matters, inventorship disputes and opposition proceedings incurred by Stanford after the Effective Date. Stanford will pay the fees prescribed for large or small entities to the United States Patent and Trademark Office, as directed in writing by Syncopation in advance. If Syncopation requests that Stanford pay fees prescribed for a small entity, then Syncopation will bear all responsibility for notifying Stanford if its status changes to large entity. Syncopation is herein notified that the determination of entity size for the United States Patent and Trademark Office depends not only on the size of Syncopation, but also may depend on the size of any companies to which Syncopation has granted licenses.

14.3 **Infringement Procedure.** Each party will promptly notify the other party if it believes a Third Party infringes a Licensed Patent or if a Third Party files a declaratory judgment action with respect to any Licensed Patent. During the Exclusive term of this Agreement and if Syncopation, directly or through its Affiliates, Sublicensees and/or its or their Subcontractors, is and if Syncopation is compliant with its obligations with respect to developing Licensed Product as set forth in Section 6.1, Syncopation shall have the right to institute a suit against or defend any declaratory judgment action initiated by this Third Party, but only within the Licensed Field of Use, as provided in Section 14.4 through and including Section 14.8.

14.4 **Syncopation Suit.** Syncopation has the first right, but not the obligation, to institute and prosecute a suit or defend any declaratory judgment action, but only within the Licensed Field of Use. Syncopation agrees to use Commercially Reasonable Efforts to settle with the Third Party without litigation. If reasonable efforts are unsuccessful and Syncopation:

(A) provides reasonable evidence of the infringement to Stanford, which includes a claim chart, and

(B) is using Commercially Reasonable Efforts to develop, manufacture or sell a Licensed Product,

then Syncopation may institute and prosecute such suit or defend any declaratory judgement action so long as it conforms with the requirements of this Section 14.4. If Syncopation decides to institute suit, it will notify Stanford in writing and give Stanford the opportunity to institute suit jointly as provided in Section 14.5. For any suit instituted solely by Syncopation pursuant to this Section 14.4, Syncopation will diligently pursue the suit and Syncopation will bear the entire cost of the litigation, including expenses and counsel fees reasonably incurred by Stanford in the course of activities required of Stanford for Syncopation to pursue such suit. Syncopation will keep Stanford reasonably apprised of all developments in the suit instituted solely by Syncopation pursuant to this Section 14.4 and will make a good faith effort to incorporate Stanford's input on any substantive submissions or positions taken in the litigation regarding the scope, validity and enforceability of the Licensed Patent. Syncopation will not initiate, prosecute, settle or otherwise compromise any such suit in a manner that adversely affects Stanford's interests without Stanford's prior written consent. Stanford may be named as a party only if:

(C) Syncopation's and Stanford's respective counsel recommend that such action is necessary in their reasonable opinion to achieve standing;

(D) Stanford is not the first named party in the action; and

(E) the pleadings and any public statements about the action state that Syncopation is pursuing the action and that Syncopation has the right to join Stanford as a party.

14.5 **Joint Suit.** If Stanford and Syncopation so agree, they may institute suit or defend the declaratory judgment action jointly. If so, they will:

(A) prosecute the suit in both their names;

(B) bear the out-of-pocket costs equally;

(C) share any recovery or settlement equally; and

(D) agree how they will exercise control over the action.

14.6 **Stanford Suit.** If neither Section 14.4 nor 14.5 apply, Stanford has the right to institute and prosecute a suit or defend any declaratory judgment action so long as Stanford conforms with the requirements of this Section 14.6, and may name Syncopation as a party for standing purposes. If Stanford decides to institute suit, it will notify Syncopation in writing. If Syncopation does not notify Stanford in writing that it desires to jointly prosecute the suit within [***] after the date of the notice provided by Stanford to Syncopation with respect to its desire to institute such suit or defend such action, Syncopation will assign and hereby does assign to Stanford all rights, causes of action, and damages resulting from the alleged infringement. Stanford will bear the entire cost of the litigation and will retain the entire amount of any recovery or settlement.

14.7 **Recovery.** Any recovery or settlement received in connection with any suit will first be shared by Stanford and Syncopation to cover the litigation costs and fees each incurred, and next shall be paid to Stanford or Syncopation to cover any litigation costs it incurred in excess of the litigation costs of the other as follows. In any suit initiated by Syncopation, any recovery in excess of litigation costs will be shared between Syncopation and Stanford as follows: (i) for any recovery other than amounts paid for willful infringement: (A) Stanford will receive [***] of the recovery if Stanford was not a party in the litigation; and (B) Stanford will receive [***] of the recovery if Stanford was a party in the litigation or if Stanford incurred any litigation costs in connection with the litigation; and (ii) for any recovery for willful infringement, Stanford will receive [***] of the recovery; and all other amounts shall be retained by Syncopation. In any suit initiated by Stanford, any recovery in excess of litigation costs will be [***].

Stanford and Syncopation agree to be bound by all determinations of patent infringement, validity, and enforceability (but no other issue) resolved by any adjudicated judgment in a suit brought in compliance with this Section 14.

14.8 **Abandonment of Suit.** If either Stanford or Syncopation commences a suit and then wants to abandon the suit without entering into a settlement with the counterparty to the suit, it will give timely notice to the other party. The other party may continue prosecution of the suit after Stanford and Syncopation agree on the sharing of expenses and any recovery in the suit.

15. TERMINATION

15.1 **Termination by Syncopation.** Syncopation may terminate this Agreement in its entirety or on a field-by-field basis (i.e., with respect to human therapeutics or diagnostics) by giving Stanford written notice at least 30 days in advance of the effective date of termination selected by Syncopation. In the event of any such termination with respect to a field (a) the definition for Licensed Field of Use shall be automatically revised to exclude the terminated field and (b) the provisions set forth in Section 15.3 shall apply solely with respect to the terminated field (and for clarity, Syncopation's obligations under Appendix A with respect to the terminated field shall terminate). If a specific field is terminated and Stanford licenses such terminated field to another entity, the parties agree to modify Section 14, as necessary.

15.2 **Termination by Stanford.**

(A) Stanford may also terminate this Agreement if Syncopation:

(1) is materially delinquent on any report or undisputed payment and has not cured such delinquency within 60 days of having received notice of such delinquency from Stanford;

(2) is in material breach of any provision and has not cured such breach within 60 days of having received notice of such breach from Stanford; or

(3) knowingly provides any materially false report which it does not cure within 60 days notice thereof from Stanford.

(B) Termination under this Section 15.2 will take effect 60 days after written notice by Stanford unless Syncopation remedies the problem in that 60-day period.

15.3 **Surviving Provisions.** All rights and obligations of the parties under this Agreement shall terminate upon expiration or any earlier termination, provided that the following shall survive any termination or expiration:

(A) Syncopation's rights to sell Existing Inventory and, correspondingly, Syncopation's obligation to pay royalties on Net Sales of Existing Inventory under Section 7.8, accrued or accruable, in accordance with Section 7.10;

(B) any claim of Syncopation or Stanford, accrued or to accrue, because of any breach or default by the other party; and

(C) the provisions of Sections 2, 7.2, 8 (for payments accrued prior to such termination or expiration and thereafter with respect to payments owed pursuant to Section 7.10), 9, 10, 11, 13, 15.3, 17 and 19.

(D) Syncopation's obligations to pay milestones and earned royalties on Licensed Non-Patent Products as specified in Sections 7.7 and 7.8.

16. CHANGE OF CONTROL, ASSIGNMENT AND NON-ASSIGNABILITY

16.1 **Change of Control.** If there is a Change of Control or if this Agreement is assigned to a Third Party that was not an Affiliate prior to the Change of Control, Syncopation will pay Stanford $[***] ("Change of Control/Assignment Fee") per Section 16.2.

16.2 **Conditions of Assignment.** Syncopation may assign this Agreement to an Affiliate without Stanford's consent. Syncopation may assign this Agreement to a Third Party as part of a Change of Control, subject to complete performance of the following conditions:

(A) Syncopation must give Stanford written notice of the assignment within [***] after the assignment, including the new assignee's contact information; and

(B) the new assignee must agree in writing to Stanford to be bound by this Agreement prior to the Change of Control becoming effective; and

(C) Stanford must have received the full Change of Control/Assignment Fee.

16.3 **After the Assignment.** Upon a permitted assignment of this Agreement pursuant to Section 16, Syncopation will be released of liability under this Agreement and the term "Syncopation" in this Agreement will mean the assignee.

16.4 **Bankruptcy.** In the event of a bankruptcy or insolvency, assignment is permitted only to a party that can provide adequate assurance of future performance, including diligent development and sales of Licensed Product.

16.5 **Nonassignability of Agreement.** Except in conformity with Section 16.1, Section 16.2 and Section 16.4, this Agreement is not assignable by either party under any other circumstances and any attempt to assign this Agreement by either party is null and void.

17. DISPUTE RESOLUTION

17.1 **Dispute Resolution by Arbitration.** In the event of a dispute arising between the parties regarding this Agreement, the parties will first attempt to resolve such dispute through good faith negotiations. If the parties are unable to resolve such dispute through such negotiations, and such dispute is regarding any payments made or due under this Agreement, such dispute will be settled by arbitration in accordance with the JAMS Arbitration Rules and Procedures, provided that in the case of a good faith dispute as to the amount owed, Syncopation will not be in breach of this Agreement and the cure period under Section 15.2 will be tolled until the amount owed dispute has been finally determined in such an arbitration. The parties are not obligated to settle any other dispute that may arise under this Agreement by arbitration.

17.2 **Request for Arbitration.** Either party may request such arbitration. Stanford and Syncopation will mutually agree in writing on a third-party arbitrator within [***] of the arbitration request. The arbitrator's decision will be final and non-appealable and may be entered in any court having jurisdiction.

17.3 **Discovery.** The parties will be entitled to discovery as if the arbitration were a civil suit in the California Superior Court. The arbitrator may limit the scope, time, and issues involved in discovery.

17.4 **Place of Arbitration.** The arbitration will be held in Stanford, California unless the parties mutually agree in writing to another place.

17.5 **Patent Validity.** Any dispute regarding the validity of any Licensed Patent shall be litigated in the courts located in Santa Clara County, California, and the parties agree not to challenge personal jurisdiction in that forum.

18. NOTICES

18.1 **Legal Action.** Syncopation will provide written notice to Stanford at least [***] prior to bringing an action seeking to invalidate any Licensed Patent or a declaration of non-infringement. Syncopation will include with such written notice an identification of all prior art it believes invalidates any claim of the Licensed Patent.

18.2 **All Notices.** All notices under this Agreement are deemed fully given when written, addressed, and sent as follows:

All general notices to Syncopation are mailed or emailed to:

[***]
1900 Alameda de las Pulgas, San Mateo, CA 94403
[***]

All financial invoices to Syncopation (i.e., accounting contact) are e-mailed to:

[***]
[***]

All progress report invoices to Syncopation (i.e., technical contact) are e-mailed to:

[***]
[***]

All general notices to Stanford are e-mailed or mailed to:

Office of Technology Licensing
415 Broadway Street
2nd Floor, MC 8854
Redwood City, CA 94063
[***]

All payments to Stanford are mailed to:

Stanford University
Office of Technology Licensing
Department #44439
P.O. Box 44000
San Francisco, CA 94144-4439

All progress reports to Stanford are e-mailed or mailed to:

Office of Technology Licensing
415 Broadway Street
2nd Floor, MC 8854
Redwood City, CA 94063
[***]

Any notice related to Section 7.4 or Section 7.5 (Stanford Purchase Rights) shall be copied concurrently to [***].

Either party may change its address with written notice to the other party.

19. MISCELLANEOUS

19.1 **Waiver.** No term of this Agreement can be waived except by the written consent of the party waiving compliance.

19.2 **Choice of Law.** This Agreement and any dispute arising under it is governed by the laws of the State of California, United States of America, applicable to agreements negotiated, executed, and performed within California.

19.3 **Entire Agreement.** The parties have read this Agreement and agree to be bound by its terms, and further agree that it constitutes the complete and entire agreement of the parties and supersedes all previous communications, oral or written, and all other communications between them relating to the license and to the subject hereof. In the event of conflict between the terms and conditions of this Agreement and any purchase orders, the terms and conditions of this Agreement shall prevail. This Agreement may not be amended except by writing executed by authorized representatives of both parties. No representations or statements of any kind made by either party, which are not expressly stated herein, will be binding on such party.

19.4 **Exclusive Forum.** Except as provided in Section 17.1, the state and federal courts having jurisdiction over Stanford, California, United States of America, provide the exclusive forum for any court action between the parties relating to this Agreement. Each party submits to the jurisdiction of such courts and waives any claim that such a court lacks jurisdiction over Syncopation or constitutes an inconvenient or improper forum.

19.5 **Headings.** No headings in this Agreement affect its interpretation.

19.6 **Electronic Copy.** The parties to this document agree that a copy of the original signature (including an electronic copy) may be used for any and all purposes for which the original signature may have been used. The parties further waive any right to challenge the admissibility or authenticity of this document in a court of law based solely on the absence of an original signature.

19.7 **Confidentiality**. Stanford shall maintain the financial terms of this Agreement as well as the reports and any information provided by Syncopation to Stanford pursuant to this Agreement, in confidence and shall not disclose such terms, reports or information to any Third Party, except that Stanford may disclose the terms of this Agreement (a) to its employees, agents, consultants, contractors, PICI and/or LLS, on a need-to-know basis, and in each case, under obligations of confidentiality at least as strict as under this Agreement, or (b) as required by applicable law. Syncopation shall maintain in confidence any unpublished Technology provided to it by Stanford and shall not publicly disclose such unpublished Technology without Stanford's consent unless and until such unpublished Technology has become publicly disclosed or is otherwise publicly available or has been disclosed by a Third Party to Syncopation without obligations of confidentiality. Stanford's obligation to Syncopation and Syncopation's obligation to Stanford hereunder shall be fulfilled by using at least the same degree of care with respect to the other party's information described in this Section 19.7 as such party uses to protect its own confidential information.

The parties execute this Agreement in duplicate originals by their duly authorized officers or representatives.

THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY

Signature: /s/ [***]
Name: [***]
Title: Senior Associate Director, Life Sciences
Date: August 2, 2022

SYNCOPATION LIFE SCIENCES

Signature: /s/ [***]
Name: [***]
Title: Chief Operating Officer
Date: August 2, 2022

Appendix A - Milestones

[***]

Appendix B - Earned Royalty Report

Licensee: _____

Stanford Docket number: _____

Period Covered: From: _____ Through: _____

Prepared By: _____ Date: _____

Approved By: _____ Date: _____

If the license covers several products, please prepare a separate report for each product. Then combine all products into a summary royalty report.

Report Type: ☐ **Single Product Report:** _____
☐ **Multiproduct Summary Report.** Page 1 of _____ Pages

Report of sales of Licensed Products (add lines as needed):

	Number of units sold	Gross sales amount	Net Sales (local currency)	Royalty Rate (%)	Conversion rate, if any	Total Earned Royalties (US $)
Country						
USA						
Other (identify)						
Other (identify)						
Other (identify)						
Other (identify)						
Sublicensee #1						
Sublicensee #2						
TOTAL:						

Annual Maintenance Fee paid for this period:

Creditable Earned Royalty Minimum balance available:

Balance amount due to Stanford:

The following allowances * were deducted from total gross sales to arrive at the Net Sales amounts (add lines as needed:

1. _____ $
2. _____ $
3. _____ $
4. _____ $
5. _____ $

The following royalty forecast is non-binding and for Stanford's internal planning purposes only:

Royalty Forecast Under This Agreement: Next Quarter:_____ Q2:_____ Q3:_____ Q4:_____

Please respond briefly and provide additional information, as needed:

Have you removed or added any products in this period? _____

If so, provide the commercial name and approval date of any FDA approved products.

Product _____ Removed/Added _____/_____/_____/

Product _____ Removed/Added _____/_____/_____/

Are any Licensed Products manufactured outside the United States? _____

Is so, by whom and in what country? _____

Did any non-royalty consideration (such as a milestone payment) become due under this Agreement in the indicated period? _____

Were any new sublicenses executed during the period? If so, attach a copy of the sublicense agreement. _____

Was any non-royalty sublicensing consideration received from any sublicensee during the period? _____

* On a separate page, please indicate the reasons for returns or other adjustments if significant. Also note any unusual occurrences that affected royalty amounts during this period.

To assist Stanford's forecasting, please comment on any significant expected trends in sales volume.

Appendix C – Technology

[***]

Appendix D – Progress Report

Sent by email to Stanford OTL at [***] and [***] for the calendar year XXXX, pursuant to paragraph 6.2 of the Non/Exclusive License Agreement between Stanford University and Company, effective Month, Day, Year.

A. List all Stanford dockets currently covered by the License Agreement. State whether any dockets have been added or dropped from the agreement in the past year.

B. Summarize progress made with Licensed Product during the past year (2-4 paragraphs), including: work completed, key scientific discoveries, ongoing work-in-progress, plans for introducing Licensed Product to market, other relevant information.

C. Status of Diligence Milestones that came due in the past year (per Section 6.1 / Appendix A of License Agreement). Use format below; bold text indicates required info. Add rows to table as needed.

Milestone **By _____, 20XX**	**Status** **Completed / Not Completed [brief description of status and relevant dates]**
Milestone # [ ] from License Agreement: Company will have $X,000,000 of available non-contingent operating capital to proceed with exploration and development of Licensed Product.	Completed. Capital was received from Investor in 20XX. [OR] Not completed. Capital will be received from Investor in 20XX.
By _____, 20XX	**Completed / Not Completed [brief description of status and relevant dates]**
Milestone # [ ] from License Agreement: First Sale of Licensed Product.	Completed. First Sale occurred on _____, 20XX. (Include description, name, field and territory of Licensed Product.) [OR] Not Completed. First Sale has been delayed due to _____. It is now anticipated that First Sale will occur on _____, 20XX.

D. Describe any significant corporate transactions during the past year.

E. Describe future plans, including estimated total development time remaining before Licensed Product will be commercialized.

F. Update company contacts for progress reports, patent prosecution and financial information, if needed.

Appendix E – Licensed Patents

[***]

a. AMENDMENT No 1

TO THE

EXCLUSIVE LICENSE AGREEMENT WITH EQUITY EFFECTIVE THE 1ST DAY OF AUGUST 2022

BETWEEN

STANFORD UNIVERSITY

AND

SYNCOPATION LIFE SCIENCES

Effective the 25th of January, 2023, THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY ("Stanford"), an institution of higher education having powers under the laws of the State of California, and CARGO Therapeutics, Inc. ("CARGO", previously known as SYNCOPATION LIFE SCIENCES), a corporation having a principal place of business at 1900 Alameda de las Pulgas Suite 350, San Mateo, CA 94403 agree as follows:

2. BACKGROUND

2.1 Stanford and CARGO are parties to an Exclusive License Agreement with Equity effective the 1st day of August 2022 ("Original Agreement"), covering technologies disclosed in Stanford dockets S19-520 and S20-243 from the laboratories of Dr. Crystal Mackall and Dr. Robbie Majzner.

2.2 Stanford and CARGO wish to amend the Original Agreement to update Section 7.2 because [***] declined his inventor shares.

3. AMENDMENT

3.1 Section 7.2 ("Equity Interest") of the Original Agreement is hereby deleted in its entirety and replaced with the following:

"**Equity Interest.** As further consideration, Syncopation will grant to Stanford (together with its designees as set forth below) an aggregate of 917,376 shares of common stock in Syncopation. Those shares, as of January 2022, represent no less than [***]% of the common stock in Syncopation on a Fully-Diluted Basis. Prior to signing this Agreement, Syncopation will provide Stanford with its capitalization table and the results of an independent third-party 409A valuation conducted for the purposes of valuing Syncopation's common stock. Syncopation will issue a portion of all shares granted to Stanford pursuant to this Section 7.2 and Section 7.3 directly to and in the name of the inventors and sponsors listed below within [***] after the Effective Date allocated as stated below:

Inventor 1: [***]	[***] shares
Inventor 2: [***]	[***] shares
Inventor 3: [***]	[***] shares
Inventor 4: [***]	[***] shares
Inventor 5: [***]	[***] shares
Inventor 6: [***]	[***] shares
Inventor 7: [***]	[***] shares
Inventor 8: [***]	[***] shares
Inventor 9: [***]	[***] shares
Inventor 10: [***]	[***] shares
Sponsor 1: [***]	[***] shares
Sponsor 2: [***]	[***] shares

For avoidance of doubt, the requirement to complete the equity issuance specified in this Section 7.2 survives termination of this Agreement."

4. OTHER TERMS

4.1 All other terms of the Original Agreement remain in full force and effect.

4.2 The parties to this document agree that a copy of the original signature (including an electronic copy) may be used for any and all purposes for which the original signature may have been used. The parties further waive any right to challenge the admissibility or authenticity of this document in a court of law based solely on the absence of an original signature.

The parties execute this Amendment No 1 by their duly authorized officers or representatives.

THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY

Signature: /s/ [***]
Name: [***]
Title: Director, Licensing and Strategic Alliances
Date: Jan 27, 2023

CARGO THERAPEUTICS, INC

Signature: /s/ [***]
Name: [***]
Title: Chief Operating Officer
Date: Jan 26, 2023

CONFIDENTIAL

OXFORD BIOMEDICA (UK) LIMITED

and

SYNCOPATION LIFE SCIENCES INC

LICENCE AND SUPPLY AGREEMENT

Contents

CONFIDENTIAL

THIS AGREEMENT (the "**Agreement**") is made on 24 day of June 2022 ("**Effective Date**")

BETWEEN:

(1) **OXFORD BIOMEDICA (UK) LIMITED**, a company incorporated in England and Wales with company registration number 03028927, whose registered office is at Windrush Court, Transport Way, Oxford, OX4 6LT, UK ("**OXB**"); and

(2) **SYNCOPATION LIFE SCIENCES INC** a company incorporated in Delaware whose principal place of business is at 1900 Alameda de las Pulgas, San Mateo, CA 94403, USA ("**Client**").

BACKGROUND:

(A) OXB has extensive experience in the development and manufacture of therapeutic lentiviral vectors, including manufacturing, process development, product release and analytical technology.

(B) Client wishes to develop and commercialise certain gene therapy products transduced using lentiviral vectors.

(C) Client now wishes to appoint OXB to manufacture and supply to Client such vectors for clinical and potentially commercial purposes.

(D) OXB wishes to grant and Client wishes to accept a licence under OXB's intellectual property rights to develop and commercialise Client's products which use vectors manufactured using OXB's manufacturing process.

(E) Under certain circumstances as described in this Agreement, OXB wishes to grant and Client wishes to accept the right to have the manufacturing process transferred to Client.

OPERATIVE PROVISIONS

1. Definitions and Interpretation

1.1 **Definitions**. In this Agreement, the following words and expressions shall have the following meanings:

(a) "**Additional Target**" means a target other than the Initial Targets which is agreed by OXB and Client in accordance with clause 2.4;

(b) "**Additional Target Fee**" shall have the meaning given to it in clause 7.2;

(c) "**Affiliate**" means any person, firm, trust partnership, corporation, company or other entity or combination thereof which directly or indirectly (i) controls a Party, (ii) is controlled by a Party, or (iii) is under common control with a Party. As used in this definition, the terms "**control**" and "**controlled**" will mean ownership of

50% or more the voting rights of such entity or the power to direct the management of such entity through contract or otherwise.

(d) "**Applicable Law**" means all rules, regulations, laws, statutes, guidelines, judgments and court orders of any kind whatsoever of any Regulatory Authority applicable to a Party's activities hereunder, as amended from time to time, including of the FDA, the EMA, the European Commission, the ICH guidelines and regulations, and any other regulatory jurisdictions as agreed to in writing by both Parties;

(e) "**Arising IPR**" means any Intellectual Property Rights prepared, developed, generated or derived by or on behalf of either Party in the course of the performance of its obligations under this Agreement;

(f) "**Background**" means information, techniques, Know-How, software, Intellectual Property Rights and materials (regardless of the form or medium in which they are disclosed or stored) that are owned or controlled by one Party or its Affiliates prior to the Effective Date or generated by a Party independently of the activities conducted in connection with this Agreement, or which are acquired by a Party, on or after the Effective Date (other than Arising IPR) and, in each case which are provided by such Party to the other for performing this Agreement (whether before or after the Effective Date). For clarity, OXB's Background includes the OXB Patents;

(g) "**Batch**" means Vector Manufactured by OXB in a single bioreactor run;

(h) "**Batch Documentation**" means with respect to a Batch, a complete and accurate copy of the Batch records, a Certificate of Analysis (if applicable), and/or a Certificate of Compliance (if applicable), and a complete and accurate copy of any other documents specified in the applicable Scope of Work as being OXB's responsibility to provide to Client with respect to a Batch;

(i) "**Batch Fee**" means the price payable by Client for a Batch, as set out in Schedule 1 (as may be adjusted in accordance with clauses 7.6 and 7.7);

(j) "**BLA**" means a biologics license application filed with the US Food and Drug Administration to obtain permission to introduce, or deliver for introduction, a biologic product into interstate commerce as provided for under 21 CFR 601.2 or any comparable application filed with the Regulatory Authority of any other country;

(k) "**Business Days**" means any day other than a Saturday or a Sunday on which banks are open for business in both London, United Kingdom and San Francisco, California, U.S.A.;

(l) "**Cell Line**" shall have the meaning set out in clause 3.10;

(m) "**Certificate of Analysis**" shall have the meaning set out in the Quality Agreement;

(n) "**Certificate of Compliance**" shall have the meaning set out in the Quality Agreement;

(o) "**CDA**" means the confidentiality agreement between the Parties dated 27 October 2021;

(p) "**CGMP**" shall have the meaning set out in the Quality Agreement;

(q) "**Change Order**" means a document signed by both Parties setting out agreed amendments to Work Packages or termination of Work Packages, and shall include a description of work and detail any changes to the costs of such amended Work Packages and the overall Scope of Work;

(r) "**Charges In Event of Cancellation**" means the cancellation charges as set out in Schedule 1;

(s) "**Claim**" means losses, liabilities, damages, reasonable legal costs and other reasonable expenses of any nature whatsoever suffered or incurred in connection with any Third Party demands, claims, actions, or proceedings (whether criminal or civil, in contract, tort or otherwise);

(t) "**Client Arising IPRs**" shall have the meaning set out in clause 12.5;

(u) "**Client Materials**" means (a) the materials provided by or on behalf of Client to be used in the performance of Services under this Agreement, and (b) the Client Samples;

(v) "**Client Samples**" means:

(i) samples provided to OXB by or on behalf of Client solely for testing purposes of: (A) vector manufactured by a Third Party outside the scope of this Agreement and without exercise of the license in clause 12.2, clause 12.3 or clause 13.2; and (B) cell lines owned by or licensed to Client;

(ii) any other materials generated by or on behalf of OXB to the extent they are copies, clones, and replicants of the items in sub-clause (i) (but excluding any portions of such other materials that are not copies, clones, and replicants of the items in sub-clause (i)); and

(iii) such items in sub-clauses (i) or (ii), or portions thereof, to the extent they are included in other materials generated by or on behalf of OXB (but excluding the portions of such other materials that are not the items in sub-clauses (i) or (ii) or portions thereof).

For clarity, notwithstanding the foregoing, "Client Samples" shall not include the Vector, Licensed Product, or any cell line (other than a cell line as described in sub-clause (i) above) with which the Client Samples are used, and Client shall have

no ownership rights or licence in respect of any such cell line as a result of the use by OXB of such Client Samples;

(w) "**Components**" means all raw materials, media, excipients and materials, excluding Client Materials and Plasmids, required for the Manufacture, storage, supply and shipping of Vector in accordance with the Specification;

(x) "**Commercial Milestones**" shall have the meaning given to it in Schedule 2;

(y) "**Commercial Milestone Payments**" shall have the meaning given to it in Schedule 2;

(z) "**Commercialise**" means any and all activities directed toward marketing, promoting, detailing, distributing, importing, exporting, selling or offering to sell;

(aa) "**Confidential Information**" means all information of a confidential or proprietary nature which is obtained directly or indirectly by one Party (the "**Receiving Party**") or its Affiliates, from the other Party (the "**Disclosing Party**") or its Affiliates at any time during the Term, without regard to the form or manner in which such information is disclosed or obtained (including information disclosed orally or in documentary or electronic form or by way of model, or obtained by observation), and without limiting the foregoing, in addition shall include:

(i) the existence and terms of this Agreement, for which both Parties shall be deemed to be the Receiving Party;

(ii) Confidential Information, as such term is defined in the CDA, which information, with effect from the Effective Date, shall be deemed to be Confidential Information of the relevant Party under this Agreement and subject to the terms of this Agreement in place of the terms of the CDA with this Agreement superseding the CDA;

(iii) Confidential Information, as such term is defined in the EPA, which information, with effect from the Effective Date, shall be deemed to be Confidential Information of the relevant Party under this Agreement and subject to the terms of this Agreement in place of the terms of the EPA with this Agreement superseding the EPA;

(iv) the OXB Know-How and the OXB Arising IPRs for which OXB shall be deemed to be the Disclosing Party and Client the Receiving Party; and

(v) Client Arising IPRs for which, in each case, Client shall be deemed to be the Disclosing Party and OXB the Receiving Party;

(bb) "**Defective Batch**" means any CGMP Batch that (i) does not conform to the Specifications or (ii) was not Manufactured in accordance with the Quality Agreement or Applicable Law;

(cc) "**Delivery**" shall mean Vector being made available to Client by OXB in accordance with clause 6.1 and Delivered shall be construed accordingly;

(dd) "**Delivery Date**" means the date upon which a Batch is available for collection by Client in accordance with clause 6.1;

(ee) "**Development Milestones**" shall have the meaning given to it in Schedule 2;

(ff) "**Development Milestone Payments**" shall have the meaning given to it in Schedule 2;

(gg) "**EPA**" means the Early Phase Agreement between the Parties dated 9 February 2022, pursuant to which the Client and OXB commenced preliminary activities for the eventual supply by OXB of cGMP lentiviral vectors targeting Client's GOI;

(hh) "**Facility**" means:

(i) an OXB manufacturing, laboratory and warehouse facility; and

(ii) the facilities of a permitted subcontractor of OXB pursuant to this Agreement or the Quality Agreement;

(ii) "**First Commercial Sale**" means, with respect to a given Licensed Product, the first sale or other supply to a Third Party (other than a sublicensee) on an arms' length commercial basis of such Licensed Product by Client or an Affiliate or sublicensee of Client to a Third Party in a country:

(i) following Regulatory Approval of such Licensed Product in that country, if a Regulatory Approval or similar marketing approval is required in such country; or

(ii) at any time, if no such Regulatory Approval or similar marketing approval is required in such country;

(jj) "**FTE**" means a full time equivalent person year (consisting of [***] hours per year);

(kk) "**GBP**" and "**£**" mean the lawful currency of the United Kingdom;

(ll) "**GOI**" means a nucleic acid sequence encoding Client's CAR which CAR recognizes a Target;

(mm) "**IM Date**" means the date upon which Manufacture of a Batch is initiated;

(nn) "**Indicative Forecast**" shall have the meaning set out in clause 5.4;

(oo) "**Initial Fee**" means the upfront fee pursuant to clause 7.1 and set out in Schedule 2;

(pp) "**Initial Target**" means CD22, including, wildtype, isoform, modified, variant and mutant versions thereof;

(qq) "**Intellectual Property Rights**" means all rights in patents, rights to inventions, copyright and related rights, rights in trade marks, trade names and domain names, rights in designs, rights in computer software, database rights, rights in confidential information (including know-how) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions (for their full term) of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;

(rr) "**Know-How**" means unpatented technical information that is not in the public domain (including, without limitation, information comprising or relating to inventions, discoveries, concepts, methodologies, models, research, development and testing procedures, the results of experiments, tests and trials, manufacturing processes, techniques and specifications, quality control data, analyses, reports and submissions);

(ss) "**Licensed Product**" means T cells transduced with a Vector;

(tt) "**Manufacture**", "**Manufactured**" and "**Manufacturing**" means the steps, Processes and activities used by OXB to produce any Vector for clinical supply, including the manufacturing, processing, packaging, labelling, validation, testing, release and preparation for Delivery of Vector.

(uu) "**Manufacturer's Certification**" means OXB's CGMP certification of a Batch by a qualified person of OXB;

(vv) "**Manufacturing Slot**" means a scheduled period during which OXB will Manufacture a Batch of Vector at a Facility;

(ww) "**Manufacturing Slot Deposit**" shall have the meaning set out in Schedule 1;

(xx) "**Master Production Batch Record**" means the technical documents that define the Manufacturing procedures and associated materials for a specific part of the Manufacturing process, as approved by both Parties and as amended by the Parties in writing from time to time;

(yy) "**Milestone Payment**" means one of the milestone payments set out in Schedule 2;

(zz) "**Net Sales**" means the gross amounts billed or invoiced by Client or any of its Affiliates or sublicensees (each a "**Selling Party**"), excluding distributors and wholesalers, for any Licensed Product that is sold or otherwise supplied on a commercial basis to Third Parties other than sublicensees less the following items to the extent that they are actually paid, allowed or granted:

(i) reasonable and customary trade, quantity and cash and other reasonable and customary discounts;

(ii) amounts repaid or credited by reasons of defects, rejections, recalls returns, spoilage, damage, expiration or for price adjustments or billing errors;

(iii) rebates and chargebacks and retroactive price reductions to any non-sublicensee Third Party (including, without limitation, Medicare, Medicaid, Managed Healthcare and similar types of rebates);

(iv) amounts provided or credited to non-sublicensee Third Parties through coupons and other discount programs;

(v) freight and other transportation charges for the delivery of Licensed Products, including insurance and other charges or fees directly related to the handling or distribution of Licensed Products, in each case only to the extent such charges have been separately invoiced to the relevant non-sublicensee Third Party;

(vi) solely to the extent included in such gross amounts billed or invoiced, taxes (including, but not limited to sales, value added, consumption and similar taxes), duties or other similar governmental charges imposed and actually paid on the sale, transportation, import, export, delivery or use of Licensed Products, including any amounts payable under the Affordable Care Act; and

(vii) amounts reserved and credited for uncollectable accounts with respect to invoiced amounts determined in a manner consistent with the Selling Party's internal accounting practices, consistently applied, provided that, to the extent such uncollectible amounts are actually received, the same shall be included in Net Sales; and

(viii) other deductions taken in accordance with the IFRS or GAAP in a manner consistent with the Selling Party's normal practices.

For the avoidance of doubt, none of the above items should be deducted from the gross invoice price in order to arrive at the calculation of Net Sales unless they are normally deducted from the gross invoice price in the reporting of revenues in accordance with IFRS or GAAP in a manner consistent with the Selling Party's normal practices used to prepare its audited financial statements for internal and external reporting purposes.

For purposes of determining Net Sales, transfers or dispositions, at or below cost, for charitable applications (including patient assistance programs), development applications (including for non-clinical, clinical research or regulatory purposes) or as commercial samples shall not be included in Net Sales. Sales between or among Client and its Affiliates and sublicensees shall be disregarded for purposes of calculating Net Sales.

In the event that a Licensed Product is sold or otherwise supplied on an arm's length commercial basis to Third Parties other than sublicensees together with one or more Other Products (whether in a single package or in the same therapeutic formulation) for a single price (a "**Combination**"), Net Sales of such Licensed Product shall be calculated by multiplying the actual Net Sales of the Combination by the fraction A/(A+B), where "A" is the sales price in such country of such Licensed Product sold separately in the same dosage amount or quantities as in the Combination and "B" is the sales price in such country of such Other Product sold separately in the same dosage amount or quantities as in the Combination. As used herein, "**Other Product**" means any therapeutically active pharmaceutical ingredient other than the therapeutically active pharmaceutical ingredient(s) of the Licensed Product.

In the event that such Other Product is not sold separately (but such Licensed Product is), the Net Sales of such Licensed Product shall be calculated by multiplying the actual Net Sales of such Combination by the fraction A/C, where "A" is the sales price in such country for such Licensed Product in the same dosage amount or quantities as in the Combination, and "C" is the sales price in such country for the Combination.

In the event that such Licensed Product is not sold separately, the portion of the gross amount invoiced for such Combination that is attributable to Net Sales for purposes of royalty determination shall be mutually agreed by the Parties in good faith to reasonably reflect the fair value of the contribution of the Licensed Product in the Combination to the total market value of such Combination. In the event the Parties are unable despite such good faith efforts to agree with respect to such allocation, then the Senior Officers shall appoint an appropriately qualified independent expert to determine the same (whose decision shall be binding and whose costs shall be shared equally by the Parties).

If any Licensed Product is sold or otherwise supplied other than on normal arms-length commercial terms exclusively for money, the Net Sales of the Licensed Product supplied shall be whichever is the higher of:

(i) the Fair Market Value of such Licensed Products; or

(ii) the actual price at which the Licensed Product was sold,

where "**Fair Market Value**" shall mean the value of the Licensed Product sold to similar Clients in countries with similar pricing and reimbursement structures and for similar quantities.

(aaa) "**OXB Arising IPRs**" shall have the meaning attributed to it in clause 12.5;

(bbb) "**OXB Patent**" means:

(i) the patent applications and patents identified in Schedule 4 (as may be updated by the Parties from time to time in accordance with clause 12.2(c))

and any patents that issue on said applications and the foreign equivalents of any of the foregoing; and

(ii) all provisionals, divisions, substitutions, continuations, continuations-in-part to the extent any claims thereof are fully supported by another patent application identified in sub-clause (i), renewals claiming priority in whole or in part to a patent or patent application identified in clause (ii), extensions, reissues, reexaminations and the like of any of the patents identified in the foregoing sub-clause (i) and the foreign equivalents of any of the foregoing.

(ccc) "**Parties**" means OXB and Client and "**Party**" shall mean either of them;

(ddd) "**Pass-Through Costs**" means any out-of-pocket external costs (a) actually incurred by OXB in carrying out the Manufacturing and Services, including Technology Transfer, under and in accordance with an estimate pre-approved by Client or (b) that are agreed by the Parties in a schedule hereto or identified in the relevant Work Orders (including where the Work Order contains an estimate for such costs, the final costs reasonably and actually incurred by OXB to the extent not exceeding such estimate unless otherwise approved by Client) and will include without limitation the costs of Plasmids for both research and the Manufacture of CGMP grade Vector, and in each case shall not include those costs included in the Batch Fee. For the avoidance of doubt, OXB shall not have an obligation to incur Pass-Through Costs that are not pre-approved by Client;

(eee) "**Phase 2/3 Clinical Trial**" means a human clinical trial involving a sufficient number of subjects that, prior to commencement of the trial or at any other defined point in the trial, satisfies both of the following ((i) and (ii)):

(i) such trial is designed to (i) establish that the Licensed Product is safe and efficacious for its intended use, and (ii) define and determine warnings, precautions, and adverse reactions that are associated with the Licensed Product in the dosage range to be prescribed, which trial is intended to support Regulatory Approval in any country; and

(ii) such trial is or becomes sufficient for filing an application for Regulatory Approval in any country, as evidenced by (i) an agreement with or statement from the relevant Regulatory Approval on a special protocol assessment or equivalent, or (ii) other guidance or minutes issued by the relevant Regulatory Approval, for such registration trial;

(fff) "**Pivotal Clinical Trial**" means a pivotal human clinical trial conducted in a sufficient number of patients to establish safety or efficacy in the particular indication tested, the data and results of which are intended to be used as part of a basis for seeking Regulatory Approval in any country;

(ggg) "**Plasmids**" means the plasmids required to Manufacture Vector, including genome and packaging components;

(hhh) "**Process**" means the processes and procedures used to Manufacture Vector in accordance with the Master Production Batch Record, including all protocols and SOPs referenced therein. "Process" will not include any process, Facility design or SOPs generated or used in the course of performing services that are generally applicable to OXB's business, such as in connection with the operation of any of its Facility and/or equipment, and that a reasonable contract manufacturing organisation skilled in the art would be expected to have in place for the operation of its own facility;

(iii) "**Project Manager**" shall have the meaning set out in clause 2.1;

(jjj) "**Quality Agreement**" shall have the meaning set out in clause 3.3;

(kkk) "**Regulatory Approval**" means all technical, medical, and scientific licenses, registrations, authorisations, consents, and approvals of any Regulatory Authority, necessary for the use, development, manufacture, and commercialisation of a Vector in a given regulatory jurisdiction;

(lll) "**Regulatory Authority**" means any national, regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity with authority over the manufacture, production, use or storage or transport, of any Vector or Licensed Product, including the FDA, the EMA, and the European Commission (and any successor agencies), in (i) the United States of America, (ii) the United Kingdom, (iii) the European Union, and (iv) such other territories as may be mutually agreed to by the Parties in writing;

(mmm) "**Regulatory Milestones**" shall have the meaning given to it in Schedule 2;

(nnn) "**Regulatory Milestone Payments**" shall have the meaning given to it in Schedule 2;

(ooo) "**Representatives**" shall have the meaning set out in clause 14.2;

(ppp) "**Royalties**" shall have the meaning set out in clause 7.11;

(qqq) "**Sample**" means any sample of Vector for analytics, retention, stability studies or other non-clinical purpose;

(rrr) "**Scope of Work**" means a document signed by both Parties setting out the agreed Services for each Target to be provided by OXB to Client under this Agreement which shall include a description, the duration, and the cost of the Services and individual Work Package(s). Agreed Scopes of Work shall be incorporated into and form part of this Agreement and may be modified from time to time by a Change Order or a Work Order;

(sss) "**Service Fee**" shall mean the fees and other payments and costs for the Services other than Batch Manufacturing Services (which shall be charged in accordance with the Batch Fee);

(ttt) "**Services**" shall mean any Manufacturing services or other services to be performed by OXB described in any Scope of Work;

(uuu) "**Senior Officers**" means for OXB, the CEO or designee and for Client, the CEO or designee;

(vvv) "**SOPs**" means the written standard operating procedures and methods of OXB, as the same may be amended, in OXB's sole discretion from time to time;

(www) "**Specification**" means with respect to each Vector, the tests, analytical methods and appropriate acceptance criteria and attributes for such Vector as agreed from time to time in writing by Client and OXB;

(xxx) "**Strategic Collaborator**" means a Third Party to whom Client has granted a right or license to research, develop, or Commercialise the Licensed Products.

(yyy) "**Supply Term**" shall have the meaning set out in clause 17.1(b);

(zzz) "**Target**" means an antigen recognised by the Client's CAR and shall be the Initial Targets and any Additional Targets or any of them individually;

(aaaa) "**Technology Transfer**" means the technology transfer (including technical training at an OXB site pertaining to the Process) reasonably necessary for properly skilled personnel of Client or its designee to manufacture the Vector in accordance with the Process using some or all of OXB's Intellectual Property Rights pursuant to the licence granted under clause 12.3;

(bbbb) "**Technology Transfer Event**" has the meaning set out in Schedule 2:

(cccc) "**Technology Transfer Milestone**" shall have the meaning set out in Schedule 2;

(dddd) "**Technology Transfer Milestone Payments**" shall have the meaning set out in Schedule 2;

(eeee) "**Term**" shall have the meaning set out in clause 17.1(a);

(ffff) "**Testing Expert**" means a qualified independent third party testing expert or laboratory reasonably acceptable to both Parties by written agreement to evaluate, with respect to a Batch, whether or not such Batch is a Defective Batch and/or the root cause of the same;

(gggg) "**Third Party**" means any party other than Client and OXB and their respective Affiliates;

(hhhh) "**[***]**" means [***];

(iiii) "**USD**" or "**US$**" means the lawful currency of the United States;

(jjjj) "**Valid Claim**" means a claim of (i) an unexpired and issued patent, or (ii) a pending patent application, that has not been disclaimed, revoked, or held invalid, un-patentable or unenforceable by an administrative agency, court or other government agency of competent jurisdiction in a final and non-appealable decision (or a decision un-appealed within the time limit allowed for appeal), and which has not been admitted to be invalid or unenforceable through reissue, re-examination or disclaimer or otherwise, each within the OXB Patents. Notwithstanding the foregoing, if such a claim of a pending patent application has not issued as a claim of a patent within [***] after the filing date from which such claim takes priority, such claim shall not be a Valid Claim for the purposes of this Agreement, unless and until such claim issues as a claim of an issued patent (from and after which time the same shall be deemed a Valid Claim subject to this clause);

(kkkk) "**Vector**" means lentiviral vectors delivering the GOI that are Manufactured by (i) OXB or a permitted subcontractor; or (ii) by or on behalf of Client following a Technology Transfer pursuant to clause 13;

(llll) "**Work Order**" means a document signed by both Parties setting out new Work Packages to be added to a Scope of Work including Manufacturing Work Packages;

(mmmm) "**Work Package**" means the work identified as a discrete work package in a Scope of Work, Change Order or Work Order thereto; and

(nnnn) "**Year**" means a calendar year starting on 1 January and ending on 31 December.

1.2 **Interpretation**. In this Agreement:

(a) unless otherwise specified, references to clauses and schedules are to the clauses and schedules of this Agreement;

(b) the words "include", "including" and "in particular" are to be construed as being by way of illustration or emphasis only and are not to be construed so as to limit the generality of any words preceding them;

(c) the words "other" and "otherwise" are not to be construed as being limited by any words preceding them;

(d) headings are used for convenience only and do not affect its interpretation; and

(e) a reference to the singular includes a reference to the plural and vice versa and a reference to any gender includes a reference to all other genders.

2. Governance

2.1 **Representatives**. Within [***] of the Effective Date, each of OXB and Client shall appoint an employee as a project manager to oversee their respective obligations under this Agreement (each a "**Project Manager**"). Unless agreed otherwise between the Parties in writing, all communications between OXB and Client regarding the conduct of OXB's

day-to-day performance will be with the respective Party's Project Manager. A Party may change its Project Manager at any time by providing written notice to the other Party.

2.2 **Steering Committee**

(a) **Steering Committee**. Unless otherwise mutually agreed by the Parties, within [***] after the Effective Date, the Parties shall establish a steering committee (the "**Steering Committee**") by each Party designating and notifying the other Party of its initial members to serve on the Steering Committee. The Steering Committee will remain in place until the termination or expiry of the Term and, unless otherwise agreed in writing between the Parties, will be disbanded at the end of such period.

(b) **Role of Steering Committee**. The Steering Committee shall lead and oversee the performance of OXB under this Agreement and, subject to clause 2.2(g), shall be responsible for and have authority for:

(i) providing a forum for strategic decision-making;

(ii) reviewing performance under this Agreement;

(iii) resolving any disputes referred to it by the Project Team (subject to clause 2.2(g)); and

(iv) making such other determinations as are expressly delegated to it under the terms of this Agreement.

(c) **Membership**. Unless otherwise mutually agreed by the Parties, the Steering Committee shall consist of two senior personnel of OXB and two senior personnel of Client, in each case with authority to make decisions for the appointing Party on issues within the mandate of the Steering Committee and shall additionally include each Party's Project Manager. Each member shall have the appropriate background and expertise to contribute to the Steering Committee. Each Party may change its members on the Steering Committee from time to time by providing notice in writing to the other Party. Either Party may, from time to time, invite additional representatives or consultants, who are not Steering Committee members but who have knowledge and/or experience in relation to the performance of the collaboration between the Parties, to attend Steering Committee meetings. Prior to attendance of any Steering Committee meeting all attendees must be bound by confidentiality obligations at least as protective to the other Party's Confidential Information as the terms set out in clause 14.

(d) **Co-Chairpersons**. Each Party shall appoint one of its members to co-chair Steering Committee meetings (each a "**Co-Chairperson**"). The Co-Chairpersons shall attend meetings, ensure the orderly conduct of meetings, and ensure that written minutes of each meeting are taken and issued to each of the Parties.

(e) **Meetings**. The Steering Committee shall meet as often as agreed by the Co-Chairpersons, but in no event less than once quarterly. Such meetings may be conducted by telephone, videoconference or in person as determined by the Co-Chairpersons. Each Party may also call for special meetings of the Steering Committee with reasonable prior notice (it being agreed that at least [***] shall constitute reasonable notice unless it is mutually agreed by the Parties that both criticality and timing of the proposed topic warrant sooner), to resolve particular matters within the decision-making responsibility of the Steering Committee. Meetings of the Steering Committee shall be effective only if at least one (1) representative of each Party is present and participating as a Co-Chairperson.

(f) **Decision-Making**. The Steering Committee will endeavour to make decisions by consensus of the Co-Chairpersons with each Party having one (1) vote. If a dispute or failure to agree arises which cannot be resolved within the Steering Committee, the Steering Committee shall cause such dispute or failure to agree to be referred to the Senior Officers (or their respective delegates) for resolution. The Senior Officers (or their respective delegates) shall attempt in good faith to resolve such dispute or failure to agree. In the event that the Senior Officers (or their respective delegates) have been unable to resolve such dispute within [***] of the dispute being referred to them, either Party may seek resolution of the dispute in accordance with clauses 18.13 and 18.14.

(g) **Limits**. The Steering Committee shall only have the powers assigned expressly to it in this Agreement. Notwithstanding any provision to the contrary, the Steering Committee shall not have any power to amend or modify the provisions of this Agreement, including any Scope of Work, Work Order or Change Order, or to waive compliance with this Agreement, including any Scope of Work, Work Order or Change Order, and each Party shall retain the rights, powers and discretion granted to it under this Agreement and no such rights, powers or discretion shall be delegated to or vested in the Steering Committee.

2.3 **Project Team**

(a) Within [***] after the Effective Date the Parties will establish a project team ("**Project Team**") which shall consist of each Party's Project Manager and such other employees, or, subject to the approval of the other Party, representatives or consultants of a Party as considered necessary to attend by such Party's Project Manager. Prior to attendance of any Project Team meeting all such employees, representatives and consultants of a Party must be bound by confidentiality obligations at least as protective to the other Party's Confidential Information as the terms set out in clause 14. The Project Team shall:

(i) provide a forum for, and facilitate, communications between the Parties with respect to the provision of Services by OXB;

(ii) have operational responsibility for co-ordinating the performance of the Work Packages;

(iii) have responsibility for amending or terminating existing Work Packages, and establishing new Work Packages; provided however that any new or amended Work Packages or any termination of a Work Packages must be mutually agreed to in a written document executed by an authorised representative of each Party in order to become effective; and

(iv) shall be responsible for initial dispute resolution and in the event that, the Project Team is unable to resolve any dispute within [***] either Project Manager shall refer such dispute to the Steering Committee for resolution.

(b) The Project Team shall hold meetings as often as the Project Managers agree is necessary during the Term. Project Team meetings may be held face to face, or by tele- or video-conference, at such times and places as are agreed to by the Parties. All decisions of the Project Team will be made by consensus of the Project Managers, and any failure to agree will be referred to the Steering Committee for resolution.

2.4 **Additional Targets**. At any time during the Term, Client may request by written notice to OXB that [***] or more targets other than the Initial Targets be included within the scope of this Agreement. OXB shall consent to such request provided: (i) that doing so would not conflict with any obligation of exclusivity with respect to such targets which OXB may have entered into with any Third Party; and (ii) OXB shall not be required to consent to the inclusion of more than [***] additional targets within the scope of this Agreement. Each additional target requested by Client and consented to in writing by OXB shall, subject to payment by Client to OXB of the Additional Target Fee in accordance with clause 7.2, be deemed an Additional Target. The Parties shall agree and sign a Scope of Work setting out the Services in relation to each Additional Target which once signed by both Parties shall be incorporated into and be part of this Agreement.

3. Provision of Services

3.1 **Provision of Services**. The Services will be provided by OXB in accordance with the applicable Scope of Work. In the event the Client wishes to amend the Scope of Work, Client will request the work it wishes OXB to perform and identify the Work Packages to be amended, added or terminated. OXB will provide Client with a draft Change Order or Work Order as applicable for review by Client and once the Parties have agreed the draft Change Order or Work Order OXB will issue a final version for signature by both Parties. Once a Change Order or Work Order has been signed by both Parties the Scope of Work shall be deemed amended in accordance with such Change Order or Work Order. All signed Change Orders and Work Orders shall be subject to the terms and conditions of this Agreement. In the event of any conflict between the terms and provisions of any Scope of Work, Change Order or Work Order and the terms and provisions of this Agreement, this Agreement will prevail unless the Scope of Work, Change Order or Work Order states the intent of the Parties that a particular provision of such Scope of Work, Change Order or Work Order supersede this Agreement with respect to a particular matter.

3.2 **General Standards**. OXB shall perform the Services:

(a) in accordance with the terms and conditions of this Agreement and in a professional manner, in conformance with that level of care and skill ordinarily exercised by other professionals in similar circumstances; and

(b) in addition to (a) above, CGMP Batches shall be Manufactured in accordance with Applicable Law, the Specifications and the Quality Agreement;

In the course of performing its obligations under this Agreement, OXB shall not employ or use the services of any person that has been debarred, for example as under Subsection (a) or (b) of Section 306 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 335a) or any comparable provision of any other applicable laws. OXB shall notify Client immediately in the event that OXB becomes aware of such debarment or threatened debarment of any of its employees engaged in any Manufacturing relating to the Vectors.

3.3 **Quality Agreement**. Prior to Manufacture of the first CGMP Batch, the Parties will negotiate and enter into a detailed document specifying the quality and regulatory procedures and responsibilities of the Parties with respect to the Manufacture and Delivery of CGMP-grade Vector (such executed document, a "**Quality Agreement**"). In the event of any conflict between the terms and provisions of this Agreement and the terms and provisions of the Quality Agreement, the Quality Agreement shall prevail solely with respect to quality terms, including audit terms, and the terms of this Agreement will prevail with respect to all other terms.

3.4 **Changes to Specifications**. Amendments and modifications to the Specifications may only be made upon mutual written agreement between the Parties in each case, in accordance with the applicable provisions of the applicable Quality Agreement. If said amendments or modifications are so agreed to by the Parties, OXB shall promptly implement the same.

3.5 **Facility**. OXB will Manufacture the Batches exclusively at the Facilities.

3.6 **Subcontracting**. OXB shall be entitled to subcontract its obligations under this Agreement, in whole or in part, solely to the mutually approved subcontractors set out in the Quality Agreement (or, with respect to non-CGMP Services, to the mutually approved subcontractors as set out in the applicable Scope of Work). OXB shall ensure that all subcontractors are bound by obligations to perform which are not inconsistent with the terms of this Agreement and as applicable, including appropriate confidentiality obligations, appropriate quality assurance obligations (if applicable), intellectual property assignment (if applicable), and appropriate regulatory and other obligations (if applicable). Subject to clause 3.8(b), OXB will be responsible for the performance of any approved subcontractor engaged by OXB to perform OXB's obligations under this Agreement as if such performance had been provided by OXB itself under this Agreement.

3.7 **Procurement**. OXB shall, at its cost, purchase, qualify, test, inspect and approve all Components and shall ensure that the Components are of suitable quality as required under the Specifications.

3.8 **Plasmids**.

Unless otherwise agreed in writing by the Parties, Client will notify OXB in writing which of the following will apply to the Manufacture of a Vector:

(a) Plasmids incorporating a GOI (genome/transfer Plasmid) suitable for Manufacturing Vector shall be procured and provided to OXB by Client at Client's sole cost;

(b) Plasmids incorporating a GOI (genome/transfer Plasmid) shall be procured by OXB from a mutually approved subcontractor in accordance with clause 3.6 and all the Pass-Through Costs relating to the manufacture of such Plasmids shall be charged by OXB to Client, such costs to include the direct cost of Plasmids, their transport and storage, and any import duties. In addition to such Pass-Through Costs, Client shall pay OXB a handling fee for procuring such Plasmids, which shall be [***]% of such external costs directly related to such procurement and shall cover all OXB's internal and other external costs associated with procuring such Plasmids (including stability testing performed by OXB). In such circumstances, OXB will notify Client in writing of the total costs (including the handling fee) for such Plasmids in advance of them being incurred for pre-approval by Client. OXB shall not have an obligation to incur Pass-Through Costs for procuring Plasmids that are not pre-approved by Client. OXB will invoice Client following receipt by OXB of an applicable invoice from the Plasmid manufacturer. Title to such Plasmids shall pass to Client upon Client's payment to OXB of the Pass-Through Costs (including the handling fee) for such Plasmids, and OXB shall store and handle such Plasmids in accordance with the provisions of this Agreement governing Client Materials. Notwithstanding any other provision of this Agreement, OXB accepts no liability for the performance of the Plasmid manufacturer under this sub-clause 3.8(b) however the Plasmids are sourced and in particular, in the event the Plasmid manufacturer fails to perform or delivers defective Plasmids to OXB; or

(c) [***].

3.9 **Sequences**. Client will inform OXB of the sequence of any nucleic acid construct it supplies to OXB (such as the GOI, plasmids, vectors, etc) and will allow OXB to perform sequencing of such construct (either in-house or using a subcontractor in accordance with clause 3.6) solely to enable OXB to comply with safety requirements and to ensure nucleic acid constructs are sufficiently characterised to support project progression. For the avoidance of doubt, any sequences provided under this clause 3.9 are Confidential Information of Client. OXB shall not prepare, file, or prosecute any patent application or copyright application in or to the composition or use of any such sequences or portions thereof.

3.10 **Cell Lines**. In the event Client expressly requires OXB to use a cell line ("**Cell Line**") for which OXB does not have a use right or licence, then OXB shall promptly notify Client thereof and following such notice, if Client requests OXB to obtain such licence, OXB shall seek to obtain such a license and Client shall reimburse OXB's actual out-of-pocket costs and FTE costs incurred in relation to obtaining a licence to use such Cell Line in the provision of Services; provided, however, OXB shall keep Client fully and timely informed of the process with respect to obtaining such a license. For the avoidance of doubt, OXB shall not be required to use any such Cell Line unless and until OXB has obtained such a licence.

3.11 **Good Manufacturing Practice**. The Parties shall promptly notify each other upon becoming aware of any material amendments of, or additions to, CGMP and shall confer with each other about the best means of complying with such amendments or additions. Changes to the Scope of Work or Work Order resulting from such changes to Applicable Law or other regulatory requirements may be made by OXB upon notice in writing to Client and the signature by both Parties of an appropriate Change Order. Any changes to the Manufacture of Vector which are required as a result of any amendment or addition to CGMP shall be for the sole cost of Client. Notwithstanding the foregoing, OXB shall not be required to act in any way in contravention of any newly implemented Applicable Law or other regulatory requirements.

3.12 **Permits and Approvals**. OXB shall obtain and maintain all government permits, including health, safety and environmental permits, necessary for the conduct of the Services by OXB in accordance with this Agreement. Without prejudice to any of Client's other rights under this Agreement or the Quality Agreement, OXB shall inform Client promptly in writing in the event any license, permit, or approval required by any Regulatory Authority for the Manufacture and supply of Vector by OXB pursuant to this Agreement is not obtained in a timely manner or is withdrawn or is otherwise under investigation. At Client's request and Client's cost, solely to the extent that OXB is reasonably able to do so without disclosing to Client any confidential information of OXB or any client of OXB and solely to the extent necessary for Client to obtain and/or maintain Regulatory Approval for Licensed Product, OXB will provide Client with copies of all such licenses, permits, or approvals, and Client will have the right to use any and all information contained in such licenses, permits, or approvals solely to the extent necessary to obtain and/or maintain Regulatory Approval for Licensed Product. For any such information of OXB that is necessary but that OXB does not disclose to Client, the Parties shall mutually agree on a manner of disclosure to allow Client to obtain and maintain such Regulatory Approval (e.g. direct disclosure by OXB to the applicable Regulatory Authority under appropriate conditions of confidentiality).

4. Client Materials

4.1 **Client Materials**. Client will provide OXB with sufficient quantities of Client Materials (such quantities as described in the Scope of Work) to enable OXB to perform the Services as set out in the Scope of Work and applicable Work Orders. Client will ensure that all documents describing the Client Materials that are provided to OXB are in English.

4.2 **Delivery and Title**. Client Materials will remain the sole property of Client at all times during the Term, but will remain in the possession, control and care of OXB following delivery of such Client Materials to OXB. OXB shall not transfer or distribute the Client Materials to any Third Party without the prior written consent of Client, except to Affiliates and permitted subcontractors to the extent required for performance of the Services. Except as otherwise expressly authorized herein, OXB will use and store the Client Materials and Vector (a) solely on behalf of Client (subject to payment by Client with respect to Vector), (b) in accordance with appropriate storage conditions specified by Client in writing, (c) with due care to protect against theft, damage, and destruction (d) where applicable, in compliance with CGMP, and in accordance with the Scope of Work or Work Order or

Change Order, and (e) solely for the purposes of providing Services pursuant to this Agreement. Except as expressly agreed in a Scope of Work or Work Order or Change Order or otherwise instructed by Client in writing, OXB shall not use any Client Samples with or in any Vector, Licensed Product or cell line other than a cell line that is a Client Sample. Client shall identify all Client Materials provided to OXB. Subject to clause 3.9 and 14.4, OXB shall not attempt to reverse engineer the Client Materials except as required to perform the Services. OXB agrees that any information of a confidential or proprietary nature provided by Client hereunder is Client's Confidential Information subject to the restrictions of clause 14 below. Without limiting OXB's obligations under clause 14, OXB shall not use the Client Materials for any other purpose other than performing the Services. Title to and risk of loss of or damage to the Client Materials will at all times remain with Client, except for losses arising from the negligence or the wilful misconduct of OXB. THE CLIENT MATERIALS BEING SUPPLIED UNDER THIS AGREEMENT ARE BEING SUPPLIED "AS IS", WITH NO WARRANTIES, EXPRESS OR IMPLIED, AND CLIENT EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY; provided, however, that this clause shall not limit nor exclude any obligation or liability of Client (or any right of OXB) under any provision of this Agreement (including, without limitation clauses 3.9, 4.1, 4.3, 4.4, 6.7, 11, 14.4, and 15.3).

4.3 **Material Safety Data Sheets**. Client will provide accurate and complete material safety data sheets for all Client Materials. Client will notify OXB of any unusual adverse health or environmental occurrence relating the Client Materials of which Client is aware including but not limited to any claim or complaint by any Client employee or Third Party. Notwithstanding the foregoing, OXB acknowledges that the Client Materials are experimental in nature and may have unknown characteristics and therefore, without limitation of its obligations under clause 4.2, OXB agrees to use prudence and reasonable care in the use, handling, storage, transportation and disposition and containment of the Client Materials. The foregoing acknowledgement by OXB shall not limit nor exclude any obligation or liability of Client (or any right of OXB) under any provision of this Agreement (including, without limitation clauses 3.9, 4.1, 4.3, 4.4, 6.7, 11, 14.4, and 15.3).

4.4 **Import and Export**. Client will be responsible at its sole cost and expense for satisfying all import, export and customs requirements in relation to Client Materials, including U.S. export control regulations. Client will be the importer and exporter of record for any materials being imported and shipped to OXB and for all materials exported from the UK.

OXB will provide necessary documentation in its possession to Client under Applicable Law with respect to such import, export and customs requirements, as reasonably requested by Client and at Client's cost.

5. Forecasting and Ordering for Batches

5.1 **Manufacturing Slots**.

(a) Upon signature of this Agreement by both Parties, Client shall pay to OXB (within [***] of receipt of an invoice from OXB) the Manufacturing Slot Deposit (in accordance with Schedule 1) for all Manufacturing Slots identified in the Scope of Work. Upon signature of the applicable Scope of Work or Work Order by both Parties, OXB will invoice Client for all Manufacturing Slot Deposits set out of any new Scope of Work or Work Order. Any Manufacturing Slots identified in a Scope of Work, or signed Work Order shall be binding on both Parties unless otherwise expressly agreed by the Parties in such Scope of Work or Work Order.

For any Manufacturing Slots where Client has paid the Manufacturing Slot Deposit (and Client has not cancelled the Manufacturing Slot), OXB shall maintain and hold available such Manufacturing Slot for Client, and shall not utilize such Manufacturing Slot for any other purpose other than for Client.

(b) In the event Client wishes to procure additional Manufacturing Slots it will inform OXB and pursuant to Clause 3.1, OXB will provide a draft Work Order setting out the anticipated IM Date and the applicable Batch Fee. Upon signature of an agreed Work Order OXB shall invoice Client for the applicable deposit for such Manufacturing Slot. The Work Order shall be binding on both Parties upon signature by both Parties.

5.2 **Rescheduling of Manufacturing Slots**. If there is a change to project timelines which affects any reserved Manufacturing Slots, Client and OXB will, acting reasonably and in good faith, seek to agree the rescheduling of such Manufacturing Slots. If the Parties agree to reschedule a Manufacturing Slot, OXB will issue a Change Order setting out the rescheduled Manufacturing Slots, and such Change Order shall be signed by both Parties. Upon signature of the Change Order by both Parties the rescheduled Manufacturing Slot will be binding on both Parties.

5.3 **Delay**.

(a) OXB's Project Manager shall notify Client's Project Manager promptly by email upon becoming aware of any material delay in the execution and/or performance of the activities under a Work Order, including any delay in commencing Manufacture of a Batch against the scheduled IM Date or any anticipated delay in Delivery of any Batch.

(b) In the event that OXB has not commenced Manufacture of a Batch by the date that is [***], unless OXB would despite missing the scheduled IM Date still be able to meet the date specified in the applicable Scope of Work or Work Order or Change Order by which such Batch will be Delivered by OXB in accordance with clause 6.1 (the "**Agreed Delivery Date**") and/or unless such delay is due to an act or omission of Client, including the unavailability of Client Materials, or is otherwise agreed in writing by the Parties, Client shall have the right, in its discretion and upon written notice to OXB, to cancel the relevant Batch without paying the Charges In Event of Cancellation; provided however that this clause 5.3(b) shall

only come into effect only for Batches scheduled after OXB has Manufactured and Delivered at least one (1) Batch.

(c) Upon notification by OXB pursuant to clause 5.3(a), or in the event that OXB otherwise fails to deliver any Batch within [***] (or such other period as is agreed in the Work Order), OXB shall promptly conduct a thorough investigation and root cause analysis of the reasons for the delay, and shall report its findings (together with supporting records) to Client. Following such report, the Steering Committee shall meet in accordance with clause 2.2(e) to discuss in good faith the issue and appropriate remedial actions (which may include an appropriate reduction in charges for the Batch and/or a credit note for future Batches or Services), and agree on revised timelines for Delivery of the Batch. The Steering Committee shall give due consideration to the findings of the investigation and root cause analysis and the standards required from OXB under clause 3.2(a).

5.4 **Rolling [***] Forecast**. Within [***] after the Effective Date, Client shall issue a non-binding forecast indicating the number of Manufacturing Slots it anticipates it will require in the following [***] ("**Indicative Forecast**"). Client will update the Indicative Forecast [***] in writing to OXB on [***]. The first update will be due on [***] beginning after the Effective Date.

5.5 **Cancellation of Reserved Manufacturing Slots**. If:

(a) Client terminates the Agreement or any Work Package for any reason other than in accordance with clause 17.3(a); and/or

(b) Client cancels any Manufacturing Slot (other than pursuant to clause 17.3(a) or clause 5.3(b)); or

(c) the project timeline is changed and any Manufacturing Slots are re-scheduled by agreement of the Parties in accordance with clause 5.2 above (a "**Postponement**"); but, excluding Manufacturing Slots which are re-scheduled solely as a result of a change to the project timeline caused by an act or omission of OXB which does not meet the standard of skill and care that would reasonably be expected of a reasonable contract manufacturing organization skilled in the art, facility or equipment malfunction within the reasonable control of OXB, or OXB's negligence, wilful misconduct or breach of this Agreement;

then Client will notify OXB in writing as soon as possible and Client may, at OXB's sole discretion, be charged the Charges In Event of Cancellation in accordance with clause 7.5 in addition to the non-refundable Manufacturing Slot Deposit. [***]. For the avoidance of doubt, this shall not reduce Client's liability for the cost of Components as set forth in clause 7.5. OXB will use good faith efforts to fill the cancelled or re-scheduled Manufacturing Slot with a new reservation for another project or customer which was not reserved or contemplated at the time of the cancellation or a Postponement.

6. Delivery and Defective Batches

6.1 **Terms of Delivery**. Prior to delivery to Client, each Batch will be sampled and tested by OXB, and OXB will review the documentation relating to the Manufacture of the Batch, in each case in accordance with the Quality Agreement. OXB shall provide a Certificate of Compliance along with applicable Batch Documentation, in each case in accordance with the Quality Agreement. OXB shall deliver the Batches [***]. OXB shall notify Client in writing of the Delivery Date and identify the Facility at which the Batch will be Delivered as soon as reasonably possible in advance of the Delivery Date. Client shall retain, or shall require its carrier to retain, all temperature records in relation to all Batches Delivered from the point of Delivery.

6.2 **Failure to take Delivery**: If Client fails to take Delivery of any Vector on the Delivery Date and prior arrangements to store such Vector have not been agreed to between the Parties in writing, OXB shall store such Vector on behalf of Client, and Client shall be invoiced [***] following the Delivery Date for reasonable administration and storage costs. Client agrees that: (i) Client has made a fixed commitment to purchase such Vector; and (ii) except for loss due to negligence, wilful misconduct or breach of this Agreement by OXB, risk of loss for such Vector passes to Client with effect upon the Delivery Date for such Vector.

6.3 **Title**. Title to the Vector shall pass to Client on receipt by OXB of payment in full of the corresponding invoice in accordance with clause 7.

6.4 **Risk**. Risk in the Vector shall pass to Client on Delivery (except pursuant to clause 6.2).

6.5 **Delivery Timing**. OXB shall use commercially reasonable efforts to meet the timelines set forth in the applicable Work Order with respect to the Delivery of Vector and in the performance of the Services. However, without prejudice to OXB's indemnification obligations and Client's remedies as set forth in this Agreement and at law (including with respect to a material delay), time shall not be of the essence with respect to such timelines.

6.6 **Delivery of Samples**. If Client requires Samples to be shipped separately from any Batch, OXB will ship such Samples as directed by Client [***]. OXB shall notify Client in writing of the date on which the Samples will be ready for collection and identify the Facility at which the Samples will be available as soon as reasonably possible in advance of such delivery. Within [***] months following completion of any study or assay, unless OXB has previously agreed in writing to transfer any remaining unused materials to Client at Client's cost, OXB will discard or destroy any remaining unused material, provided such unused material is not required by CGMP to be retained.

6.7 **Defective Batches**.

(a) Client shall inform OXB promptly upon discovery of any Defective Batch, but no later than:

(i) [***] after the Delivery Date of such Batch in the event of defects reasonably apparent on visual inspection, without unpacking the Batch; and

(ii) [***] after the date of Syncopation's discovery in the case of defects present at the time of Delivery but not reasonably apparent on visual inspection.

(b) If Client believes that a Batch Delivered by OXB is a Defective Batch and provides timely notification in accordance with clause 6.7(a), OXB shall promptly conduct an investigation with the aim of determining: (x) whether the Batch is a Defective Batch and (y) the cause of the defect.

(c) If the Parties disagree as to whether a Batch delivered by OXB is a Defective Batch, they shall submit samples of the Batch and the associated Batch records (including the Master Production Batch Record and any Batch Documentation), insofar as such documents are necessary to enable the Testing Expert to perform its analysis, to the Testing Expert, which shall carry out tests to determine whether the Batch is a Defective Batch. The Parties shall act in good faith and co-operate with the Testing Expert in its investigation. The findings of the Testing Expert shall be binding on the Parties. The fees of the Testing Expert shall be paid by Client unless the Batch is a Defective Batch due to an [***].

(d) If OXB agrees, or the Testing Expert (pursuant to clause 6.7(c)) determines that the Batch is a Defective Batch, OXB and Client shall work together to devise appropriate measures to avoid future Batches suffering from such defect. If the Parties agree that a Batch of such Vector is a Defective Batch, or the Testing Expert pursuant to clause 6.7(c) determines that the Batch of such Vector is a Defective Batch, OXB will replace such Defective Batch in accordance with the following:

(i) If a Defective Batch is due to [***], and is not a Defective Batch as a result of a defect in the Client Materials (including an incorrect plasmid sequence provided by Client) or Client Confidential Information or a defect that arose after Delivery of the Batch by OXB, [***] shall be responsible for costs associated with replacing such Defective Batch, and [***] shall be responsible for costs associated with the transportation, testing and disposal (as applicable) of any such Defective Batch except for costs in relation to [***] which shall be provided at [***] cost and expense;

(ii) If a Batch is a Defective Batch for any reason [***], [***] shall be [***] responsible for all costs associated with replacing such Defective Batch and [***] bear [***] responsibility for costs associated with the transportation, testing and disposal (as applicable) of any such rejected Defective Batch.

(e) OXB shall complete such replacement as soon as reasonably practicable following investigation of the cause of the defect and the implementation of appropriate measures to remove such cause and the Parties shall, within [***] of the Delivery Date of the Defective Batch, agree in good faith on a revised Delivery Date for such replacement of the Defective Batch based on the next available Manufacturing Slot. OXB will make reasonable commercial efforts to facilitate timely Delivery of replacement Batches.

6.8 Client agrees that its sole remedy with respect to a Defective Batch is as set forth in clause 6.7 and Client hereby waives all other remedies at law or in equity regarding such Defective Batch.

7. Price and Payment

7.1 **Initial Fee**. In partial consideration for the rights and licences granted to Client under this Agreement in relation to the Initial Targets, Client shall pay to OXB a one-time, non-refundable, non-creditable upfront payment as set out in Schedule 2 within [***] of the execution of this Agreement by both Parties.

7.2 **Additional Target Fee**. In partial consideration for the rights and licences granted to Client under this Agreement in relation to any Additional Target, Client shall pay to OXB a, non-refundable, non-creditable payment identified in Schedule 2 (each an "**Additional Target Fee**") in respect of each Additional Target within [***] of receipt of OXB's consent pursuant to clause 2.4 in relation to such Additional Target.

7.3 **Service Fee**. Client shall pay the Service Fees set out in the Scope of Work. Unless agreed otherwise by the Parties, [***] of the Service Fee allocated to any Work Package shall be payable upon initiation of such Work Package within [***] of receipt of the relevant invoice and the remaining [***] payable upon completion of the Work Package within [***] of receipt of the relevant invoice.

7.4 **Batch Fee**. Client shall pay to OXB the applicable Batch Fee for each Batch of Vector in accordance with the payment schedule set out in Schedule 1. [***]. A list of the items included in, and a non-exclusive list of items excluded from, the Batch Fee for each Batch is also shown in Schedule 1.

7.5 **Batch Charges In Event of Cancellation**. If Client cancels any reserved Manufacturing Slot in accordance with clause 5.5, then OXB may request in writing and Client shall pay to OXB, in addition to the non-refundable Manufacturing Slot Deposit, the Charges In Event of Cancellation in accordance with Schedule 1. If OXB has purchased Components for any cancelled Manufacturing Slot(s) which Components cannot be used for other Manufacturing Slots taking into account any applicable shelf-life, the cost of such Components shall be paid by Client to OXB, provided at Client's request, OXB shall make such Components available to Client for collection by Client. OXB will use commercially reasonable efforts to use the Components in another Manufacturing Slot. In no circumstances shall Client be obliged to pay more in Charges In Event of Cancellation and forfeited deposit than it would have paid for the original Batch if the same had not been cancelled or reduced.

7.6 **Annual Price Adjustments**. OXB may increase the Batch Fee and/or Service Fees and its FTE rate annually with effect from [***], provided that such annual increase shall [***] as maintained by [***] the prior [***] months. OXB shall inform Client of any price adjustment in writing.

7.7 **Component Costs**. If at any time during the Term, but in any event no more than once in any [***] period, the cost to OXB of any Components increases as a result of market

conditions including currency fluctuations, so that the cost of any Component is higher by [***] or more, then OXB may, by written notice to Client (such notice to include a summary of details of such change) adjust the then-current Batch Fee to the extent necessary to cover the increase in cost. Any such increase in the Batch Fee shall apply to Batches the subject of Purchase Orders placed after the date of such written notice.

7.8 **Development Milestones per Target**. Client shall pay OXB the Development Milestone Payments on a Target-by-Target basis as set out in Schedule 2 following the first achievement of the Development Milestones with respect to Licensed Product directed to such Target and subject to the further terms in Schedule 2.

7.9 **Regulatory Milestones**. Client shall pay OXB the Regulatory Milestone Payments on a Target-by-Target basis as set out in Schedule 2 following the first achievement of the Regulatory Milestones with respect to Licensed Product directed to such Target and subject to the further terms in Schedule 2.

7.10 **Technology Transfer Milestones**. Client shall pay OXB the Technology Transfer Milestone Payments on a Target-by-Target basis as set out in Schedule 2 upon the occurrence of the Technology Transfer Milestones.

7.11 **Commercial Milestones**. Client shall pay OXB the Commercial Milestone Payments on a Target-by-Target basis as set out in Schedule 2 following the first achievement of the Commercial Milestones with respect to Licensed Product directed to such Target and subject to the further terms in Schedule 2.

7.12 **Royalties**. In further consideration of the rights and licences granted to Client hereunder, Client shall pay to OXB a royalty on Net Sales of Licensed Product at the applicable percentage set out in the table as set out in Schedule 2 (the "**Royalties**"). Client shall, subject to the other terms and conditions of this Agreement, pay OXB the Royalties on annual worldwide Net Sales at the applicable percentage as set out above on a Licensed Product-by-Licensed Product basis and country by country basis until the later of (i) the last to expire Valid Claim of an OXB Patent covering the composition of matter, manufacture or use of the relevant Vector or (ii) the [***] anniversary of the First Commercial Sale of the given Licensed Product in such country (the "**Royalty Term**"). A true and complete list of patents and patent applications within the foregoing sub-clause (i) at the Effective Date is provided in Schedule 4, which Schedule 4 may be updated by the Parties in accordance with clause 12.2(c) on a Vector-by-Vector basis.

7.13 **Royalty Statements**. After the First Commercial Sale of a Licensed Product, within [***] after the end of each calendar quarter, in respect of Net Sales of such Licensed Product recorded by Client or any of its Affiliates or sublicensees during that calendar quarter, and within [***] after the expiry or termination of this Agreement, Client shall send to OXB a royalty statement setting out in respect of each of Client, its Affiliates and sublicensees:

(a) in respect of each country in which Licensed Products are sold:

(i) the types of Licensed Products sold in that country;

(ii) the quantity of each Licensed Product sold in each country; and

(iii) the total Net Sales of Client, its Affiliate or its sublicensee (as applicable) in both USD and the currency in which the Net Sales were recorded showing the conversion rates used broken down by Licensed Product; and

(b) the resulting amount payable by Client, in USD, in respect of Royalties.

7.14 **Payment Terms**.

(a) For all payments due under this Agreement, OXB shall provide Client with an invoice for the amount due. Such invoices shall be sent to one of the following addresses as appropriate:

Attn: Accounts Payable, 1900 Alameda De Las Pulgas Suite 350, San Mateo, CA, 94403

or such other address as may be requested by Client from time to time by notice in writing. All invoices must contain:

(i) OXB's name and address;

(ii) the relevant Purchase Order number and invoice number, if applicable;

(iii) OXB's VAT number, if applicable; and

(iv) OXB's bank account information and instructions for payment (e.g. wire, ACH), as applicable.

(b) Client shall pay all undisputed amounts of such invoices within [***] of the receipt of such invoice, unless otherwise agreed upon in writing by the Parties. The Parties shall use good faith efforts to reconcile any disputed amounts as soon as practicable.

(c) All sums due to OXB under this Agreement:

(i) are exclusive of Value Added Tax, which where applicable will be paid by Client in addition. OXB shall provide to Client all customary receipts for payment of such taxes and cooperate with Client in making applications for and securing any available exemptions or reductions of VAT reasonably available;

(ii) unless an alternative currency is specified on any invoice, shall be paid in USD in cash in relation to Royalties and Milestone Payments and paid in GBP in cash in relation to all other payments, in each case by transferring an amount in aggregate to the account identified on the applicable invoice:

(iii) If Licensed Products are sold or supplied by Client or its sublicensees in a currency other than USD (or its successor), the Royalties payable in respect

of such sales under this Agreement shall be first determined in the currency of the country in which such sales took place and then converted into USD (or its successor) at the mid rate applicable the invoice date using the OANDA Forex currency converter or other reputable currency converter agreed between the Parties from time to time;

(iv) if laws or regulations require withholding by Client of any taxes imposed upon OXB on account of any royalties and payments paid under this Agreement, such taxes shall be deducted by Client as required by law from such remittable royalty and payment and shall be paid by Client to the proper tax authorities. Official receipts of payment of any withholding tax shall be secured and sent to OXB as evidence of such payment. The Parties shall cooperate to ensure that any withholding taxes imposed are reduced as far as possible under the provisions of any relevant tax treaty which shall include providing assistance with the completion of any required forms (such as Form W-8BEN-E);

(v) shall be made by the due date; provided that any payment which falls due on a date which is not a Business Day in the location from which the payment will be made may be made on the next succeeding Business Day in such location; and

(d) if any undisputed payment is not made within [***] after the due date, OXB may charge interest on any outstanding amount of such payment on a daily basis at a rate equivalent to [***] per annum above the base rate of the Bank of England then in force in London.

8. Financial Records and Audit

8.1 **Records**. Client shall and shall procure that its Affiliates and sub-licensees shall, keep at its or their normal place of business detailed and up-to-date records and accounts in accordance with generally accepted accounting standards as consistently applied in relation to Net Sales, Royalties and Milestone Payments due under this Agreement (as applicable), in each case for at least [***] years following the calendar quarter to which they pertain. Such records shall be in sufficient detail to enable OXB to verify the matters to which they pertain.

8.2 **Audit Rights**.

(a) OXB may, upon written notice to Client, appoint an internationally-recognised independent accounting firm (which is reasonably acceptable to Client) (the "**Auditor**") for the purpose of verifying the accuracy of any statement or report given OXB under this Agreement. The Auditor shall keep confidential all information reviewed during such audit. The Auditor shall have the right to disclose to OXB only its conclusions regarding any payments owed under this Agreement.

(b) Client and its Affiliates shall make, and Client shall use reasonable efforts to contractually require and use reasonable efforts to cause its sub-licensees to make,

its records available for inspection by such Auditor during regular business hours at such place or places where such records are customarily kept, upon receipt of reasonable advance notice from OXB. In the event that despite such reasonable efforts Client does not obtain a right for the Auditor to inspect such records, then Client shall obtain similar contractual rights for itself and exercise such right at OXB's request, to the extent such right is contractually available. The records shall be reviewed solely to verify the accuracy of any statement or report given to OXB under this Agreement. Such inspection right shall not be exercised more than once in any Year. OXB agrees to hold in strict confidence all information received and all information learned in the course of any audit or inspection, except to the extent necessary to enforce its rights under this Agreement or if disclosure is required by law, regulation or judicial order.

(c) In the event that the inspection reveals an underpayment or overpayment by Client, the underpaid or overpaid amount shall be settled promptly and in any event within [***] of the issue of a written final report of the Auditor.

(d) OXB shall be responsible for the Auditor's charges unless the Auditor certifies that there is an overcharge, or under-reporting and underpayment, of more than [***] in aggregate amounts payable for any Year, in which case Client shall pay the Auditor's charges in respect of that inspection.

9. Access to Information

9.1 OXB shall and shall ensure that all personnel performing the Services, including approved subcontractors to the extent applicable, will keep complete and accurate records (including, without limitation, reports, accounts, notes, data, protocols, Batch Documentation and records of all information and results obtained from performance of the Services) of all work done by it under this Agreement, in form and substance as specified in the applicable Scope of Work, the applicable Quality Agreement, and this Agreement, and in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes (collectively, the "**Records**"). All Records will be retained by OXB for a minimum period of [***] years following completion of the applicable Scope of Work or Work Order, or longer if required by Applicable Law. All Records, including original Records will be retained and archived by OXB in accordance with GMP (if applicable) and Applicable Law. Upon Client's request, upon reasonable notice, OXB will provide Client with copies of such Records, at Client's expense, to the extent necessary for obtaining and maintaining regulatory approval for Licensed Products and to review the performance of Services under this Agreement.

10. Quality Audits and Inspections

10.1 **Facility Audit**. Subject to OXB's safety procedures, access control SOPs, and confidentiality obligations to other clients, OXB will permit or ensure permission for Client's representatives, to conduct a routine audit of any OXB Facility as more specifically set forth in the applicable Quality Agreement ("**Facility Audit**"), such audits

to be carried out in a manner that minimises any interference with OXB's normal operations.

10.2 During any Facility Audit, Client will comply with all reasonable instructions from OXB in relation to health and safety, compliance with CGMP procedures and confidentiality.

10.3 The cost of all Facility Audits shall be borne by Client. The cost of regulatory inspections of the Facilities that relate solely to the Vectors or Licensed Product shall be borne by Client and will include, without limitation, OXB or its subcontractors' preparation time, costs of external consultants engaged by OXB or its subcontractors to advise on inspection preparation, the costs associated with mock audits, and costs associated with Manufacturing Slots that cannot be used by OXB or its subcontractors due to an inspection, mock inspection or inspection preparation. OXB will provide Client with a copy of any report or other written communication received from a Regulatory Authority in connection with any audit or inspection that relates to the Vectors, in each case in accordance with the Quality Agreement, and provided that OXB may redact such communications solely to the extent of any confidential information of OXB or its other clients.

11. Regulatory Approvals

11.1 OXB represents and warrants that it will be responsible for obtaining and that it holds, and/or will require that its approved subcontractors hold, all necessary registrations, permits and licences for any and all Manufacture and storage of Vector by OXB and its approved subcontractors under this Agreement from the Regulatory Authorities of the country or countries where such Manufacture, storage and supply takes place. OXB shall comply with all requirements of such registrations, permits and licences. For the avoidance of doubt, Client shall be responsible for all necessary licences and permits required for export/import of Vector.

11.2 Client shall be responsible for obtaining all such registrations, permits and licences as any Regulatory Authority may require it to hold in order to allow Client to use the Batches as anticipated under this Agreement.

11.3 Each Party shall timely make all necessary filings and respond to any requests for information from Regulatory Authorities, in each case relating to any Regulatory Approvals relating to the Vectors or their Manufacture for which such Party is responsible.

11.4 Any change or modification to the Process or Specification will be made in accordance with the change control provisions of the applicable Quality Agreement (if any). As between the Parties, it shall be Client's responsibility to submit details of any changes to the Process to the appropriate Regulatory Authorities and to obtain any necessary approval of such changes; provided, however, it shall be OXB's responsibility to submit details of any changes to its Facilities or manufacturing processes other than the Process and to obtain any necessary approval of such changes.

11.5 Each Party may respond to communications by any Regulatory Authority regarding the Vectors directly, if such communication is necessary to comply with the provisions of this Agreement or any Applicable Laws. Each Party shall, to the extent permitted by Applicable

Law, notify the other Party as promptly as practicable of any such communication it has with any such Regulatory Authority relating to Vectors and the Parties shall cooperate reasonably in respect of such matters.

12. Intellectual Property

12.1 **Background IPR**. Nothing in this Agreement will affect either Party's ownership of its Background or any Intellectual Property Rights therein. No licence to use any such Background or Intellectual Property Rights is granted or implied except as expressly set out in this Agreement.

12.2 **Licence to Client for Licensed Products**.

(a) OXB hereby grants to Client as of the Effective Date a non-exclusive worldwide, sub-licensable (in accordance with clause 12.6), royalty-bearing (in accordance with clause 7.12) licence under the Intellectual Property Rights subsisting in its Background and the OXB Arising IPRs solely to research, develop, manufacture (solely as set forth in this clause 12.2(a)) and Commercialise the Licensed Products targeting the Initial Targets. The foregoing license shall not include any right or licence to manufacture Vector, which for clarity, is contemplated under clause 12.3, or any right or licence to research, develop or Commercialise Vector independently of the Licensed Product, but shall include the right to manufacture the Licensed Products targeting the Initial Targets utilising Vector supplied by OXB pursuant to this Agreement or (following Technology Transfer) Vector manufactured in the exercise of the license granted under clause 12.3 or clause 13.2.

(b) OXB hereby grants a non-exclusive, worldwide, sub-licensable (in accordance with clause 12.6), royalty-bearing (in accordance with clause 7.12) licence under the Intellectual Property Rights subsisting in its Background and the OXB Arising IPRs solely to research, develop, manufacture (solely as set forth in this clause 12.2(b)) and Commercialise the Licensed Products targeting any Additional Target, provided that such licence shall only become effective on the date such Additional Target is approved pursuant to clause 2.4 and OXB has received payment of an Additional Target Fee. The foregoing license shall not include any right or licence to manufacture Vector, which for clarity, is contemplated under clause 12.3, or any right or licence to research, develop or Commercialise Vector independently of the Licensed Product, but (upon the license becoming effective) shall include the right to manufacture the Licensed Products targeting the Additional Targets utilising Vector supplied by OXB pursuant to this Agreement or (following Technology Transfer) Vector manufactured in the exercise of the license granted under clause 12.3 or clause 13.2).

(c) Client may notify OXB in writing in the event it wishes for OXB to use the [***] and/or any technology covered by other patents or patent applications within Background of OXB other than the OXB Patent Rights in the performance of Services under this Agreement. Prior to the implementation of any such Background of OXB in the performance of Services, OXB shall discuss with Client

such use in good faith, including any relevant Intellectual Property Rights of which it is aware and relevant licenses that OXB has obtained. OXB shall not use, and shall not be required to use, any technology covered by patents or patent applications within OXB's Background in the performance of Services other than the OXB Patent Rights. If the Parties agree that any technology covered by additional patents or patent applications within Background of OXB shall be used for the performance of the Services, Schedule 4 shall be updated by written agreement of the Parties to include the relevant patents or patent applications and (if applicable) the applicable royalties owed pursuant to clause 7.12 shall be adjusted pursuant to the terms of clause 7.12.

12.3 **Vector Manufacturing Licence to Client following Technology Transfer**. Effective following payment of the Technology Transfer Milestone Payments in accordance with clause 7.10, OXB hereby grants to Client a non-exclusive, worldwide, non-sublicensable, royalty-bearing (in accordance with clause 7.12) license under the Intellectual Property Rights subsisting in OXB's Background and the OXB Arising IPRs which were used by OXB in the Manufacture of the Vectors, solely for the purpose of manufacturing of the Vectors at a facility owned or controlled by Client for use in the production of Licensed Products. In no event shall this licence include the right for Client to provide manufacturing services to a Third Party or to use OXB Intellectual Property Rights in connection with products or vectors other than the Vectors.

12.4 **Licence to OXB**. Client hereby grants to OXB a non-exclusive, worldwide, royalty-free, sublicensable (solely to OXB's approved subcontractors), licence under the Intellectual Property Rights subsisting in its Background and the Client Arising IPRs during the Term for the sole purpose of OXB's performance of Services under this Agreement. Such licence shall expire upon the completion of such obligations or the termination or expiration of this Agreement, whichever is the first to occur.

12.5 **Arising IPRs**. Any Arising IPRs generated by or on behalf of OXB in the performance of this Agreement which: (a) relates solely and exclusively to the GOI (and is not generally applicable to the manufacture of vectors); or (b) consist solely and exclusively of an improvement or modification of proprietary Client Materials, or require the use of proprietary Client Materials or Client's Confidential Information, shall be owned by Client (collectively "**Client Arising IPRs**"). Any Arising IPRs generated by or on behalf of OXB in the performance of this Agreement that is not Client Arising IPRs shall remain owned by OXB ("**OXB Arising IPRs**"). OXB hereby assigns all right, title and interest in and to Client Arising IPRs to Client. OXB agrees to execute such documents and perform such other acts as Client may reasonably request to obtain, perfect and enforce such rights to the Client Arising IPRs and the assignment thereof. Client hereby grants to OXB a non-exclusive, worldwide, royalty-free licence under any Client Arising IPRs during the Term for the sole purpose of performing this Agreement. Such licence shall expire upon the completion of such obligations or the termination or expiration of this Agreement, whichever is the first to occur.

12.6 **Sublicence Rights**. Client may sub-license and authorize sub-licenses of its rights under clause 12.2 solely to its Affiliates, collaborators, subcontractors or purchasers of the Licensed Product, in each case on terms consistent with the terms of this Agreement.

12.7 **Non-Exclusivity**. Client acknowledges that OXB is in the business of providing services for a variety of third party organizations other than Client. Accordingly, nothing in this Agreement will preclude or limit OXB agents or employees from utilising the general knowledge gained by it during the course of its performance hereunder and retained in such individuals' memory to perform similar services for other clients provided that OXB agents and/or employees do not specifically memorize Confidential Information of Client for purposes of performance of such services and OXB shall not disclose or permit disclosure by such individuals of Confidential Information of Client except as expressly permitted pursuant to the terms of this Agreement. Client further acknowledges and understands that the type of services provided under this Agreement are not exclusive to Client.

13. Technology Transfer

13.1 **Technology Transfer Events**. Subject to compliance with the terms and conditions of this Agreement, Client may request to OXB in writing a Technology Transfer on a Vector-by-Vector basis and in accordance with the remainder of this clause 13 as follows:

(a) a Technology Transfer to Client or its Affiliate for no cause on satisfaction of the condition set out in paragraph (a) of Schedule 3; or

(b) a Technology Transfer to Client or its Affiliate or a Third Party for no cause on satisfaction of the condition set out in paragraph (b) of Schedule 3; or

(c) a Technology Transfer to Client or its Affiliate or a Third Party on occurrence of one or more events identified in paragraphs (c) or (d) of Schedule 3;

(each a "**Technology Transfer Event**").

13.2 **Technology Transfers to a Client Affiliate or Third Party**.

(a) If Client requests Technology Transfer to its Affiliate or a Third Party pursuant to clause 13.1, Client shall notify OXB of the identity of the proposed Affiliate or Third Party. The Parties agree that the Technology Transfer is subject to OXB's prior written consent to the proposed Affiliate or Third Party (which consent will not be unreasonably withheld or delayed); provided however that such consent shall be deemed to be given in respect of an Affiliate or Third Party which [***]. Notwithstanding the foregoing, OXB may reject any Affiliate or Third Party proposed by Client if OXB reasonably believes based on publicly available evidence that such Affiliate or Third Party is not following appropriate confidentiality and security practices with respect to its customers' confidential or proprietary information (and not, for clarity, based on such Affiliate or Third Party being a current or potential competitor of OXB) and discloses to Client such evidence and justification for OXB's reasonable belief. OXB shall provide its approval or rejection of any such Affiliate or Third Party within [***] of Client's

notice of such proposed Affiliate or Third Party. If OXB rejects a proposed Affiliate or Third Party pursuant to this clause 13.2(a), Client shall be obliged to propose a replacement Affiliate or Third Party before proceeding with such Technology Transfer, and the conditions set out in this clause 13.2 shall apply with respect to the proposed replacement.

(b) Prior to Technology Transfer to an Affiliate of Client or a Third Party, OXB shall enter into a written agreement with such Affiliate or Third Party granting the licence set out in clause 12.3 above directly to such Affiliate or Third Party (for clarity, the grant of which licence shall not be subject to any additional consideration payable to OXB, other than the consideration payable by Client to OXB pursuant to this Agreement), which agreement shall also include confidentiality obligations no less protective of OXB than those set out in this Agreement and be no more burdensome on such Affiliate or Third Party than the terms set forth in this Agreement.

13.3 **Technology Transfer Support**. Following any request for a Technology Transfer in accordance with clause 13.1, OXB shall perform the Technology Transfer and shall provide commercially reasonable support during the Technology Transfer process to enable Client (or its Affiliate, Strategic Collaborator or a Third Party, as applicable) to replicate the manufacturing Process developed by OXB as part of the Services, and to manufacture Vector conforming to the applicable Specifications. The Technology Transfer shall include a list of all materials and SOPs identified in the Batch records and Specifications that are necessary to establish manufacturing of the Vector, including proprietary OXB Intellectual Property Rights only to the extent incorporated into any Process developed for the Vector pursuant to this Agreement. For clarity, OXB will not provide designs, specifications, and SOPs that are not specifically applicable to the Process or the Vector or that otherwise relates generally to the operation of any of its facilities and/or equipment and, in each case, are not necessary to manufacture the Vector.

13.4 **Technology Transfer Plan**. Following a request to perform Technology Transfer following a Technology Transfer Event, the Parties shall promptly, acting reasonably and in good faith, discuss and agree on a Technology Transfer plan which will set out the respective responsibilities of the Parties relating to all aspects of Technology Transfer including the budget agreed by the Parties and the payment schedule, and the criteria for completion of Technology Transfer. OXB shall not have an obligation to incur Pass-Through Costs in connection with Technology Transfer that are not pre-approved by Client. [***]. If the Parties are unable to agree on any such plan within [***] of a request for Technology Transfer, then the same shall be determined through binding arbitration conducted under the Rules of Arbitration of the International Chamber of Commerce ("**ICC**") then in effect by one (1) arbitrator appointed in accordance with such Rules and the arbitrator shall use all reasonable efforts to complete such arbitration within sixty (60) days from the referral of such matter to arbitration under this Section 13.4. The language of the arbitration shall be English. The place and seat of the arbitration shall be London, England.

13.5 **Consideration for Technology Transfer**. As consideration for the Technology Transfer described in clause 13.1(a) or (b), Client will pay OXB the costs agreed between the Parties and identified in the technology transfer plan described in clause 13.4 along with the Technology Transfer Milestone Payments set out in Schedule 2 and Royalties on annual worldwide Net Sales at the applicable percentage set out in the table as set out in Schedule 2 in accordance with clause 7.12. As consideration for the Technology Transfer described in Section 13.1(c), Client will pay OXB the costs agreed between the Parties and identified in the technology transfer plan described in clause 13.4, along with the Technology

Transfer Milestone Payments and Royalties as if the transfer were to Client (i.e., not to a Third Party that is not a Strategic Collaborator) and the Vector were manufactured by OXB (i.e., not manufactured by Client or a Third Party).

13.6 **Cell Lines**. If OXB, as part of Technology Transfer, makes available to Client any cell lines or other physical materials relating to the Manufacturing process, Client acknowledges and agrees that Client may need to obtain a licence to use such cell lines or physical materials from a Third Party to use such cell lines or other physical materials. Prior to using any such cell lines or physical materials in the performance of this Agreement, OXB shall disclose the identity of such cell lines to Client and obtain Client's approval with respect to the use thereof.

13.7 **Continuing Supply**. Following the Technology Transfer to Client of a Vector for no cause pursuant to sub-clauses 13.1(a) or (b), Client shall purchase at least [***] of Client's annual commercial supply requirements for such Vector from OXB for a period of [***] from the applicable Technology Transfer Event.

14. Confidential Information

14.1 **Duty of Confidence**. Each Receiving Party shall:

(a) keep the Confidential Information of the Disclosing Party secret and confidential at all times;

(b) not disclose or permit the disclosure of any Confidential Information of the Disclosing Party, in whole, in part, or in summary, to any party, except as expressly permitted by this Agreement;

(c) treat the Disclosing Party's Confidential Information with the same degree of care the Receiving Party uses to protect its own confidential information but in no event with less than a reasonable degree of care; not use the Confidential Information of the Disclosing Party or permit it to be used, in whole or in part, for any purpose other than performance of the obligations of the Receiving Party and/or enjoyment of the rights granted to the Receiving Party under this Agreement; and

(d) inform the Disclosing Party immediately if it becomes aware of the possession, use or knowledge of any of the Confidential Information of the Disclosing Party by an unauthorised person or Third Party, and to provide any assistance in relation to such unauthorised possession, use or knowledge that the Disclosing Party may require.

14.2 **Representatives**. The Receiving Party may permit access to the Confidential Information of the Disclosing Party to those of its or its Affiliates' directors, officers, employees, consultants, advisors, and in the case of OXB, contractors it uses and collaborators in the normal course of business under this Agreement ("**Representatives**") who:

(a) reasonably require such access for the performance of the obligations and/or enjoyment of the rights granted under this Agreement;

(b) have been informed of the confidential nature of such Confidential Information, the Disclosing Party's interest in such Confidential Information, and the provisions of this Agreement; and

(c) have entered into legally binding confidentiality obligations to the Receiving Party on terms that are no less onerous than those set out in this Agreement, and which extend to such Confidential Information.

save that all information in respect of OXB's manufacturing processes and its business plans disclosed by OXB to Client shall only be disclosed to the directors, officers, or employees of Client and not to any other Representatives without such Representatives separately executing a confidentiality undertaking directly with OXB consistent with the confidentiality and non-use obligations set out in this Agreement.

14.3 The Receiving Party shall ensure that all those Representatives who have access to the Confidential Information of the Disclosing Party comply with the provisions of this Agreement. Notwithstanding any other provision of this Agreement, the Receiving Party shall be liable to the Disclosing Party for any acts or omissions of any such Representative, that would, if effected by the Receiving Party, constitute a breach of this Agreement.

14.4 **Sequencing Information**. Client acknowledges and agrees that it may be necessary for OXB to share certain Confidential Information of Client, including the sequence of any nucleic acid in the Plasmids, with the manufacturer of such Plasmids including for export clearance purposes, provided that for each such disclosure, Client has been notified in a writing referencing this clause 14.4 and identifying the applicable manufacturer and the corresponding Confidential information to be disclosed and Client has provided written approval of such disclosure prior to such disclosure. Client accepts all risk relating to the provision of such Confidential Information to such plasmid manufacturers and such plasmid manufacturers shall not be deemed to be Representatives of OXB for the purposes of clauses 14.2 and 14.3. OXB shall have no liability for any acts or omissions of any Plasmid manufacturers to the extent that Confidential Information of Client is disclosed pursuant to this clause. OXB shall ensure that such manufacturers have entered into appropriate legally binding confidentiality obligations with OXB. At Client's request, OXB shall cooperate with Client to arrange a direct confidentiality agreement between Client and any such manufacturer.

14.5 **Exceptions**. The Receiving Party's obligations under clause 14.1 shall not apply to any Confidential Information of the Disclosing Party that the Receiving Party can prove by means of reasonable written evidence:

(a) was known to the Receiving Party prior to disclosure by the Disclosing Party;

(b) is or becomes publicly known other than as a result of breach of this Agreement by the Receiving Party or by anyone to whom the Receiving Party disclosed the Confidential Information of the Disclosing Party;

(c) is received by the Receiving Party from a Third Party lawfully entitled to make the disclosure without restrictions on such Third Party's rights to disclose or use; or

(d) is developed by or on behalf of the Receiving Party without any direct or indirect access to, or use or knowledge of, the Confidential Information of the Disclosing Party (except that this exception does not extend to the Arising IPR);

except that the above exceptions do not extend to circumstances where the Confidential Information is specific, does not fall within the above exceptions, and is embraced by more general information which does fall within the above exceptions.

14.6 **Required Disclosures**. The Receiving Party will not be in breach of its obligations under this Agreement to the extent that it is required to disclose Confidential Information of the Disclosing Party by law (provided, in the case of a disclosure under any freedom of information legislation, that the exemptions under that legislation do not apply) or order of a court or other public body or Regulatory Authority or other authority that has jurisdiction over it or pursuant to the rules of any recognized stock exchange, provided that, before making such a disclosure, the Receiving Party shall, to the extent it is legally permitted to do so:

(a) inform the Disclosing Party of the proposed disclosure as soon as possible, and if possible before the court or other public body orders the disclosure;

(b) take into account reasonable requests of the Disclosing Party in relation to such disclosure;

(c) ask the court or other public body to treat such Confidential Information as confidential; and

(d) permit and assist the Disclosing Party to make representations to the court or other public body in respect of the disclosure and/or confidential treatment of such Confidential Information.

14.7 **Additional Disclosures**. In addition to disclosures allowed under clause 14.2, 14.4 and 14.6:

(a) Client may disclose Confidential Information of OXB to:

(i) any Regulatory Authority as may be necessary for Client to obtain or maintain Regulatory Approval(s) for Vectors and Licensed Products, subject to and in accordance with the terms of clauses 3.12 and 11.5; or

(ii) [***].

(b) OXB may disclose, to any licensor or assignor of Intellectual Property Rights to OXB, financial Confidential Information of Client provided to OXB under this Agreement to the extent required and for the specific purpose of enabling OXB to comply with its contractual royalty reporting obligations to any such licensor or assignor of Intellectual Property Rights to OXB; provided that any such disclosure is made only under obligations of confidence and non-use at least as stringent as set out in this Agreement.

(c) Each Party and its Affiliates may disclose the existence and terms of this Agreement:

(i) to financial or institutional investors or potential purchasers of the business of such Party or its Affiliates in connection with:

(A) the raising of finance,

(B) the sale of any equity interest in such Party or its Affiliates, or

(C) the sale of the business or relevant part of the business of the Party or its Affiliates.

OXB agrees that Client may also disclose the Manufacturing Overview or other relevant Confidential Information (but excluding other Confidential Information in relation to the Manufacturing process) to such financial or institutional investors or potential purchasers, to the extent such disclosure is reasonably necessary in connection with the relevant transaction between Client and such recipient as described at sub-clause (A), (B) or (C) above, and provided that such disclosure is made only under obligations of confidence and non-use at least as stringent as set out in this Agreement; and

(ii) in written materials or oral presentations, provided however, that such materials or presentations accurately describe the nature of the Agreement in a manner consistent with information that has already been publicly disclosed and such information is accurate at the time of disclosure.

14.8 **Return and Destruction of Confidential Information**. At the Disclosing Party's written request on expiration or termination of this Agreement, the Receiving Party shall:

(a) immediately destroy or erase all Confidential Information of the Disclosing Party that the Receiving Party has received under this Agreement including any copies made and permanently delete all electronic copies of any such Confidential Information from the Receiving Party's computer systems; and

(b) make no further use of any such Confidential Information,

The Receiving Party may, however, keep one copy of the Confidential Information of the Disclosing Party in its legal files solely for the purpose of enabling it to comply with the provisions of this Agreement, and the Receiving Party shall not be required to remove such Confidential Information of the Disclosing Party from its back-up or archive electronic records including its electronic laboratory notebook and laboratory information management systems. In addition, Client may retain Confidential Information of OXB during any other period in which the licences to Client under clause 12.2 are in effect, solely to the extent that such Confidential Information is necessary or reasonably required for Client to exercise such licence rights.

14.9 **Press Releases and Publicity**. Neither Party shall make, nor permit any person to make, any public announcement, whether oral or written, concerning this Agreement or make any use of the name, symbol, trade mark, trade name or logo of the other Party or its Affiliates without the prior written consent of the other Party (such consent not to be unreasonably withheld or delayed); provided, however, that notwithstanding any other provision of this Agreement:

(a) OXB shall be entitled to disclose that Client became a client of OXB as of the date of this Agreement in OXB's financial reports (subject to Client's approval, not to be unreasonably withheld or delayed); and

(b) each Party shall, at a time mutually agreed in writing by the Parties but no later than [***], be permitted to make an announcement, in a similar form and covering similar content to that of press releases previously issued by OXB in connection with its license and supply agreements with its other customers, and which announcement shall be agreed to by the Parties in writing prior to the time of expected announcement, acting reasonably and in good faith, and otherwise repeat the information contained therein and such activities shall not constitute a breach of this Agreement. Notwithstanding the foregoing, if Client reserves a Manufacturing Slot for a CGMP Batch with the IM Date for vector substance in [***], and such Manufacturing Slot is not cancelled or rescheduled by Client, the Parties shall agree and issue such press release by the later of: (i) [***]; and (ii) the date of release of vector product for such CGMP Batch.

14.10 **Aggregated Data**. The Parties agree that OXB's use of Manufacturing data resulting from OXB's performance under the Agreement may be collected, aggregated, stored, hosted, mined or otherwise utilized by OXB and its Affiliates and contractors. OXB and its Affiliates hereby will and do have all right, title, and interest required to use said Manufacturing data for further research, development, and commercialization of OXB's manufacturing systems, platforms, and services including externally for commercialization activities such as Intellectual Property Rights filings, marketing, and promotional activities related to manufacturing systems, platforms, and services provided said data is anonymized in a manner that cannot be used to identify Client or GOI when used externally.

15. Indemnities and Liability

15.1 **No Exclusion**. Nothing in this Agreement shall exclude or limit, or purport to exclude or limit, a Party's liability in the case of:

(a) wilful misconduct, fraud or fraudulent misrepresentation;

(b) any breach of clause 14 (*Confidentiality*);

(c) death or personal injury resulting from its negligence; or

(d) any other matter in respect of which it would be unlawful to exclude or restrict liability.

15.2 **Limitation of Damages**. Subject to clause 15.1 above, neither Party nor any of its Affiliates shall be liable in contract, tort, negligence, breach of statutory duty or otherwise to the other Party for any consequential, incidental, special, punitive, exemplary or indirect loss or damage, loss of profits, loss of business or loss of goodwill arising out of this Agreement, [***]. Subject to clause 15.1 above, the aggregate liability of OXB to Client whether directly or by indemnification shall be limited to an amount equivalent to [***] immediately before the date of the cause of action to which the liability relates (or pro-rata in the first [***] after the Effective Date).

15.3 **Client Indemnity**. Client shall indemnify OXB, its Affiliates and each of their respective officers, directors, employees, contractors and agents (the "**OXB Indemnitees**") from and against any and all Claims against an OXB Indemnitee arising out of:

(a) any Claim that Client's supply to OXB of Client's Confidential Information or the Client Materials and OXB's use of the same or that OXB's use of the Cell Lines, each in accordance with the terms of this Agreement to perform Services for Client infringes or misappropriates the Intellectual Property Rights or other rights of any Third Party;

(b) the negligence or wilful misconduct of Client or any of its Affiliates;

(c) any breach by Client of its warranties under this Agreement or under the Quality Agreement or breach of Applicable Law; or

(d) the research, development, use, manufacture, distribution, sale or import of any Vector or Licensed Product by Client or its Affiliates or sublicensees or collaborators, including, but not limited to, any actual or alleged injury or death, claimed to result directly or indirectly from the possession, use or consumption of, or treatment with, any such Vector or Licensed Product;

in each case, except to the extent that such claim, demand, action or suit is attributable to:

(i) Delivery by OXB of a Defective Batch which defect was not attributable to the use by OXB of Client Materials, including Plasmids, or Client Confidential Information and provided that Client did not knowingly use a Defective Batch; or

(ii) negligence or, wilful misconduct of OXB or its Affiliates; or

(iii) any claims for which OXB has an obligation to indemnify the Client Indemnitees pursuant to clause 15.4.

15.4 **OXB Indemnity**. OXB shall indemnify Client, its Affiliates and each of their respective officers, directors, employees, contractors and agents (the "**Client Indemnitees**") from and against any and all Claims against a Client Indemnitee arising out of:

(a) the negligence or wilful misconduct of OXB or any of its Affiliates; or

(b) any breach by OXB of its warranties under this Agreement or breach of Applicable Law;

(c) [***].

in each case, except to the extent that such claim, demand, action or suit is attributable to:

(i) any breach by Client of its representations or warranties under this Agreement or the Quality Agreement; or

(ii) negligence of, wilful misconduct of, or breach of this Agreement by the Client Indemnitees; or

(iii) any claims for which Client has an obligation to indemnify the OXB Indemnitees pursuant to clause 15.3;

and further provided that, if any IPR Claim is made or is reasonably likely to be made against a Client Indemnitee, OXB may at, OXB's sole option and expense, and Client shall permit OXB to [***].

15.5 **Indemnification Procedure**. Where a Party (the "**Indemnified Party**") seeks indemnification from the other Party (the "**Indemnifying Party**") under clause 15.3 or 15.4:

(a) the Indemnified Party shall provide prompt written notice to the Indemnifying Party of the assertion or commencement of any Third Party claim, demand, action or suit;

(b) the Indemnifying Party shall have the right to assume (with its own counsel and at its own costs) the defence and/or settlement of the same and shall not be liable for any settlement made by the Indemnified Party without the Indemnifying Party's prior written consent;

(c) the Indemnifying Party shall not be liable for any settlement made by the Indemnified Party without the Indemnifying Party's prior written consent; and

(d) the Indemnified Party shall:

(i) promptly provide all assistance and information reasonably required by the Indemnifying Party;

(ii) not make any admission of liability, conclude any agreement or make any compromise with any person in relation to such claim, demand, action or suit without the prior written consent of the Indemnifying Party (which consent shall not be withheld unreasonably); and

(iii) have the right to participate in (but not control) the defence of the claim, demand, action or suit and to retain its own counsel in connection with such claim, demand, action or suit at its own expense.

15.6 **Mitigation of Loss**. Each Indemnified Party will take and will ensure that its Affiliates take all such reasonable steps and action as are necessary or as the Indemnifying Party may reasonably require in order to mitigate any Claims (or potential losses or damages) under this clause 15. Nothing in this Agreement shall or shall be deemed to relieve any Party of any common law or other duty to mitigate any losses incurred by it.

16. Warranties and Representations

16.1 **Mutual Representations and Warranties**. Each Party hereby represents and warrants to the other as of the Effective Date that:

(a) it is a corporation duly organised, validly existing and in good standing under the laws of its jurisdiction of formation;

(b) it has full corporate power and authority to execute, deliver, and perform this Agreement, and has taken all corporate action required by law and its organisational documents to authorise the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement;

(c) all consents, approvals and authorisations from all governmental authorities required to be obtained by such Party in connection with this Agreement have been obtained or will be obtained by such Party at such time such authorisations are necessary for the performance of such Party's activities under this Agreement;

(d) the execution and delivery of this Agreement and all other instruments and documents required to be executed pursuant to this Agreement, and the consummation of the transactions contemplated hereby do not and shall not (i) conflict with or result in a breach of any provision of its organizational documents; or (ii) result in a breach of any agreement to which it is a party.

16.2 **Service Representations and Warranties**. OXB represents and warrants to Client:

(a) as of the Effective Date that as far as it is aware, [***] in the provision of the Services as contemplated at the Effective Date, will not infringe any Intellectual Property Rights of any Third Party; and

(b) as of the Effective Date that as far as it is aware, [***] in the provision of the Services as contemplated at the Effective Date, will not misappropriate any Intellectual Property Rights of any Third Party;

except in each case that no such representation or warranty is made to the extent such infringement or misappropriation arises from [***].

16.3 **No Debarment Warranty**. Each Party hereby represents and warrants to the other that neither such Party nor its Affiliates nor any of such Party's or its Affiliates' employees or contractors used to perform any Services or other activities in connection with this

Agreement, after diligent inquiry, has been found to be debarred or the subject to a pending debarment under Subsection (a) or (b) of Section 306 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 335a). Each Party covenants that it shall not use any person or third party, in the performance of any activities hereunder, who, after diligent inquiry, is found to be: (i) on any of the FDA clinical investigator enforcement lists (including, but not limited to, the (1) Disqualified/Totally Restricted List, (2) Restricted List and (3) Adequate Assurances List (collectively, the "**FDA Clinical Investigator Restriction Lists**")); (ii) disqualified by any government or Regulatory Authorities from performing specific services, and are not subject to a pending disqualification proceeding; or (iii) has been convicted of a criminal offense related to the provision of healthcare items or services or is subject to any such pending action.

16.4 **No Other Warranties**. Each of the Parties acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty, or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law. In particular, except as otherwise set forth herein, OXB expressly disclaims all warranties relating to the Vector and the Services including any warranty of satisfactory quality, merchantability, or fitness for any particular purpose.

17. Duration and Termination

17.1 **Term and Duration of Agreement**.

(a) This Agreement shall come into effect on the Effective Date and, subject to earlier termination in accordance with this Agreement, shall continue in force until no further payments are due to OXB under this Agreement (the "**Term**"). Upon expiry of this Agreement pursuant to this clause 17.1(a), all licenses granted to Client hereunder shall become perpetual and fully paid.

(b) Subject to clause 17.7, the provisions of clauses 2 (*Governance*), 3 (*Provision of Services*), 4 (*Client Materials*), 5 (*Forecasting and Ordering for Batches*), 6 (*Delivery and Defective Batches*) and 10 (*Quality Audits and Inspections*) with respect to the performance of Services and the Manufacture and supply of Batches of Vector by OXB to Client shall come into effect on the Effective Date and subject to earlier termination of this Agreement in accordance with its terms, shall continue in force until the later of (i) five (5) years from the Effective Date or (ii) the completion of Services under the Scope of Work and Work Orders, in each case, which were executed by the Parties prior to the fifth (5th) anniversary of the Effective Date (the "**Supply Term**"). The Supply Term may be extended by mutual agreement of the Parties.

17.2 **Client Termination of Agreement Without Cause**. Client may terminate this Agreement without cause, by giving at least one hundred and twenty (120) days' written notice to OXB. In such circumstances the Charges In Event of Cancellation shall apply.

17.3 **Mutual Termination for Cause**.

(a) If either Client or OXB is in material breach of any material obligation hereunder or under the Quality Agreement, the non-breaching Party may give written notice to the breaching Party specifying the claimed particulars of such breach, and in the event such material breach is not cured within sixty (60) days (or thirty (30) days where the breach is a failure to make a payment due) after such notice, the non-breaching Party shall have the right thereafter to terminate this Agreement in its entirety or any applicable Scope of Work or Work Order immediately by giving written notice to the breaching Party to such effect; provided, however, that if such breach is capable of being cured but cannot be cured within such sixty (60) day period and the breaching Party initiates actions to cure such breach within such period and thereafter diligently pursues such actions, the breaching Party shall have such additional period as is reasonable in the circumstances to cure such breach.

(b) Either OXB or Client may terminate this Agreement without notice if, in relation to the other Party, any of the following occurs:

(i) a meeting of creditors of that Party being held or an arrangement or composition with or for the benefit of its creditors (including a voluntary arrangement as defined in the Insolvency Act 1986) being proposed by or in relation to that Party;

(ii) a chargeholder, administrator, receiver, administrative receiver or other similar person taking possession of or being appointed over or any distress, execution or other process being levied or enforced (and not being discharged within seven days) on that Party or the whole or a material part of the assets of that Party;

(iii) that Party ceasing to carry on business or being deemed to be unable to pay its debts within the meaning of section 123 Insolvency Act 1986 (except that, for the purposes of this Agreement, the reference to £750 in section 123(1) of that Act shall be construed as a reference to £10,000) or ceasing to pay its debts as they fall due;

(iv) that Party or its directors or the holder of a qualifying floating charge or any of its creditors giving notice of their intention to appoint, appointing or making an application to the court for the appointment of, an administrator;

(v) a petition being presented or advertised or a resolution being passed or an order being made for the purposes of or in relation to the administration or the winding-up, bankruptcy, liquidation or dissolution of that Party; or

(vi) the happening in relation to that Party of an event analogous to any of the above in any jurisdiction in which it is incorporated or resident or in which it carries on business or has assets.

17.4 **Termination of Work Package**. Client may terminate any Work Package by giving sixty (60) days' written notice to OXB, and except for activities to ensure the orderly wind-down of any work under such a terminated Work Package, OXB shall have no further obligations

with respect to such Work Package and shall cease all work in respect of such Work Package. OXB may invoice Client for: (i) all reasonable, non-cancellable costs actually incurred prior to the effective date of termination; (ii) all reasonable costs associated with the wind-down activities; and (iii) Client's liability for all fees and other payments and costs for the Services listed in any relevant Work Package up to the effective date of termination. In such circumstances the Charges In Event of Cancellation shall apply.

17.5 **Consequences of termination**.

(a) Upon termination of this Agreement under clauses 17.2 or 17.3:

(i) by OXB under clause 17.3, to the extent that OXB elects to make such Delivery, Client shall take delivery of, and pay OXB for, all Batches included in a Scope of Work or Work Order signed before the effective date of termination, unless such Batch is cancelled by Client after the time OXB gives notice of termination (in accordance with and subject to the terms of this Agreement pertaining to cancellation of Manufacturing Slots);

(ii) by Client pursuant to clause 17.3, any licence granted to Client pursuant to clause 12.2 and 12.3 shall survive in accordance with its terms; subject to payment by Client of all Royalties due to OXB pursuant to clause 7.12 during the remainder of the applicable Royalty Term, and applicable Development Milestone Payments, Regulatory Milestone Payments and Commercial Milestone Payments and applicable costs in accordance with clauses 7.8, 7.9, 7.10, 7.11 and clause 13.5; and

(iii) by Client, Client shall instruct OXB in writing at the time of giving notice of termination whether or not OXB should continue with the Manufacture of any Batches that are part-way through the Manufacturing process at the effective date of termination.

(b) Upon termination of this Agreement by either Party for any reason:

(i) Client will pay the Batch Fee for any Batches which have undergone Manufacturer's Certification and delivered in accordance with clauses 17.5(a)(i) and 17.5(a)(iii) and shall be entitled to use, sell or otherwise dispose any unsold or unused stocks of Licensed Product for up to twelve (12) months after the effective date of termination, at Client's own risk and subject to payment of applicable Royalties;

(ii) where Client instructs OXB to cease Manufacture of Batches, it shall pay OXB all reasonable actually incurred or non-cancellable committed costs up to the date of instruction to cease Manufacture; and

(iii) subject to clause 17.5(a)(ii), the licences under clause 12.2 and 12.3 shall terminate immediately other than in relation to any Licensed Product which is in Client's possession or control.

(c) Upon termination of a Scope of Work or Work Order by Client pursuant to clause 17.3(a), except for activities to ensure the orderly wind-down of any work under the applicable Scope of Work or Work Order, OXB shall have no further obligations with respect to such Scope of Work or Work Order and shall cease all work in respect of such Scope of Work or Work Order. OXB may invoice Client for: (i) all reasonable, non-cancellable costs actually incurred prior to the effective date of termination; (ii) all reasonable costs associated with the wind-down activities; and (iii) Client's liability for all fees and other payments and costs for the Services thereunder up to the effective date of termination.

17.6 **Termination Not Sole Remedy**. A Party's right of termination under this Agreement, and the exercise of any such right, shall be without prejudice to any other right or remedy (including any right to claim damages) that such Party may have in the event of a breach of contract or other default by the other Party.

17.7 **Survival**. Expiration or termination of this Agreement shall not relieve the Parties of any obligation or right accruing prior to such expiration or termination. The provisions of clauses 1 (*Definitions and Interpretation*); 3.2 (*General Standards*) last sentence, 3.9 (*Sequences*) (last sentence), 3.12 (*Permits and Approvals*) for so long as Client has a right to use Vector in accordance with clause 17.5(a)(ii); 4.2 (*Delivery and Title*); 5.5 (*Cancellation of Reserved Manufacturing Slots*); 6.3 (*Title*), 6.4 (*Risk*); 6.6 (*Delivery of Samples*) (last sentence), 6.7 (*Defective Batches*) and 6.8; 7 (*Price and Payment*) with respect to those payments that accrued prior to the effective date of termination or expiration or pursuant to clause 17.2, 17.4 or 17.5; 8 (*Financial Records and Audit*) with respect to payments that accrued prior to the effective date of termination or expiration or pursuant to clause 17.2, 17.4 or 17.5; 9 (*Access to Information*); 10 (*Quality Audits and Inspections*) for so long as Client continues to use Vector supplied by OXB hereunder and has a right to use such Vector in accordance with clause 17.5(a)(ii); 11 (*Regulatory Approvals*) for so long as Client continues to use Vector supplied by OXB hereunder and has a right to use such Vector in accordance with clause 17.5(a)(ii); 12.1 (*Background IPR*), 12.5 (*Arising IPRs*) and 12.7 (*Non-Exclusivity*); 13.5 (*Consideration for Technology Transfer*) with respect to those payments that accrued prior to the effective date of termination or expiration or pursuant to clause 17.5; 14 (*Confidential Information*); 15 (*Indemnities and Liability*); 16 (*Warranties and Representations*); 17 (*Duration and Termination*) and 18 (*General*) shall survive expiration or termination of this Agreement.

18. General

18.1 **Force Majeure**. Neither Party shall have any liability or be deemed to be in breach of this Agreement for any delays or failures in performance of this Agreement that result from circumstances beyond the reasonable control of that Party and which circumstances are not reasonably foreseeable. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and use its reasonable endeavours to avoid or remove the causes of non-performance and shall continue performance as expeditiously as possible as soon as such causes have been removed. If any circumstances described in this clause 18.1 prevent a Party from

performing its material obligations under this Agreement for [***], the other Party may terminate this Agreement by giving [***] written notice to the affected Party.

18.2 **Compliance with Law**. Each Party shall perform its obligations under this Agreement in accordance with all Applicable Laws. No Party shall, or shall be required to, undertake any activity under or in connection with this Agreement which violates, or which it believes, in good faith, may violate, any Applicable Law.

18.3 **Further Action**. Each Party agrees, without the necessity of further consideration, to execute, acknowledge, and deliver such further instruments, and do all further similar acts, as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

18.4 **Notices and Other Communications**: Any notice to be given under this Agreement must be in writing, and be delivered to the other Party by courier or other recorded delivery post (with an advance copy by email) and will be deemed to be received on the date of delivery. Until changed by notice given in accordance with this clause 18.4, all notices should be addressed as follows:

For OXB:	**For Client**:
For the attention of: General Counsel	For the attention of: [***]
Address: Oxford Biomedica (UK) Limited	Address: 1900 Alameda de las Pulgas, San Mateo, CA, 94403, USA
Windrush Court, Transport Way, Oxford, OX4 6LT, United Kingdom	
With a copy to: [***] and [***]	With a copy to: [***]

18.5 **Amendment**. This Agreement may only be amended in writing signed by duly authorised representatives of the Parties.

18.6 **Assignment**. Neither Party may assign, mortgage, charge or otherwise transfer any of its rights or obligations under this Agreement without the other Party's prior written consent (which consent shall not be unreasonably withheld or delayed), except that (i) OXB may assign its rights and obligations under this Agreement, without such consent to any Third Party acquiring all or substantially all of such Party's assets or business to which this Agreement relates or to an Affiliate; and (ii) Client may assign its rights and obligations under this Agreement, without such consent to any Third Party acquiring all or substantially all of such Party's assets or business to which this Agreement relates or to an Affiliate of Client of not materially less financial standing than Client, provided that, in all cases:

(a) such assigning Party shall provide the other Party with prompt written notice of any such assignment; and

(b) the permitted assignee shall assume the obligations of the assigning Party hereunder in writing.

18.7 **Third Party Rights**. The provisions of this Agreement are for the sole benefit of the Parties and their successors and permitted assigns, and they shall not be construed as conferring any rights to any Third Party except as otherwise expressly provided in clause 15 above. Except as expressly provided in clause 15 above, no person who is not a Party to this Agreement (including any employee, officer, agent, representative or subcontractor of either Party) shall have the right to enforce any term of this Agreement which expressly or by implication confers a benefit on that person without the express prior agreement in writing of the Parties.

18.8 **Entire Agreement**. This Agreement, including any fully-signed Scopes of Work, Work Orders and Change Orders hereunder, together with the Quality Agreement, constitutes the entire agreement between the Parties with respect to the specific subject matter of this Agreement and in relation to such subject matter supersedes all earlier understandings and agreements between the Parties regarding such subject matter, including:

(a) the CDA, wherein all Confidential Information disclosed pursuant to the CDA shall be deemed to have been disclosed hereunder; and

(b) the EPA, wherein (a) all Confidential Information disclosed pursuant to the EPA shall be deemed to have been disclosed hereunder, (b) all Client Arising IP (as defined in the EPA) under the EPA shall be deemed Client Arising IPRs under this Agreement, (c) all OXB Arising IP (as defined in the EPA) under the EPA shall be deemed OXB Arising IPRs under this Agreement (except to the extent any such OXB Arising IP falls within the OXB Patents); and (d) to the extent any activities due to be carried out under the EPA are incomplete, such activities shall continue subject to the terms of this Agreement.

18.9 **Relationship**. Nothing in this Agreement creates, implies or evidences any contract of employment or any partnership or joint venture between the Parties, or authorises either Party to act as agent for the other. Moreover, each Party agrees not to construe this Agreement, or any of the transactions contemplated hereby, as a partnership for any tax purposes. Each Party shall act solely as an independent contractor, and nothing in this Agreement shall be construed to give any Party the power or authority to act for, bind, or commit the other.

18.10 **Waiver of Rights**. No failure or delay by a Party to exercise any right or remedy provided under this Agreement or by law or to insist upon compliance with any term or condition of this Agreement will constitute a waiver of that (or any other) right or remedy or excuse a similar subsequent failure to perform any such term or condition by the other Party. No waiver shall be effective unless it has been given in writing and signed by the Party giving such waiver. No single or partial exercise of such right or remedy will preclude or restrict the further exercise of that (or any other) right or remedy.

18.11 **Unenforceable Provisions**. If the whole or any part of any provision of this Agreement is unenforceable in any jurisdiction, then this Agreement shall be construed as if such provision were not contained herein and the remainder of this Agreement shall continue in full force and effect. The Parties will use their commercially reasonable efforts to substitute for the invalid or unenforceable provision a valid and enforceable provision which conforms as nearly as possible to the original intent of the Parties. The validity and enforceability of that provision in any other jurisdiction will not be affected.

18.12 **Counterparts**. This Agreement may be executed in any number of counterparts, each of which is an original but all of which together will constitute one document. Electronic or PDF signatures of authorized signatories of any Party will be deemed to be original signatures and will be valid and binding, and delivery of an electronic or PDF signature by any Party will constitute due execution and delivery of this Agreement.

18.13 **Governing Law**. This Agreement and all matters relating to it shall be governed by and construed in accordance with the laws of England and Wales.

18.14 **Dispute Resolution**. Except as set forth in clause 13.4, any dispute arising out of or relating to this Agreement shall be subject to the exclusive jurisdiction of the courts located in London, England.

18.15 **Expenses**. Except as otherwise expressly provided in this Agreement, each Party shall pay the fees and expenses of its respective lawyers and other experts and all other expenses and costs incurred by such Party incidental to the negotiation, preparation, execution and delivery of this Agreement.

AGREED by the Parties to this Agreement through their authorised signatories:

For and on behalf of
OXFORD BIOMEDICA (UK) LIMITED:

Signature /s/ Jason Slingsby
Print name Jason Slingsby
Job title Chief Business & Corp. Dev. Officer

Date 27-Jun-2022 | 07:02 BST

For and on behalf of
SYNCOPATION LIFE SCIENCES

Signature /s/ Shishir Gadam
Print name Shishir Gadam
Job title CTO

Date 6/24/2022

SCHEDULE 1

Batch Fee, payment terms and Cancellation Fees

[***]

SCHEDULE 2

Milestones and Royalties

[***]

SCHEDULE 3

Technology Transfer Events

[***]

SCHEDULE 4

OXB Patent Rights

[***]

PUBLIC HEALTH SERVICE

PATENT LICENSE AGREEMENT – *EXCLUSIVE*

This **Agreement** is based on the model Patent License Exclusive Agreement adopted by the U.S. Public Health Service ("**PHS**") Technology Transfer Policy Board for use by components of the National Institutes of Health ("**NIH**"), the Centers for Disease Control and Prevention ("**CDC**"), and the Food and Drug Administration ("**FDA**"), which are agencies of the **PHS** within the Department of Health and Human Services ("**HHS**").

This Cover Page identifies the Parties to this **Agreement**:

The U.S. Department of Health and Human Services, as represented by

The National Cancer Institution ("**NCI**")

an Institute or Center (hereinafter referred to as the "**IC**") of the

National Institutes of Health ("**NIH**")

and

Syncopation Life Sciences Inc.

hereinafter referred to as the "**Licensee**",

having offices at

628 Middlefield Road, Palo Alto, CA 94301,

created and operating under the laws of Delaware.

Tax ID No.:__[***]____

For the **IC** internal use only:

License Number: L-096-2022-0

License Application Number: A-328-2021

Serial Number(s) of Licensed Patent(s) or Patent Application(s): See Appendix A

Cooperative Research and Development Agreement (CRADA) Number (if a subject invention): N/A

Additional Remarks:

Public Benefit(s):

The public interest would be well served by an exclusive license for this technology since therapies are needed for the treatment of CD22 expressing cancers, among which are acute lymphocytic leukemia, a leukemia that affects the pediatric population, and lymphomas. The development of new therapies is needed for CD22 expressing B cell malignancies.

This Patent License Agreement, hereinafter referred to as the "**Agreement**", consists of this Cover Page, an attached **Agreement**, a Signature Page, Appendix A (List of Patent(s) or Patent Application(s)), Appendix B (Fields of Use and Territory), Appendix C (Royalties), Appendix D (Benchmarks and Performance), Appendix E (Commercial Development Plan), Appendix F (Example Royalty Report), Appendix G (Royalty Payment Options), and Appendix H (Shipping Information).

The **IC** and the **Licensee** agree as follows:

1. BACKGROUND

1.1 In the course of conducting biomedical and behavioral research, the **IC** investigators made inventions that may have commercial applicability.

1.2 By assignment of rights from **IC** employees and other inventors, **HHS**, on behalf of the **Government**, owns intellectual property rights claimed in any United States or foreign patent applications or patents corresponding to the assigned inventions. **HHS** also owns any tangible embodiments of these inventions actually reduced to practice by the **IC**.

1.3 The Secretary of **HHS** has delegated to the **IC** the authority to enter into this **Agreement** for the licensing of rights to these inventions.

1.4 The **IC** desires to transfer these inventions to the private sector through commercialization licenses to facilitate the commercial development of products and processes for public use and benefit.

1.5 The **Licensee** desires to acquire commercialization rights to certain of these inventions in order to develop processes, methods, or marketable products for public use and benefit.

2. DEFINITIONS

2.1 "**Additional License**" means an exclusive, co-exclusive or non-exclusive commercial license that includes the **Licensed Patent Rights** and is granted by the **IC** to a **Third Party** ("**Additional Licensee")**. For clarity, any **Research License** granted under the **Licensed Patent Rights** that does not require the **Third Party** licensee to pay a share of patent expenses shall not be deemed an "**Additional License**".

2.2 "**Allogeneic Product**" means a **Licensed Product** that falls under **Licensed Fields of Use** – **Allogeneic** (I (2) in Appendix B).

2.3 "**Autologous Product**" means a **Licensed Product** that falls under **Licensed Fields of Use** – **Autologous** (I (1) in Appendix B).

2.4 "**Affiliate(s)**" means a corporation or other business entity, which directly or indirectly is controlled by or controls, or is under common control with the **Licensee**. For this purpose, the term "control" shall mean ownership of more than fifty percent (50%) of the voting stock or other ownership interest of the corporation or other business entity, or the power to elect or appoint more than fifty percent (50%) of the members of the governing body of the corporation or other business entity.

2.5 "**Benchmarks**" mean the performance events that are set forth in Appendix D.

2.6 "**BLA**" means a Biologics License Application, as defined in the U.S. Federal Food, Drug, and Cosmetics Act, as amended, and the regulations promulgated thereunder, and any corresponding foreign or domestic marketing authorization application, registration or certification, necessary or reasonably useful to market a **Licensed Product** in the **Territory**, but not including pricing and reimbursement approvals.

2.7 **"Change of Control"** means i) any transaction or series of related transactions following which the holders of a majority of **Licensee's** capital stock or membership or equity interests immediately prior to such transaction or series of related transactions entitled to (a) vote with respect to the election of directors (or positions having a similar function) or (b) receive the proceeds upon any sale, liquidation or dissolution of **Licensee**, and collectively no longer hold a

majority of **Licensee's** capital stock or membership or equity interests, (ii) a sale, transfer, or other disposition, in a single transaction or series of related transactions, of all or a material portion of **Licensee's** interest in the **Licensed Product(s)** (iii) a sale, transfer, or other disposition, in a single transaction or series of related transactions, of all or a material portion of **Licensee's** right title, or interest in its assets taken as a whole, (iv) an initial public offering of the stock of **Licensee**; or (v) the merger of **Licensee** with a **Third Party** by operation of law or otherwise. For clarity, equity financing undertaken primarily for the purpose of raising capital shall not be considered a **Change of Control**.

2.8 "**Commercial Development Plan**" means the written commercialization plan attached as Appendix E.

2.9 **"Commercial Purpose"** means the sale, lease, license, distribution in lieu of purchase, or any other transfer of the **Licensed Products**, excluding transfers to **Third Party Contractor(s)** or **Third Party Collaborators** for evaluation or internal research and evaluation. **Commercial Purpose** shall also include uses of the **Licensed Products** to perform contract research, to screen libraries, to produce or manufacture products for general sale, or to conduct activities that result in any direct or indirect sale, lease, license, or transfer of the **Licensed Products**, excluding transfers to **Third Party Contractor(s)** or **Third Party Collaborators** for evaluation or internal research and evaluation**.**

2.10 "**CRADA"** means a Cooperative Research and Development Agreement.

2.11 "**Distinct Licensed Product**" means a **Licensed Product** that, in comparison to a second **Licensed Product**, would require a separate Biologics License Application (**BLA**) or New Drug Application based on novel or differing composition of matter, or a differing indication.

2.12 "**Effective Date**" means the date that this **Agreement** becomes effective, which is the first date when it has been signed by all parties to the **Agreement**.

2.13 "**FDA**" means the Food and Drug Administration.

2.14 "**First Commercial Sale**" means the initial transfer by or on behalf of the **Licensee** or its sublicensees of the **Licensed Products** or the initial practice of a **Licensed Process** by or on behalf of the **Licensee** or its sublicensees in exchange for cash or some equivalent to which value can be assigned for the purpose of determining **Net Sales**. For purposes of clarity, the transfer of **Licensed Products** or practice of **Licensed Processes** prior to receipt of a relevant regulatory approval for use in a non-clinical or clinical study (included but not limited to expanded access distribution) shall not be considered a **First Commercial Sale** for such **Licensed Product** or **Licensed Processes**.

2.15 "**Government**" means the Government of the United States of America.

2.16 "**Licensed Fields of Use**" means, collectively, the fields of use identified in Appendix B and excluding the "**Licensed Materials Field of Use**"

2.17 "**Licensed Field of Use – Allogeneic"** means the field of use identified in Appendix B, Part I (1).

2.18 "**Licensed Field of Use – Autologous"** means the field of use identified in Appendix B, Part I (2).

2.19 "**Licensed Know-How"** means intangible knowledge or work owned or controlled by **IC** that (a) is required or useful for the manufacture, use, development, testing, marketing, export, import, offer for sale, or sale or other commercialization of any **Licensed Product**, use or practice of **Licensed Processes,** or use or practice of the **Licensed Patent Rights,** (b) is not embodied in the claim(s) of any **IC** patent or patent application other than those of the **Licensed Patent Rights**, (c)

was developed by the **IC** or to which the **IC** has the right to license, prior to the **Effective Date**, including information or knowledge obtained in connection with the clinical trial published under NCT02315612 (PI = Nirali Shah) (d) is unpublished at the time of disclosure to **Licensee**, and (e) is not subject to any third party right(s) that would prevent **IC** from licensing such knowledge or work to **Licensee** as provided herein and **IC** possesses the right to license the use of such **Licensed Know-How** to **Licensee** for commercial purposes. For the avoidance of doubt, neither **IC** nor the clinical trial PI listed in part (c) above are obligated to provide any know-how under this **Agreement**.

2.20 "**Licensed Materials**" means CD22 expressing cell lines and CD22-specific m971 CAR lentiviral vector, including all progeny, subclones, or unmodified derivatives thereof.

2.21 "**Licensed Materials Field of Use**" means the use of **Licensed Materials** for preclinical studies in support of the development of **Licensed Products** and excluding the use of **Licensed Materials** in humans for any purpose.

2.22 "**Licensed Patent Rights**" means:

(a) Patent applications (including provisional patent applications and PCT patent applications) or patents listed in Appendix A, all divisions and continuations of these applications, all patents issuing from these applications, divisions, and continuations, and any reissues, reexaminations, and extensions of these patents;

(b) to the extent that the following contain one or more claims directed to the invention or inventions disclosed in 2.22(a):

(i) continuations-in-part of 2.22(a);

(ii) all divisions and continuations of these continuations-in-part;

(iii) all patents issuing from these continuations-in-part, divisions, and continuations;

(iv) priority patent application(s) of 2.22(a); and

(v) any reissues, reexaminations, and extensions of these patents;

(c) to the extent that the following contain one or more claims directed to the invention or inventions disclosed in 2.22(a): all counterpart foreign and U.S. patent applications and patents to 2.22(a) and 2.22(b), including those listed in Appendix A; and

(d) **Licensed Patent Rights** shall *not* include 2.22(b) or 2.22(c) to the extent that they contain one or more claims directed to new matter which is not the subject matter disclosed in 2.22(a).

2.23 "**Licensed Processes**" means processes which, in the course of being practiced, (a) would be within the scope of one or more claims of the **Licensed Patent Rights** that have not been held unpatentable, invalid or unenforceable by an unappealed or unappealable judgment of a court of competent jurisdiction, or (b) utilize or rely upon the **Licensed Know-How**.

2.24 "**Licensed Products**" means tangible materials which, in the course of manufacture, use, sale, or importation, (a) would be within the scope of one or more claims of the **Licensed Patent Rights** that have not been held unpatentable, invalid or unenforceable by an unappealed or unappealable judgment of a court of competent jurisdiction, or (b) utilize or rely upon the **Licensed Know-How**.

2.25 "**Licensed Territory**" means the geographical area identified in Appendix B.

2.26 "**Net Sales**" means the total gross receipts for sales of **Licensed Products** or practice of **Licensed Processes** by or on behalf of the **Licensee** or its sublicensees, and from leasing, renting, or otherwise making the **Licensed Products** available to others without sale or other dispositions, whether invoiced or not, less returns, and allowances, packing costs, insurance costs, freight out, taxes or, if separately invoiced, excise duties imposed on the transaction, and wholesaler and cash discounts in amounts customary in the trade to the extent actually granted. No deductions shall be made for commissions paid to individuals, whether they are with independent sales agencies or regularly employed by the **Licensee**, or sublicensees, and on its payroll, or for the cost of collections.

2.27 "**Phase 1 Clinical Trial**" means an investigational study in humans consistent with the description in U.S. 21 C.F.R. §312.21(a) or its foreign equivalents.

2.28 "**Phase 2 Clinical Trial**" means an investigational study in humans o consistent with the description in U.S. 21 C.F.R. §312.21(b) or its foreign equivalents.

2.29 "**Phase 3 Clinical Trial**" means an investigational consistent with the description in U.S. 21 C.F.R. §312.21(c) or its foreign equivalents.

2.30 "**Practical Application**" means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and in each case, under these conditions as to establish that the invention is being utilized and that its benefits are to the extent permitted by law or **Government** regulations available to the public on reasonable terms.

2.31 "**Priority Review**" means, with respect to a human drug application as defined in section 735(1) [21 USC § 379g(1)], review and action by the Secretary of **HHS** ("Secretary") on such application not later than six (6) months after receipt by the Secretary of such application, as described in the Manual of Policies and Procedures of the **FDA** and goals identified in the letters described in section 101(b) of the Prescription Drug User Fee Amendments of 2012.

2.32 "**Priority Review Voucher**" means a voucher issued by the **Secretary** to the **Licensee** for a rare pediatric disease product application that entitles **Licensee** or **Licensee's** transferee of such voucher to **Priority Review** of a human drug application submitted under section 505(b)(1) [21 USC § 355(b)(1)] or section 351(a) of the Public Health Service Act [42 USC § 262] after the date of approval of the rare pediatric disease product application. For the purposes of this **Agreement**, **Priority Review Voucher** refers to any such voucher that the **Licensee** obtains as a result of its activities that relied upon **Licensed Products** or **Licensed Processes**.

2.33 "**Pro Rata Share**" means one of the following:

(a) in instances where the **Additional License(s)** granted by **IC** recover a pre-determined percentage of patent costs, one hundred percent (100%) of patent prosecution costs minus the percentage of patent prosecution costs recovered by the **Additional License(s)** which recover a pre-determined percentage of patent costs. For example, [***];

(b) in instances where the **Additional Licenses** granted by **IC** recover a full pro rata share of patent prosecution costs, one (1) minus the value derived from the number of **Additional Licenses** granted by **IC** which recover a full pro rata share of patent prosecution costs divided by the total number of licenses granted by **IC** which recover a full pro rata share of patent prosecution costs. For example, [***]; or

(c) in instances where the **Additional Licenses** are granted according to the definition of both 2.26(a) and 2.26(b), the **Pro Rata Share** paid by **Licensee** will be the value derived from the **Pro Rata Share** as determined under Paragraph 2.26(a) multiplied by the value derived from the **Pro Rata Share** as determined under Paragraph 2.26(b). For example, [***].

2.34 "**Registration Trial**" means, with respect to any **Licensed Product**, a controlled human clinical trial that is expected by **Licensee** to be the basis for filing an application for regulatory approval of such **Licensed Product**.

2.35 "**Research License**" means a nontransferable, nonexclusive license to make and to use the **Licensed Products** or the **Licensed Processes** as defined by the **Licensed Patent Rights** for purposes of research and not for purposes of commercial manufacture or distribution or in lieu of purchase.

2.36 **"Sublicensee"** means a **Third Party** to whom **Licensee** has granted or authorized a sublicense under the **Licensed Patent Rights** pursuant to Paragraph 4.1 hereunder. For clarity, a **Third Party Contractor** is not a **Sublicensee.**

2.37 "**Sublicense Income**" means all consideration received by **Licensee** or an **Affiliate** from a **Sublicensee** in consideration for a sublicense, cross-license, option, or other right, license, privilege or immunity granted by **Licensee** or an **Affiliate** under the **Licensed Patent Rights**, including without limitation, license fees, milestone payments, license maintenance fees, and other payments, but excluding: (a) royalties on **Net Sales** (including amounts payable as royalties or by way of a share of profits of such sublicensee arising from such sublicensee's sales of the applicable **Licensed Product**); (b) amounts received by **Licensee** to reimburse **Licensee** for amounts paid or costs incurred by or on behalf of **Licensee** with respect to the **Licensed Patent Rights**, including patent prosecution, maintenance, enforcement or defense expenses; (c) payments made as consideration for debt or equity securities (excluding amounts in excess of the fair market value of such securities) to purchase capital stock of **Licensee**; and (d) amounts or other support received by **Licensee** or its **Affiliate** for bona fide research and development expenses that are in connection with activities that do not involve a **Commercial Purpose**, including, without limitation, in connection with clinical or non-clinical evaluation.

2.38 "**Third Party(ies)**" means a person or entity other than (i) **Licensee** or any of its **Affiliates** and (ii) **IC**.

2.39 "**Third Party Collaborator(**s)" means a **Third Party** organization engaged by **Licensee** to perform work related to the **Licensed Products** under a bona fide collaborative research project as described under an appropriate contractual arrangement between **Licensee** and relevant **Third Party Collaborator(s)**.

2.40 "**Third Party Contractor(**s)" means a **Third Party** organization providing contract research, development, manufacturing, or medical services (for example, CRO, CDO, CMO), that is acting with, on behalf and for the benefit of **Licensee**, for consideration provided by the **Licensee** on a fee-for-service basis to perform services or provide materials specified by the **Licensee.**

3. GRANT OF RIGHTS

3.1 The **IC** hereby grants and the **Licensee** accepts, subject to the terms and conditions of this **Agreement:**

1. An exclusive commercial license under the **Licensed Patent Rights** in the **Licensed Territory** to make and have made, to use and have used, to sell and have sold, to offer to sell, and to import any **Licensed Products** in the **Licensed Fields of Use – Autologous** and to practice and have practiced any **Licensed Process(es)** in the **Licensed Fields of Use—Autologous**.

2. A non-sublicensable exclusive license for evaluation purposes only, to make, have made, import, and use, *but not to sell*, the **Licensed Products** or inventions within the scope of the **Licensed Patent Rights** within the **Licensed Fields of Use – Allogeneic** and in the **Licensed Territory,** and to practice **Licensed Processes** within the **Licensed Fields of Use** – **Allogeneic** and in the **Licensed Territory**. Subject to the terms and conditions of this Section 3, such exclusive evaluation license also includes an exclusive option to negotiate a non-exclusive or exclusive commercialization license. The rights provided herein are provided for the evaluation of commercial applications only and not for a **Commercial Purpose**. **IC** agrees not to grant a nonexclusive or exclusive commercial license to the **Licensed Patent Rights** in the **Licensed Fields of Use – Allogeneic** for the duration of the **Option Period,** and any extension as described in 3.3.

3. A non-sublicensable, non-exclusive license to make, have made, use, import, but not to sell the **Licensed Materials** in the **Licensed Materials Field of Use.**

4. A non-sublicensable, nonexclusive license under the **Licensed Know-How** in the **Licensed Territory** to make and have made, to use and have used, to sell and have sold, to offer to sell and to import—and, as limited by Section 3.4, reproduce, prepare derivative works, distribute, perform, display, modify, and adapt **Licensed Know-How** in connection with—any **Licensed Products** in the **Licensed Fields of Use** and to practice and have practiced any **Licensed Process(es)** in the **Licensed Fields of Use.**

3.2 The exclusive license for evaluation purposes granted under 3.1(2) shall expire [***] from the **Effective Date** of this **Agreement** ("**Option Period**"), but can be extended for [***] upon payment of an extension royalty as set forth in Appendix C and submission of written notice to the **IC** at least [***] prior to the expiration of the **Option Period**. **Licensee** agrees that the continued use of the **Licensed Patent Rights**, **Licensed Processes, Licensed Materials,** or the **Licensed Products** within the **Licensed Field of Use – Allogeneic** after the end of the **Option Period** will occur only pursuant to an amendment following the procedure outlined in Paragraph 3.3. The continued use of the **Licensed Patent Rights**, **Licensed Processes, Licensed Materials,** or the **Licensed Products** after the expiration of the **Option Period**, including any extensions, without the mutual written agreement of the Parties following such procedure will be considered a material breach of this **Agreement**.

3.3 To exercise the exclusive option granted under 3.1(2), **Licensee** must submit a written notice to the **IC** at least [***] prior to the expiration of the **Option Period** or any extension. The written notice must include an updated **Commercial Development Plan** and a modified field of use that falls within the scope of the **Licensed Fields of Use – Allogeneic** and identifies a particular allogeneic platform for further development and commercialization by **Licensee.** This written notice submitted by **Licensee** will initiate a negotiation period that expires [***] after the exercise of the option during such time **Licensee** and **IC** will make good faith efforts to identify a mutually agreeable modified field of such that the **Licensed Field of Use – Allogeneic** is commensurate in scope with the new **Commercial Development Plan** provided by **Licensee**. In the absence of **Licensee**'s exercise of the option to an exclusive license as described above, or the parties ability to identify a mutually agreeable modified field of use within the **Licensed Fields of Use – Allogeneic** that is commensurate with the updated **Commercial Development Plan**, the **IC** will be free to license the **Licensed Patent Rights** within the **Licensed Fields of Use – Allogeneic** to **Third Party(ies)**.

3.4 Notwithstanding any terms to the contrary in Sections 3.1(2)-(4) and Article 4, the **Licensee** is entitled to authorize its **Third-Party Contractor(s)** and/or **Third Party Collaborators** to make, have made, import and to use, but not to sell **Licensed Materials**, **Licensed Know-How**, **Licensed Products** and **Licensed Processes** on **Licensee's** behalf solely in the **Licensed Fields of**

Use and in the **Licensed Territory**. **Licensee** may, without prior written permission, transfer the **Licensed Materials**, **Licensed Know-How**, and **Licensed Products** to **Third Party Contractor(s)** solely for internal research purposes within the **Licensed Fields of Use**. **Licensee** shall ensure that such **Third-Party Contractors** comply with the terms and obligations of this **Agreement** with respect to their use of the **Licensed Materials**, **Licensed Know-How**, and/or the **Licensed Products**. Other than transfer to **Third-Party Contractor(s)** and/or **Third Party Collaborators**, **Licensee** agrees to maintain control of **Licensed Materials** it receives and to maintain **Licensed Know-How** in confidence and **Licensee** agrees that transfer of **Licensed Know-How** will only be to **Third-Party Contractor(s)** and/or **Third Party Collaborators** that have been informed of the confidential nature of the **Licensed Know-How**, and are bound by appropriate confidentiality obligations with respect thereto, unless **IC** provides its prior written consent with respect to specific categories of **Licensed Know-How**.

3.5 This **Agreement** confers no license or rights by implication, estoppel, or otherwise under any patent applications or patents of the **IC** other than the **Licensed Patent Rights** regardless of whether these patents are dominant or subordinate to the **Licensed Patent Rights**.

4. SUBLICENSING

4.1 Upon written approval, which shall include prior review of any sublicense agreement by the **IC** and which shall not be unreasonably withheld, the **Licensee** may enter into sublicensing agreements under the **Licensed Patent Rights** during the term of any exclusive commercial license.

4.2 The **Licensee** agrees that any sublicenses granted by it shall provide that the obligations to the **IC** of Paragraphs 5.1-5.4, 8.1, 10.1, 10.2, 12.5, and 13.8-13.10 of this **Agreement** shall be binding upon the sublicensee as if it were a party to this **Agreement**. The **Licensee** further agrees to attach copies of these Paragraphs to all sublicense agreements.

4.3 Any sublicenses granted by the **Licensee** shall provide for the termination of the sublicense, or the conversion to a license directly between the sublicensees and the IC, at the option of the sublicensee, upon termination of this **Agreement** under Article 13. This conversion is subject to the **IC** approval and contingent upon acceptance by the sublicensee of the remaining provisions of this **Agreement**.

4.4 The **Licensee** agrees to forward to the **IC** a complete copy of each fully executed sublicense agreement postmarked within [***] of the execution of the agreement. To the extent permitted by law, the **IC** agrees to maintain each sublicense agreement in confidence.

5. STATUTORY AND NIH REQUIREMENTS AND RESERVED GOVERNMENT RIGHTS

5.1 (a) the **IC** reserves on behalf of the **Government** an irrevocable, nonexclusive, nontransferable, royalty-free license for the practice of all inventions licensed under the **Licensed Patent Rights** throughout the world by or on behalf of the **Government** and on behalf of any foreign government or international organization pursuant to any existing or future treaty or agreement to which the **Government** is a signatory. Prior to the **First Commercial Sale**, the Licensee agrees to provide the IC with reasonable quantities of the Licensed Products or materials made through the **Licensed Processes** for **IC** research use; and

(b) in the event that the **Licensed Patent Rights** are Subject Inventions made under **CRADA**, the **Licensee** grants to the **Government**, pursuant to 15 U.S.C. §3710a(b)(1)(A), a nonexclusive, nontransferable, irrevocable, paid-up license to practice the **Licensed Patent Rights** or have the **Licensed Patent Rights** practiced throughout the world by or on behalf of the **Government**. In the exercise of this license, the

Government shall not publicly disclose trade secrets or commercial or financial information that is privileged or confidential within the meaning of 5 U.S.C. §552(b)(4) or which would be considered as such if it had been obtained from a non-Federal party. Prior to the **First Commercial Sale**, the **Licensee** agrees to provide the **IC** with reasonable quantities of the **Licensed Products** or materials made through the **Licensed Processes** for **IC** research use.

5.2 The **Licensee** agrees that products used or sold in the United States embodying the **Licensed Products** or produced through use of the **Licensed Processes** shall be manufactured substantially in the United States, unless a written waiver is obtained in advance from the **IC**.

5.3 The **Licensee** acknowledges that the **IC** may enter into future **CRADAs** under the Federal Technology Transfer Act of 1986 that relate to the subject matter of this **Agreement**. The **Licensee** agrees not to unreasonably deny requests for a **Research License** from future collaborators with the **IC** when acquiring these rights is necessary in order to make a **CRADA** project feasible. The **Licensee** may request an opportunity to join as a party to the proposed **CRADA**.

5.4 (a) in addition to the reserved license of Paragraph 5.1, the **IC** reserves the right to grant **Research Lice**nses directly or to require the **Licensee** to grant **Research Licenses** on reasonable terms. The purpose of these **Research Licenses** is to encourage basic research, whether conducted at an academic or corporate facility. In order to safeguard the **Licensed Patent Rights**, however, the **IC** shall consult with the **Licensee** before granting to commercial entities a **Research License** or providing to them research samples of materials made through the **Licensed Processes**; and

(b) in exceptional circumstances, and in the event that the **Licensed Patent Rights** are Subject Inventions made under a **CRADA**, the **Government**, pursuant to 15 U.S.C. §3710a(b)(1)(B), retains the right to require the **Licensee** to grant to a responsible applicant a nonexclusive, partially exclusive, or exclusive sublicense to use the **Licensed Patent Rights** in the **Licensed Field of Use** on terms that are reasonable under the circumstances, or if the **Licensee** fails to grant this license, the **Government** retains the right to grant the license itself. The exercise of these rights by the **Government** shall only be in exceptional circumstances and only if the **Government** determines:

(i) the action is necessary to meet health or safety needs that are not reasonably satisfied by the **Licensee**;

(ii) the action is necessary to meet requirements for public use specified by Federal regulations, and these requirements are not reasonably satisfied by the **Licensee**; or

(iii) the **Licensee** has failed to comply with an agreement containing provisions described in 15 U.S.C. §3710a(c)(4)(B); and

(c) the determination made by the **Government** under this Paragraph 5.4 is subject to administrative appeal and judicial review under 35 U.S.C. §203(b).

6. ROYALTIES AND REIMBURSEMENT

6.1 The **Licensee** agrees to pay the **IC** a noncreditable, nonrefundable license issue royalty as set forth in Appendix C.

6.2 The **Licensee** agrees to pay the **IC** a nonrefundable minimum annual royalty as set forth in Appendix C.

6.3 The **Licensee** agrees to pay the **IC** earned royalties as set forth in Appendix C.

6.4 The **Licensee** agrees to pay the **IC** milestone royalties as set forth in Appendix C.

6.5 In the event of the grant of a **Priority Review Voucher** by the **FDA,** the **Licensee** agrees to pay the **IC** a royalty as set forth in Appendix C.

6.6 The **Licensee** agrees to pay the **IC** sublicensing royalties as set forth in Appendix C.

6.7 The **Licensee** agrees to pay the **IC** extension royalties as set forth in Appendix C.

6.8 The **Licensee** agrees to pay the **IC** a non-creditable, nonrefundable license royalty as set forth in Appendix C within [***] of any **Change of Control.** This obligation shall survive any termination or expiration of the **Agreement** except for any termination of the **Agreement** initiated by **Licensee** due to an uncured material breach of the **Agreement** by **IC**.

6.9 The **Licensee** agrees to pay the **IC** royalties for patent reimbursement as described in Paragraph 6.13 and 6.14.

6.10 A patent or patent application licensed under this **Agreement** shall cease to fall within the **Licensed Patent Rights** for the purpose of computing earned royalty payments in any given country on the earliest of the dates that:

(a) the application has been abandoned and not continued;

(b) the patent expires or irrevocably lapses, or

(c) the patent has been held to be invalid or unenforceable by an unappealed or unappealable decision of a court of competent jurisdiction or administrative agency.

6.11 No multiple royalties shall be payable because any **Licensed Products** or **Licensed Processes** are covered by more than one of the **Licensed Patent Rights**.

6.12 On sales of the **Licensed Products** by the **Licensee** to sublicensees or on sales made in other than an arm's-length transaction, the value of the **Net Sales** attributed under this Article 6 to this transaction shall be that which would have been received in an arm's-length transaction, based on sales of like quantity and quality products on or about the time of this transaction. Sales made to patient assistance programs shall be deemed to be made in an arm's-length transaction for the purposes of calculating **Net Sales**.

6.13 With regard to unreimbursed expenses associated with the preparation, filing, prosecution, and maintenance of all patent applications and patents included within the **Licensed Patent Rights** and paid by the **IC** prior to [***], the **Licensee** shall pay the **IC** an amount equivalent to [***] of these expenses previously paid by the **IC**. This amount shall be included in the license issue royalty described in Appendix C (I). For clarity **Licensee** shall not be required to pay any additional amount for such unreimbursed expenses paid by the **IC** prior to [***] beyond that which is set forth in Appendix C.

6.14 With regard to expenses associated with the preparation, filing, prosecution, and maintenance of all patent applications and patents included within the **Licensed Patent Rights** and paid by the **IC** on or after [***], the **IC**, at its sole option, may require the **Licensee**:

(a) to pay the **IC** on an annual basis, within [***] of the **IC's** submission of a statement and request for payment, a royalty amount equivalent to the **Pro Rata Share** of these expenses paid during the previous calendar year(s);

(b) to pay these expenses directly to the law firm employed by the **IC** to handle these functions. However, in this event, the **IC** and not the **Licensee** shall be the client of the law firm; or

(c) in limited circumstances, the **Licensee** may be given the right to assume responsibility for the preparation, filing, prosecution, or maintenance of any patent application or patent included with the **Licensed Patent Rights**. In that event, the **Licensee** shall directly pay the attorneys or agents engaged to prepare, file, prosecute, or maintain these patent applications or patents and shall provide the **IC** with copies of each invoice associated with these services as well as documentation that these invoices have been paid.

6.15 The **IC** agrees, upon written request, to provide the **Licensee** with summaries of patent prosecution invoices for which the **IC** has requested payment from the **Licensee** under Paragraphs 6.13 and 6.14. The **Licensee** agrees that all information provided by the **IC** related to patent prosecution costs shall be treated as confidential commercial information and shall not be released to a **Third Party** except as required by law or a court of competent jurisdiction.

6.16 The **Licensee** may elect to surrender its rights in any country of the **Licensed Territory** under any of the **Licensed Patent Rights** upon [***] written notice to the **IC** and owe no payment obligation under Paragraph 6.14 for patent-related expenses paid in that country after [***] of the effective date of the written notice.

7. PATENT FILING, PROSECUTION, AND MAINTENANCE

7.1 Except as otherwise provided in this Article 7, the **IC** agrees to take responsibility for, but to consult with, the **Licensee** in the preparation, filing, prosecution, and maintenance of any and all patent applications or patents included in the **Licensed Patent Rights** and shall furnish copies of relevant patent-related documents to the **Licensee**.

7.2 Upon the **IC's** written request, the **Licensee** shall assume the responsibility for the preparation, filing, prosecution, and maintenance of any and all patent applications or patents included in the **Licensed Patent Rights** and shall, on an ongoing basis, promptly furnish copies of all patent-related documents to the **IC**. In this event, the **Licensee** shall, subject to the prior approval of the **IC**, select registered patent attorneys or patent agents to provide these services on behalf of the **Licensee** and the **IC**. The **IC** shall provide appropriate powers of attorney and other documents necessary to undertake this action to the patent attorneys or patent agents providing these services. The **Licensee** and its attorneys or agents shall consult with the **IC** in all aspects of the preparation, filing, prosecution and maintenance of patent applications and patents included within the **Licensed Patent Rights** and shall provide the **IC** sufficient opportunity to comment on any document that the **Licensee** intends to file or to cause to be filed with the relevant intellectual property or patent office.

7.3 At any time, the **IC** may provide the **Licensee** with written notice that the **IC** wishes to assume control of the preparation, filing, prosecution, and maintenance of any and all patent applications or patents included in the **Licensed Patent Rights**. If the **IC** elects to reassume these responsibilities, the **Licensee** agrees to cooperate fully with the **IC**, its attorneys, and agents in the preparation, filing, prosecution, and maintenance of any and all patent applications or patents included in the **Licensed Patent Rights** and to provide the **IC** with complete copies of any and all documents or other materials that the **IC** deems necessary to undertake such responsibilities. The **Licensee** shall be responsible for all costs associated with transferring patent prosecution responsibilities to an attorney or agent of the **IC's** choice.

7.4 Each party shall promptly inform the other as to all matters that come to its attention that may affect the preparation, filing, prosecution, or maintenance of the **Licensed Patent Rights** and permit each other to provide comments and suggestions with respect to the preparation, filing, prosecution, and maintenance of the **Licensed Patent Rights**, which comments and suggestions shall be considered by the other party.

8. RECORD KEEPING

8.1 The **Licensee** agrees to keep accurate and correct records of the **Licensed Products** made, used, sold, or imported and the **Licensed Processes** practiced under this **Agreement** appropriate to determine the amount of royalties due the **IC**. These records shall be retained for at least [***] years following a given reporting period and shall be available during normal business hours for inspection, at the expense of the **IC**, by an accountant or other designated auditor selected by the **IC** for the sole purpose of verifying reports and royalty payments hereunder. The accountant or auditor shall only disclose to the **IC** information relating to the accuracy of reports and royalty payments made under this **Agreement**. If an inspection shows an underreporting or underpayment in excess of [***] for any [***] month period, then the **Licensee** shall reimburse the **IC** for the cost of the inspection at the time the **Licensee** pays the unreported royalties, including any additional royalties as required by Paragraph 9.8. All royalty payments required under this Paragraph shall be due within [***] of the date the **IC** provides to the **Licensee** notice of the payment due.

9. REPORTS ON PROGRESS, BENCHMARKS, SALES, AND PAYMENTS

9.1 Prior to signing this **Agreement**, the **Licensee** has provided the **IC** with the **Commercial Development Plan** in Appendix E, under which the **Licensee** intends to bring the subject matter of the **Licensed Patent Rights** to the point of **Practical Application**. This **Commercial Development Plan** is hereby incorporated by reference into this **Agreement**. Based on this plan, performance **Benchmarks** are determined as specified in Appendix D. Upon exercise of the option described in Paragraphs 3.2 and 3.3, **Licensee** agrees to update this **Commercial Development Plan** to be commensurate with the field of use requested for the exclusive commercial license within the **Licensed Field of Use – Allogeneic**.

9.2 The **Licensee** shall provide written annual reports on its product development progress or efforts to commercialize under the **Commercial Development Plan** for each of the **Licensed Fields of Use** within [***] after December 31 of each calendar year. These progress reports shall include, but not be limited to: progress on research and development, status of applications for regulatory approvals, manufacture and status of sublicensing, marketing, importing, and sales during the preceding calendar year, as well as, plans for the present calendar year. The **IC** also encourages these reports to include information on any of the **Licensee's** public service activities that relate to the **Licensed Patent Rights**. If reported progress differs from that projected in the **Commercial Development Plan** and **Benchmarks**, the **Licensee** shall explain the reasons for these differences. In the annual report, the **Licensee** may propose amendments to the **Commercial Development Plan**, acceptance of which by the **IC** may not be denied unreasonably. The **Licensee** agrees to provide any additional information reasonably required by the **IC** to evaluate the **Licensee's** performance under this **Agreement**. The **Licensee** may amend the **Benchmarks** at any time upon written approval by the **IC**. The **IC** shall not unreasonably withhold approval of any request of the **Licensee** to extend the time periods of this schedule if the request is supported by a reasonable showing by the **Licensee** of diligence in its performance under the **Commercial Development Plan** and toward bringing the **Licensed Products** to the point of **Practical Application** as defined in 37 C.F.R. §404.3(d). The **Licensee** shall amend the **Commercial Development Plan** and **Benchmarks** at the request of the **IC** to address any **Licensed Fields of Use** not specifically addressed in the plan originally submitted.

9.3 The **Licensee** shall report to the **IC** the dates for achieving **Benchmarks** specified in Appendix D and the **First Commercial Sale** in each country in the **Licensed Territory** within [***] of such occurrences.

9.4 The **Licensee** shall submit to the **IC**, within [***] after each calendar [***], a royalty report, as described in the example in Appendix F, setting forth for the preceding [***] period the amount of the **Licensed Products** sold or **Licensed Processes** practiced by or on behalf of the **Licensee** in each country within the **Licensed Territory**, the **Net Sales**, and the amount of royalty accordingly due. With each royalty report, the **Licensee** shall submit payment of earned royalties due. If no earned royalties are due to the **IC** for any reporting period, the written report shall so state. The royalty report shall be certified as correct by an authorized officer of the **Licensee** and shall include a detailed listing of all deductions made under Paragraph 2.26 to determine **Net Sales** made under Article 6 to determine royalties due. The royalty report shall also identify the site of manufacture for the **Licensed Product(s)** sold in the United States.

9.5 The **Licensee** agrees to forward semi-annually to the **IC** a copy of these reports received by the **Licensee** from its sublicensees during the preceding half-year period as shall be pertinent to a royalty accounting to the **IC** by the **Licensee** for activities under the sublicense.

9.6 Royalties due under Article 6 shall be paid in U.S. dollars and payment options are listed in Appendix G. For conversion of foreign currency to U.S. dollars, the conversion rate shall be the New York foreign exchange rate quoted in *The Wall Street Journal* on the day that the payment is due. Any loss of exchange, value, taxes, or other expenses incurred in the transfer or conversion to U.S. dollars shall be paid entirely by the **Licensee**. The royalty report required by Paragraph 9.4 shall be mailed to the **IC** at its address for **Agreement** Notices indicated on the Signature Page or electronically mailed to the email address indicated on the Signature Page.

9.7 The **Licensee** shall be solely responsible for determining if any tax on royalty income is owed outside the United States and shall pay the tax and be responsible for all filings with appropriate agencies of foreign governments.

9.8 Additional royalties may be assessed by the **IC** on any payment that is more than [***] overdue at the rate of [***] per month. This [***] per month rate may be applied retroactively from the original due date until the date of receipt by the **IC** of the overdue payment and additional royalties. The payment of any additional royalties shall not prevent the **IC** from exercising any other rights it may have as a consequence of the lateness of any payment.

9.9 All plans and reports required by this Article 9 and marked "confidential" by the **Licensee** shall, to the extent permitted by law, be treated by the **IC** as commercial and financial information obtained from a person and as privileged and confidential, and any proposed disclosure of these records by the **IC** under the Freedom of Information Act (FOIA), 5 U.S.C. §552 shall be subject to the predisclosure notification requirements of 45 C.F.R. §5.65(d).

10. PERFORMANCE

10.1 Upon receipt and verification of the royalties due under Paragraph 6.1 and 6.2, specifically those royalties described in Appendix C, I(a) and III(a), the **IC** agrees, if **Licensed Materials** are available to the **IC**, to provide the **Licensee**, at the **Licensee's** expense, with samples of the **Licensed Materials** to the individual and address listed in Appendix H and, at reasonable cost to the **Licensee**, to replace them in the event of their unintentional destruction. Except as stated in Section 3.4, the **Licensee** agrees to retain control over the **Licensed Materials** and shall not distribute or release them to others without the prior written consent of the **IC**.

10.2 After receipt and verification of the royalties due under Paragraph 6.1 and 6.2, specifically those royalties described in Appendix C, I(a) and III(a), the **IC** may, at their sole discretion, provide **Licensed Know-How** to **Licensee** following **Licensee's** written request which must occur within [***] of the **Effective Date**. After a period of [***] from the **Effective Date** has elapsed, the **IC** has no obligation to review or consider any request for **Licensed Know-How** from **Licensee.** Except as stated in Section 3.4, the **Licensee** agrees to retain control over the **Licensed Know-How** and shall not distribute or release it to others without the prior written consent of the **IC**.

10.3 The **Licensee** shall use its reasonable commercial efforts to bring the **Licensed Products** and the **Licensed Processes** to **Practical Application**. "Reasonable commercial efforts" for the purposes of this provision shall include adherence to the **Commercial Development Plan** in Appendix E and performance of the **Benchmarks** in Appendix D, or as amended as described in Paragraph 9.2. The efforts of a sublicensee shall be considered the efforts of the **Licensee**.

10.4 Upon the **First Commercial Sale**, until the expiration or termination of this **Agreement**, the **Licensee** shall use its reasonable commercial efforts to make the **Licensed Products** and the **Licensed Processes** reasonably accessible to the United States public.

10.5 The **Licensee** agrees, after its **First Commercial Sale,** to make reasonable quantities of the **Licensed Products** or materials produced through the use of the **Licensed Processes** available to patient assistance programs.

10.6 The **Licensee** agrees, after its **First Commercial Sale** and as part of its marketing and product promotion, to develop educational materials (e.g., brochures, website, etc.) directed to patients and physicians detailing the **Licensed Products** or medical aspects of the prophylactic and therapeutic uses of the **Licensed Products**.

10.7 The **Licensee** agrees to supply, to the Mailing Address for **Agreement** Notices indicated on the Signature Page, the Office of Technology Transfer, **NIH** with inert samples of the **Licensed Products** or the **Licensed Processes** or their packaging for educational and display purposes only.

11. INFRINGEMENT AND PATENT ENFORCEMENT

11.1 The **IC** and the **Licensee** agree to notify each other promptly of each infringement or possible infringement of the **Licensed Patent Rights**, as well as, any facts which may affect the validity, scope, or enforceability of the **Licensed Patent Rights** of which either party becomes aware.

11.2 Pursuant to this **Agreement** and the provisions of 35 U.S.C. § 207(a)(2) and 35 U.S.C. Chapter 29, the **Licensee** may:

(a) bring suit in its own name, at its own expense, and on its own behalf for infringement of presumably valid claims in the **Licensed Patent Rights**;

(b) in any suit, enjoin infringement and collect for its use, damages, profits, and awards of whatever nature recoverable for the infringement; or

(c) settle any claim or suit for infringement of the **Licensed Patent Rights** provided, however, that the **IC** and appropriate **Government** authorities shall have the first right to take such actions; and

(d) if the **Licensee** desires to initiate a suit for patent infringement, the **Licensee** shall notify the **IC** in writing. If the **IC** does not notify the **Licensee** of its intent to pursue legal action within [***], the **Licensee** shall be free to initiate suit. The **IC** shall have a continuing right to intervene in the suit. The **Licensee** shall take no action to compel the **Government** either to initiate or to join in any suit for patent infringement. The **Licensee** may request the **Government** to initiate or join in any suit if necessary to avoid dismissal of the suit. Should the **Government** be made a party to any suit, the **Licensee** shall reimburse the **Government** for any costs, expenses, or fees which the **Government** incurs as a result of the motion or other action, including all costs incurred by the **Government** in opposing the motion or other action. In all cases, the **Licensee** agrees to

keep the **IC** reasonably apprised of the status and progress of any litigation. Before the **Licensee** commences an infringement action, the **Licensee** shall notify the **IC** and give careful consideration to the views of the **IC** and to any potential effects of the litigation on the public health in deciding whether to bring suit.

11.3 In the event that a declaratory judgment action alleging invalidity or non-infringement of any of the **Licensed Patent Rights** shall be brought against the **Licensee** or raised by way of counterclaim or affirmative defense in an infringement suit brought by the **Licensee** under Paragraph 11.2, pursuant to this **Agreement** and the provisions of 35 U.S.C. Chapter 29 or other statutes, the **Licensee** may:

(a) defend the suit in its own name, at its own expense, and on its own behalf for presumably valid claims in the **Licensed Patent Rights**;

(b) in any suit, ultimately to enjoin infringement and to collect for its use, damages, profits, and awards of whatever nature recoverable for the infringement; and

(c) settle any claim or suit for declaratory judgment involving the **Licensed Patent Rights**-provided, however, that the **IC** and appropriate **Government** authorities shall have the first right to take these actions and shall have a continuing right to intervene in the suit; and

(d) if the **IC** does not notify the **Licensee** of its intent to respond to the legal action within a reasonable time, the **Licensee** shall be free to do so. The **Licensee** shall take no action to compel the **Government** either to initiate or to join in any declaratory judgment action. The **Licensee** may request the **Government** to initiate or to join any suit if necessary to avoid dismissal of the suit. Should the **Government** be made a party to any suit by motion or any other action of the **Licensee**, the **Licensee** shall reimburse the **Government** for any costs, expenses, or fees, which the **Government** incurs as a result of the motion or other action. If the **Licensee** elects not to defend against the declaratory judgment action, the **IC**, at its option, may do so at its own expense. In all cases, the **Licensee** agrees to keep the **IC** reasonably apprised of the status and progress of any litigation. Before the **Licensee** commences an infringement action, the **Licensee** shall notify the **IC** and give careful consideration to the views of the **IC** and to any potential effects of the litigation on the public health in deciding whether to bring suit.

11.4 In any action under Paragraphs 11.2 or 11.3 the expenses including costs, fees, attorney fees, and disbursements, shall be paid by the **Licensee**. The value of any recovery made by the **Licensee** through court judgment or settlement shall be treated as **Net Sales** and subject to earned royalties.

11.5 The **IC** shall cooperate fully with the **Licensee** in connection with any action under Paragraphs 11.2 or 11.3. The **IC** agrees promptly to provide access to all necessary documents and to render reasonable assistance in response to a request by the **Licensee**.

12. NEGATION OF WARRANTIES AND INDEMNIFICATION

12.1 The **IC** offers no warranties other than those specified in Article 1.

12.2 The **IC** does not warrant the validity of the **Licensed Patent Rights** and makes no representations whatsoever with regard to the scope of the **Licensed Patent Rights**, or that the **Licensed Patent Rights** and **Licensed Know-How** may be exploited without infringing other patents or other intellectual property rights of **Third Parties**.

12.3 THE **IC** MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF ANY SUBJECT MATTER DEFINED BY THE CLAIMS OF THE **LICENSED PATENT RIGHTS, LICENSED KNOW-HOW, LICENSED MATERIALS** OR OTHER TANGIBLE MATERIALS RELATED THERETO.

12.4 The **IC** does not represent that it shall commence legal actions against **Third Parties** infringing the **Licensed Patent Rights**.

12.5 The **Licensee** shall indemnify and hold the **IC**, its employees, students, fellows, agents, and consultants harmless from and against all liability, demands, damages, expenses, and losses, including but not limited to death, personal injury, illness, or property damage in connection with or arising out of:

(a) the use by or on behalf of the Licensee, its Sublicensees, Affiliates, directors, employees, or Third Parties of any Licensed Patent Rights or Licensed Know-How, in the Licensed Fields of Use; or

(b) the design, manufacture, distribution, or use of any **Licensed Products**, **Licensed Processes, Licensed Materials**, or other materials by the **Licensee**, or other products or processes developed in connection with or arising out of the **Licensed Patent Rights** or **Licensed Know-How**.

12.6 The **Licensee** agrees to maintain a liability insurance program consistent with sound business practice.

13. TERM, TERMINATION, AND MODIFICATION OF RIGHTS

13.1 This **Agreement** is effective when signed by all parties, unless the provisions of Paragraph 14.16 are not fulfilled, and shall extend to the expiration of the last to expire of the **Licensed Patent Rights** unless sooner terminated as provided in this Article 13.

13.2 In the event that the **Licensee** is in default in the performance of any material obligations under this **Agreement**, including but not limited to the obligations listed in Paragraph 13.5, and if the default has not been remedied within ninety (90) days after the date of notice in writing of the default, the **IC** may terminate this **Agreement** by written notice and pursue outstanding royalties owed through procedures provided by the Federal Debt Collection Act.

13.3 In the event that the **Licensee** becomes insolvent, files a petition in bankruptcy, has such a petition filed against it, determines to file a petition in bankruptcy, or receives notice of a **Third Party's** intention to file an involuntary petition in bankruptcy, the **Licensee** shall immediately notify the **IC** in writing.

13.4 The **Licensee** shall have a unilateral right to terminate this **Agreement** or any licenses in any country or territory by giving the **IC** sixty (60) days written notice to that effect.

13.5 The **IC** shall specifically have the right to terminate or modify, at its option, this **Agreement**, if the **IC** determines that the **Licensee**:

(a) is not executing the **Commercial Development Plan** submitted with its request for a license and the **Licensee** cannot otherwise demonstrate to the **IC's** satisfaction that the **Licensee** has taken, or can be expected to take within a reasonable time, effective steps to achieve the **Practical Application** of the **Licensed Products** or the **Licensed Processes**;

(b) has not achieved the **Benchmarks** as may be modified under Paragraph 9.2;

(c) has willfully made a false statement of, or willfully omitted a material fact in the license application or in any report required by this **Agreement**;

(d) has committed a material breach of a covenant or agreement contained in this **Agreement**;

(e) is not keeping the **Licensed Products** or the **Licensed Processes** reasonably available to the public after commercial use commences;

(f) cannot reasonably satisfy unmet health and safety needs; or

(g) cannot reasonably justify a failure to comply with the domestic production requirement of Paragraph 5.2 unless waived.

(h) has been found by a court of competent jurisdiction to have violated the Federal antitrust laws in connection with its performance under this **Agreement.**

13.6 In making the determination referenced in Paragraph 13.5, the **IC** shall take into account the normal course of such commercial development programs conducted with sound and reasonable business practices and judgment and the annual reports submitted by the **Licensee** under Paragraph 9.2. Prior to invoking termination or modification of this **Agreement** under Paragraph 13.5, the **IC** shall give written notice to the **Licensee** providing the **Licensee** specific notice of, and a ninety (90) day opportunity to respond to, the **IC's** concerns as to the items referenced in 13.5(a)-13.5(h). If the **Licensee** fails to alleviate the **IC's** concerns as to the items referenced in 13.5(a)-13.5(h) or fails to initiate corrective action to the **IC's** satisfaction, the **IC** may terminate this **Agreement**.

13.7 When the public health and safety so require, and after written notice to the **Licensee** providing the **Licensee** a sixty (60) day opportunity to respond, the **IC** shall have the right to require the **Licensee** to grant sublicenses to responsible applicants, on reasonable terms, in any **Licensed Fields of Use** under the **Licensed Patent Rights**, unless the **Licensee** can reasonably demonstrate that the granting of the sublicense would not materially increase the availability to the public of the subject matter of the **Licensed Patent Rights**. The **IC** shall not require the granting of a sublicense unless the responsible applicant has first negotiated in good faith with the **Licensee**.

13.8 The **IC** reserves the right according to 35 U.S.C. §209(d)(3) to terminate or modify this **Agreement** if it is determined that this action is necessary to meet the requirements for public use specified by federal regulations issued after the date of the license and these requirements are not reasonably satisfied by the **Licensee**.

13.9 Within thirty (30) days of receipt of written notice of the **IC's** unilateral decision to modify or terminate this **Agreement**, the **Licensee** may, consistent with the provisions of 37 C.F.R. §404.11, appeal the decision by written submission to the designated **IC** official or designee. The decision of the designated **IC** official or designee shall be the final agency decision. The **Licensee** may thereafter exercise any and all administrative or judicial remedies that may be accessible.

13.10 Within ninety (90) days of expiration or termination of this **Agreement** under this Article 13, a final report shall be submitted by the **Licensee**. Any royalty payments, including those incurred but not yet paid (such as the full minimum annual royalty), and those related to patent expenses, due to the **IC** shall become immediately due and payable upon termination or expiration. If terminated under this Article 13, sublicensees may elect to convert their sublicenses to direct licenses with the **IC** pursuant to Paragraph 4.3. Unless otherwise specifically provided for under this **Agreement**, upon termination or expiration of this **Agreement**, the **Licensee** shall return all **Licensed Products** or other materials included within the **Licensed Patent Rights** to the **IC** or provide the **IC** with certification of the destruction thereof. The **Licensee** may not be granted additional **IC** licenses if the final reporting requirement is not fulfilled.

14. GENERAL PROVISIONS

14.1 Neither party may waive or release any of its rights or interests in this **Agreement** except in writing. The failure of the **Government** to assert a right hereunder or to insist upon compliance with any term or condition of this **Agreement** shall not constitute a waiver of that right by the **Government** or excuse a similar subsequent failure to perform any of these terms or conditions by the **Licensee**.

14.2 This **Agreement** constitutes the entire agreement between the parties relating to the subject matter of the **Licensed Patent Rights**, the **Licensed Know-How,** the **Licensed Materials**, the **Licensed Products** and the **Licensed Processes**, and all prior negotiations, representations, agreements, and understandings are merged into, extinguished by, and completely expressed by this **Agreement**.

14.3 The provisions of this **Agreement** are severable, and in the event that any provision of this **Agreement** shall be determined to be invalid or unenforceable under any controlling body of law, this determination shall not in any way affect the validity or enforceability of the remaining provisions of this **Agreement**.

14.4 If either party desires a modification to this **Agreement**, the parties shall, upon reasonable notice of the proposed modification by the party desiring the change, confer in good faith to determine the desirability of the modification. No modification shall be effective until a written amendment is signed by the signatories to this **Agreement** or their designees.

14.5 The construction, validity, performance, and effect of this **Agreement** shall be governed by Federal law as applied by the Federal courts in the District of Columbia.

14.6 All **Agreement** notices required or permitted by this **Agreement** shall be given by prepaid, first class, registered or certified mail or by an express/overnight delivery service provided by a commercial carrier, properly addressed to the other party at the address designated on the following Signature Page, or to another address as may be designated in writing by the other party. **Agreement** notices shall be considered timely if the notices are received on or before the established deadline date or sent on or before the deadline date as verifiable by U.S. Postal Service postmark or dated receipt from a commercial carrier. Parties should request a legibly dated U.S. Postal Service postmark or obtain a dated receipt from a commercial carrier or the U.S. Postal Service. Private metered postmarks shall not be acceptable as proof of timely mailing.

14.7 This **Agreement** shall not be assigned or otherwise transferred (including any transfer by legal process or by operation of law, and any transfer in bankruptcy or insolvency, or in any other compulsory procedure or order of court) except to the **Licensee's Affiliate(s)** without the prior written consent of the **IC**, such consent not to be unreasonably withheld. The parties agree that the identity of the parties is material to the formation of this **Agreement** and that the obligations under this **Agreement** are nondelegable. In the event of an assignment of this **Agreement,** other than an assignment commensurate with a **Change of Control** event, the **Licensee** shall pay the **IC** an assignment royalty as set forth in Appendix C within [***] of the assignment.

14.8 The **Licensee** agrees in its use of any **IC**-supplied materials (including **Licensed Materials**) to comply with all applicable statutes, regulations, and guidelines, including **NIH** and **HHS** regulations and guidelines. **Licensee** agrees not to use any **IC-** supplied materials (**Licensed Materials)** in humans for any purpose without prior written consent of **IC**. The **Licensee** agrees not to use the materials for research involving human subjects or clinical trials in the United States without complying with 21 C.F.R. Part 50 and 45 C.F.R. Part 46. The **Licensee** agrees not to use the materials for research involving human subjects or clinical trials outside of the United States without notifying the **IC**, in writing, of the research or trials and complying with the applicable regulations of the appropriate national control authorities. Written notification to the **IC** of research involving human subjects or clinical trials outside of the United States shall be given no later than [***] prior to commencement of the research or trials.

14.9 The **Licensee** acknowledges that it is subject to and agrees to abide by the United States laws and regulations (including the Export Administration Act of 1979 and Arms Export Control Act) controlling the export of technical data, computer software, laboratory prototypes, biological material, and other commodities. The transfer of these items may require a license from the appropriate agency of the U.S. **Government** or written assurances by the **Licensee** that it shall not export these items to certain foreign countries without prior approval of this agency. The **IC** neither represents that a license is or is not required or that, if required, it shall be issued.

14.10 The **Licensee** agrees to mark the **Licensed Products** or their packaging sold in the United States with all applicable U.S. patent numbers and similarly to indicate "Patent Pending" status. All the **Licensed Products** manufactured in, shipped to, or sold in other countries shall be marked in a manner to preserve the **IC's** patent rights in those countries.

14.11 By entering into this **Agreement**, the **IC** does not directly or indirectly endorse any product or service provided, or to be provided, by the **Licensee** whether directly or indirectly related to this **Agreement**. The **Licensee** shall not state or imply that this **Agreement** is an endorsement by the **Government**, the **IC**, any other **Government** organizational unit, or any **Government** employee. Additionally, the **Licensee** shall not use the names of the **IC**, the **FDA** or the **HHS** or the **Government** or their employees in any advertising, promotional, or sales literature without the prior written approval of the **IC**.

14.12 The parties agree to attempt to settle amicably any controversy or claim arising under this **Agreement** or a breach of this **Agreement**, except for appeals of modifications or termination decisions provided for in Article 13. The **Licensee** agrees first to appeal any unsettled claims or controversies to the designated **IC** official, or designee, whose decision shall be considered the final agency decision. Thereafter, the **Licensee** may exercise any administrative or judicial remedies that may be available.

14.13 Nothing relating to the grant of a license, nor the grant itself, shall be construed to confer upon any person any immunity from or defenses under the antitrust laws or from a charge of patent misuse, and the acquisition and use of rights pursuant to 37 C.F.R. Part 404 shall not be immunized from the operation of state or Federal law by reason of the source of the grant.

14.14 Any formal recordation of this **Agreement** required by the laws of any **Licensed Territory** as a prerequisite to enforceability of the **Agreement** in the courts of any foreign jurisdiction or for other reasons shall be carried out by the **Licensee** at its expense, and appropriately verified proof of recordation shall be promptly furnished to the **IC**.

14.15 Paragraphs 4.3, 8.1, 9.5-9.8, 12.1-12.5, 13.9, 13.10, 14.12 and 14.15 of this **Agreement** shall survive termination of this **Agreement**.

14.16 The terms and conditions of this **Agreement** shall, at the **IC's** sole option, be considered by the **IC** to be withdrawn from the **Licensee's** consideration and the terms and conditions of this **Agreement**, and the **Agreement** itself to be null and void, unless this **Agreement** is executed by the **Licensee** and a fully executed original is received by the **IC** within [***] from the date of the **IC's** signature found at the Signature Page.

SIGNATURES BEGIN ON NEXT PAGE

SIGNATURE PAGE

For the **IC**:

/s/ [***]
[***]
Associate Director
Technology Transfer Center
National Cancer Institute
National Institutes of Health

March 15, 2022
Date

Address for Agreement notices and reports:

E-mail: [***] (preferred)

Mail: License Compliance and Administration
Monitoring & Enforcement
Office of Technology Transfer
National Institutes of Health
6701 Rockledge Drive, Suite 700, MS 7788
Bethesda, Maryland 20892 U.S.A.

(For courier deliveries please check https://www.ott.nih.gov/licensing/license-noticesreports)

For the **Licensee** (Upon, information and belief, the undersigned expressly certifies or affirms that the contents of any statements of the **Licensee** made or referred to in this document are truthful and accurate.):

by:
/s/ [***]
Signature of Authorized Official

March 16, 2022
Date

[***]
Printed Name

President, Syncopation Life Sciences
Title

I. Official and Mailing Address for Agreement notices:

[***]
Name

[***]
Title

Mailing Address

628 Middlefield Road
Palo Alto, CA 94301

Email Address: [***]

Phone: [***]

Fax:

II. Official and Mailing Address for Financial notices (the **Licensee's** contact person for royalty payments)

[***]
Name

Chief Financial Officer
Title

Mailing Address:

628 Middlefield Road

Palo Alto, CA 94301

Email Address: [***]

Phone: [***]
Fax:

Any false or misleading statements made, presented, or submitted to the **Government**, including any relevant omissions, under this **Agreement** and during the course of negotiation of this **Agreement** are subject to all applicable civil and criminal statutes including Federal statutes 31 U.S.C. §§3801-3812 (civil liability) and 18 U.S.C. §1001 (criminal liability including fine(s) or imprisonment).

APPENDIX A – PATENT(S) OR PATENT APPLICATION(S)

(a) [***]

APPENDIX B – LICENSED FIELDS OF USE AND TERRITORY

I. **Licensed Fields** of Use:

1. Licensed Field of Use—Autologous

Development, manufacture and commercialization of autologously derived chimeric antigen receptor T cell (CAR-T) immunotherapies for the treatment of B cell malignancies that express CD22 wherein:

1. The T cells are engineered to be monospecific for CD22; and

2. The chimeric antigen receptor is specific for CD22 via the m971 scFv; and

Where "autologous" specifically means where the cells or tissue are removed from a patient, modified ex vivo and then, implanted, transplanted, infused, or transferred back into the same individual from whom the cells or tissue were recovered.

2. Licensed Field of Use—Allogeneic

Development, manufacture and commercialization of allogeneically derived chimeric antigen receptor T cell (CAR-T) immunotherapies that are not engineered to overexpress CD47 for the treatment of B cell malignancies that express CD22 wherein:

1. The T cells are engineered to be monospecific for CD22; and

2. The chimeric antigen receptor is specific for CD22 via the m971 scFv.

For purposes of clarity, this Field of Use specifically excludes any allogeneically derived CAR-T immunotherapy that has been engineered to overexpress CD47.

II. Licensed Territory:

Worldwide

APPENDIX C – ROYALTIES

Royalties:

I. The **Licensee** agrees to pay to the **IC** a noncreditable, nonrefundable license issue royalty in the amount of [***] payable in installments as follows:

(a) The first installment of [***] is due and payable within [***] from the **Effective Date** of this **Agreement**.

(b) The second installment of [***] is due and payable on the [***] anniversary of the **Effective Date** of this **Agreement**.

(c) The third installment of [***] is due and payable on the [***] anniversary of the **Effective Date** of this **Agreement**.

(d) The fourth installment of [***] is due and payable on the [***] anniversary of the **Effective Date** of this **Agreement**.

For clarity, pursuant to Paragraph 6.13 and to the extent payable under Paragraph 6.13, **IC** will allocate this license issue royalty as needed to account for any expenses incurred by **IC** related to the preparation, filing, prosecution, and maintenance of all patent applications and patents included within the **Licensed Patent Rights**.

II. In the event of an extension of the **Option Period** as described in Paragraph 3.2, the **Licensee** agrees to pay to the **IC** a non-creditable, non-refundable extension royalty of [***] payable on or prior to the expiration date of the **Option Period**.

III. The **Licensee** agrees to pay to the **IC** a nonrefundable minimum annual royalty in the amount of [***] as follows:

(a) [***]; and

(b) [***]; and

(c) [***].

(d) [***].

IV. The **Licensee** agrees to pay the **IC** earned royalties of on **Net Sales** by or on behalf of the **Licensee, Affiliates**, and its **Sublicensees** for an **Autologous Product** as follows:

(a) When the annual **Net Sales** of **Autologous Products** is [***], **Licensee** agrees to pay an earned royalty of [***].

(b) When the annual **Net Sales** of **Autologous Products** is [***], **Licensee** agrees to pay an earned royalty on [***].

(c) The **Licensee** agrees to pay the **IC** earned royalties of [***] on **Net Sales** by or on behalf of the **Licensee, Affiliates**, and its **Sublicensees** for an **Allogeneic Product**.

(d) In the event that **Licensee** is obligated to pay an earned royalty to an unaffiliated **Third Party** for a license to a patent or other intellectual property that would be infringed or otherwise violated or unauthorized by the use, manufacture, offer for sale, sale or import of a **Licensed Product** in a particular country absent a license from that **Third Party** (hereinafter "**Necessary License**"), then, if **Licensee** obtains a **Necessary License** from that **Third Party** after the **Effective Date** of this **Agreement**, **Licensee** shall be entitled to an offset of [***] against the earned royalty rate due to

IC herein for each percent point in excess of [***] that **Licensee** actually pays to any **Third Party** for a **Necessary License** as determined on a cumulative basis across all **Third Parties** and **Necessary Licenses**. Notwithstanding the foregoing, in no event shall such offset or credit reduce the earned royalty due to **IC** under this **Agreement** by more than [***]. Upon request, **Licensee** shall furnish documentation to **IC** evidencing its payments and payment obligations to **Third Parties** under this Paragraph, including the identity of those patents or other intellectual property rights for which such payments are paid to a **Third Party**.

V. The **Licensee** agrees to pay the **IC** milestone royalties within [***] of achieving each milestone, as follows:

(a) [***].

(b) [***].

(c) [***].

(d) [***].

(e) [***].

In the event that any of the milestones listed in this Section V (a)-(d) are achieved with [***], the **Licensee** may reduce the payment owed to the **IC** by [***].

VI. In the event that a **Priority Review Voucher** is granted or has been granted to the **Licensee** by the **FDA** based on **Licensed Products,** the **Licensee** agrees to make one of the following royalty payments for each such **Priority Review Voucher**:

(a) [***]:

(1) [***]; or

(2) [***].

(b) [***].

VII. The **Licensee** agrees to pay the **IC** additional sublicensing royalties on **Sublicense Income** received by **Licensee** following execution of a sublicense agreement granting a **Sublicense** pursuant to Article 4, within [***] of receipt of such income, as follows:

(a) [***] of **Sublicense Income** for a sublicense granted before **Licensee's** initiation (where initiation means the first patient dosed) of [***];

(b) [***] of **Sublicense Income** for a sublicense granted before [***]**,** but after [***].

(c) [***] of **Sublicense Income** for a sublicense granted with or after [***];

VIII. In the event of a **Change of Control** of **Licensee** or an assignment of this **Agreement** not associated with a **Change of Control**, the **Licensee** agrees to pay the **IC** a royalty:

(a) The **Licensee** agrees to pay the **IC** royalties of [***] on the fair market value of any consideration received in connection with a **Change of Control** within [***] of the execution of such **Change of Control** event if [***]. **Licensee** shall fairly and in good faith allocate such consideration among all such intellectual property rights, technology or materials, and the payment to the **IC** will be based on the allocation of the **Licensed Patent Rights** under this **Agreement.**

(b) The **Licensee** agrees to pay the **IC** royalties of [***] on the fair market value of any consideration received in connection with a **Change of Control** within [***] of the execution of such **Change of Control** event if [***]. **Licensee** shall fairly and in good faith allocate such consideration among all such intellectual property rights, technology or materials, and the payment to the **IC** will be based on the allocation of the **Licensed Patent Rights** under this **Agreement.**

(c) The **Licensee** agrees to pay the **IC** royalties of [***] on the fair market value of any consideration received in connection with a **Change of Control** within [***] of the execution of such **Change of Control** event if [***]. **Licensee** shall fairly and in good faith allocate such consideration among all such intellectual property rights, technology or materials, and the payment to the **IC** will be based on the allocation of the **Licensed Patent Rights** under this **Agreement.**

(d) The **Licensee** agrees to pay the **IC** royalties of [***] on the fair market value of any consideration received in the event of an assignment of this **Agreement**, (such assignment not associated with a **Change of Control)** within [***] of the execution of such assignment. **Licensee** shall fairly and in good faith allocate such consideration among all such intellectual property rights, technology or materials, and the payment to the **IC** will be based on the allocation of the **Licensed Patent Rights** under this **Agreement.**

For clarity, only one of the payments set forth in (a), (b) or (c) above shall be payable in the event of each unique **Change of Control** or assignment of this **Agreement**.

APPENDIX D – BENCHMARKS AND PERFORMANCE

The **Licensee** agrees to the following **Benchmarks** for its performance under this **Agreement** and, [***] of achieving a **Benchmark**, shall notify the **IC** that the **Benchmark** has been achieved. For purposes of this Appendix D, "initiate" or "initiation" means the first dosing of the first patient.

I. By [***], **Licensee** will [***].

II. By [***], **Licensee** will [***].

III. By [***], **Licensee** will [***].

IV. By [***], **Licensee** will [***].

V. By [***], **Licensee** will [***].

VI. By [***], **Licensee** will [***].

VII. By [***], **Licensee** will [***].

VIII. By [***], **Licensee** will [***].

IX. By [***], **Licensee** will [***].

X. By [***], **Licensee** will [***].

XI. By [***], **Licensee** will [***].

XII. By [***], **Licensee** will [***].

APPENDIX E – COMMERCIAL DEVELOPMENT PLAN

[***]

APPENDIX F – EXAMPLE ROYALTY REPORT

Required royalty report information includes:

- License reference number (L-XXX-200X/0)
- Reporting period
- Catalog number and units sold of each Licensed Product (domestic and foreign)
- Gross Sales per catalog number per country
- Total Gross Sales
- Itemized deductions from Gross Sales
- Total Net Sales
- Earned Royalty Rate and associated calculations
- Gross Earned Royalty
- Adjustments for Minimum Annual Royalty (MAR) and other creditable payments made
- Net Earned Royalty due

[***]

APPENDIX G – ROYALTY PAYMENT OPTIONS
New Payment Options Effective March 2018

[***]

APPENDIX H – SHIPPING INFORMATION

The Licensee's Shipping Contact: information or questions regarding shipping should be directed to the Licensee's Shipping Contact at:

[***] Chief Operating Officer
Shipping Contact's Name Title

Phone: [***] Fax: ( ) E-mail: [***]

Shipping Address: Name & Address to which Materials should be shipped (please be specific):

Syncopation Life Sciences
Company Name & Department

Address:

1900 Alameda de las Pulgas
Suite 350
San Mateo, CA 94403

The **Licensee's** shipping carrier and account number to be used for shipping purposes:

UPS account [***]

PUBLIC HEALTH SERVICE

PATENT LICENSE AGREEMENT – *EXCLUSIVE*

This **Agreement** is based on the model Patent License Exclusive Agreement adopted by the U.S. Public Health Service ("**PHS**") Technology Transfer Policy Board for use by components of the National Institutes of Health ("**NIH**"), the Centers for Disease Control and Prevention ("**CDC**"), and the Food and Drug Administration ("**FDA**"), which are agencies of the PHS within the Department of Health and Human Services ("**HHS**").

This Cover Page identifies the Parties to this **Agreement**:

The U.S. Department of Health and Human Services, as represented

by The National Cancer Institute ("**NCI**")

an Institute or Center (hereinafter referred to as the "**IC**")

of the National Institutes of Health ("**NIH**")

and

CARGO Therapeutics Inc.

hereinafter referred to as the "**Licensee**",

having offices at

1900 Alameda de las Pulgas, Suite 350, San Mateo CA 94403,

created and operating under the laws of Delaware.

Tax ID No.:__ [***]__

For the **IC** internal use only:

License Number: L-139-2023-0

License Application Number: A-545-2021

Serial Number(s) of Licensed Patent(s) or Patent Application(s): See Appendix A

Cooperative Research and Development Agreement (CRADA) Number (if a subject invention): N/A

Additional Remarks:

Public Benefit(s):

The public interest would be well served by an exclusive license for this technology since therapies are needed for the treatment of CD22 expressing cancers, among which are acute lymphocytic leukemia, a leukemia that affects the pediatric population, and lymphomas. The development of new therapies is needed for CD22 expressing B cell malignancies.

This Patent License Agreement, hereinafter referred to as the "**Agreement**", consists of this Cover Page, an attached **Agreement**, a Signature Page, Appendix A (List of Patent(s) or Patent Application(s)), Appendix B (Fields of Use and Territory), Appendix C (Royalties), Appendix D (Benchmarks and Performance), Appendix E (Commercial Development Plan), Appendix F (Example Royalty Report), and Appendix G (Royalty Payment Options).

The **IC** and the **Licensee** agree as follows:

1. BACKGROUND

1.1 In the course of conducting biomedical and behavioral research, the **IC** investigators made inventions that may have commercial applicability.

1.2 By assignment of rights from **IC** employees and other inventors, **HHS**, on behalf of the **Government**, owns intellectual property rights claimed in any United States or foreign patent applications or patents corresponding to the assigned inventions. **HHS** also owns any tangible embodiments of these inventions actually reduced to practice by the **IC**.

1.3 The Secretary of **HHS** has delegated to the **IC** the authority to enter into this **Agreement** for the licensing of rights to these inventions.

1.4 The **IC** desires to transfer these inventions to the private sector through commercialization licenses to facilitate the commercial development of products and processes for public use and benefit.

1.5 The **Licensee** desires to acquire commercialization rights to certain of these inventions in order to develop processes, methods, or marketable products for public use and benefit.

2. DEFINITIONS

2.1 "**Additional License**" means an exclusive, co-exclusive or non-exclusive commercial license that includes the **Licensed Patent Rights** and is granted by the **IC** to a **Third Party** ("**Additional Licensee**"). For clarity, any **Research License** granted under the **Licensed Patent Rights** that does not require the **Third Party** licensee to pay a share of patent expenses shall not be deemed an "**Additional License**".

2.2 "**Affiliate(s)**" means a corporation or other business entity, which directly or indirectly is controlled by or controls, or is under common control with the **Licensee**. For this purpose, the term "control" shall mean ownership of more than fifty percent (50%) of the voting stock or other ownership interest of the corporation or other business entity, or the power to elect or appoint more than fifty percent (50%) of the members of the governing body of the corporation or other business entity.

2.3 "**Benchmarks**" mean the performance events that are set forth in Appendix D.

2.4 "**BLA**" means a Biologics License Application, as defined in the U.S. Federal Food, Drug, and Cosmetics Act, as amended, and the regulations promulgated thereunder, and any corresponding foreign or domestic marketing authorization application, registration or certification, necessary or reasonably useful to market a **Licensed Product** in the **Territory**, but not including pricing and reimbursement approvals.

2.5 "**Change of Control**" means (i) any transaction or series of related transactions following which the holders of a majority of **Licensee's** capital stock or membership or equity interests immediately prior to such transaction or series of related transactions entitled to (a) vote with respect to the election of directors (or positions having a similar function) or (b) receive the proceeds upon any sale, liquidation or dissolution of **Licensee**, and collectively no longer hold a majority of **Licensee's** capital stock or membership or equity interests, (ii) a sale, transfer, or other disposition, in a single transaction or series of related transactions, of all or a material portion of **Licensee's** interest in the **Licensed Product(s)** (iii) a sale, transfer, or other disposition, in a single transaction or series of related transactions, of all or a material portion of **Licensee's** right title, or interest in its assets taken as a whole, (iv) an initial public offering of the stock of **Licensee**; or (v) the merger of **Licensee** with a **Third Party** by operation of law or otherwise. For clarity, equity financing undertaken primarily for the purpose of raising capital shall not be considered a **Change of Control**.

2.6 "**Commercial Development Plan**" means the written commercialization plan attached as Appendix E.

2.7 "**Commercial Purpose**" means the sale, lease, license, distribution in lieu of purchase, or any other transfer of the **Licensed Products**, excluding transfers to **Third Party Contractor(s)** or **Third Party Collaborators** for evaluation or internal research and evaluation. **Commercial Purpose** shall also include uses of the **Licensed Products** to perform contract research, to screen libraries, to produce or manufacture products for general sale, or to conduct activities that result in any direct or indirect sale, lease, license, or transfer of the **Licensed Products**, excluding transfers to **Third Party Contractor(s)** or **Third Party Collaborators** for evaluation or internal research and evaluation.

2.8 "**CRADA**" means a Cooperative Research and Development Agreement.

2.9 "**Distinct Licensed Product**" means a **Licensed Product** that, in comparison to a second **Licensed Product**, would require a separate Biologics License Application (**BLA**) or New Drug Application based on novel or differing composition of matter, or a differing indication.

2.10 "**Effective Date**" means the date that this **Agreement** becomes effective, which is the first date when it has been signed by all parties to the **Agreement**.

2.11 "**FDA**" means the Food and Drug Administration.

2.12 "**First Commercial Sale**" means the initial transfer by or on behalf of the **Licensee** or its sublicensees of the **Licensed Products** or the initial practice of a **Licensed Process** by or on behalf of the **Licensee** or its sublicensees in exchange for cash or some equivalent to which value can be assigned for the purpose of determining **Net Sales**. For purposes of clarity, the transfer of **Licensed Products** or practice of **Licensed Processes** prior to receipt of a relevant regulatory approval for use in a non-clinical or clinical study (included but not limited to expanded access distribution) shall not be considered a **First Commercial Sale** for such **Licensed Product** or **Licensed Processes**.

2.13 "**Government**" means the Government of the United States of America.

2.14 "**Licensed Fields of Use**" means, collectively, the fields of use identified in Appendix B.

2.15 "**Licensed Patent Rights**" means:

(a) Patent applications (including provisional patent applications and PCT patent applications) or patents listed in Appendix A, all divisions and continuations of these applications, all patents issuing from these applications, divisions, and continuations, and any reissues, reexaminations, and extensions of these patents;

(b) to the extent that the following contain one or more claims directed to the invention or inventions disclosed in 2.15(a):

(i) continuations-in-part of 2.15(a);

(ii) all divisions and continuations of these continuations-in-part;

(iii) all patents issuing from these continuations-in-part, divisions, and continuations;

(iv) priority patent application(s) of 2.15(a); and

(v) any reissues, reexaminations, and extensions of these patents;

(c) to the extent that the following contain one or more claims directed to the invention or inventions disclosed in 2.15(a): all counterpart foreign and U.S. patent applications and patents to 2.15(a) and 2.15(b), including those listed in Appendix A; and

(d) **Licensed Patent Rights** shall *not* include 2.15(b) or 2.15(c) to the extent that they contain one or more claims directed to new matter which is not the subject matter disclosed in 2.15(a).

2.16 "**Licensed Processes**" means processes which, in the course of being practiced, (a) would be within the scope of one or more claims of the **Licensed Patent Rights** that have not been held unpatentable, invalid or unenforceable by an unappealed or unappealable judgment of a court of competent jurisdiction, or (b) utilize or rely upon the **Licensed Know-How**.

2.17 "**Licensed Products**" means tangible materials which, in the course of manufacture, use, sale, or importation, would be within the scope of one or more claims of the **Licensed Patent Rights** that have not been held unpatentable, invalid or unenforceable by an unappealed or unappealable judgment of a court of competent jurisdiction.

2.18 "**Licensed Territory**" means the geographical area identified in Appendix B.

2.19 "**Net Sales**" means the total gross receipts for sales of **Licensed Products** or practice of **Licensed Processes** by or on behalf of the **Licensee** or its sublicensees, and from leasing, renting, or otherwise making the **Licensed Products** available to others without sale or other dispositions, whether invoiced or not, less returns, and allowances, packing costs, insurance costs, freight out, taxes or, if separately invoiced, excise duties imposed on the transaction, and wholesaler and cash discounts in amounts customary in the trade to the extent actually granted. No deductions shall be made for commissions paid to individuals, whether they are with independent sales agencies or regularly employed by the **Licensee**, or sublicensees, and on its payroll, or for the cost of collections.

2.20 "**Phase 1 Clinical Trial**" means an investigational study in humans consistent with the description in U.S. 21 C.F.R. §312.21(a) or its foreign equivalents.

2.21 "**Phase 2 Clinical Trial**" means an investigational study in humans consistent with the description in U.S. 21 C.F.R. §312.21(b) or its foreign equivalents.

2.22 "**Phase 3 Clinical Trial**" means an investigational consistent with the description in U.S. 21 C.F.R. §312.21(c) or its foreign equivalents.

2.23 "**Practical Application**" means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and in each case, under these conditions as to establish that the invention is being utilized and that its benefits are to the extent permitted by law or **Government** regulations available to the public on reasonable terms.

2.24 "**Priority Review**" means, with respect to a human drug application as defined in section 735(1) [21 USC § 379g(1)], review and action by the Secretary of **HHS** ("**Secretary**") on such application not later than six (6) months after receipt by the Secretary of such application, as described in the Manual of Policies and Procedures of the **FDA** and goals identified in the letters described in section 101(b) of the Prescription Drug User Fee Amendments of 2012.

2.25 "**Priority Review Voucher**" means a voucher issued by the **Secretary** to the **Licensee** for a rare pediatric disease product application that entitles **Licensee** or **Licensee's** transferee of such voucher to **Priority Review** of a human drug application submitted under section 505(b)(1) [21 USC § 355(b)(1)] or section 351(a) of the Public Health Service Act [42 USC § 262] after the date of approval of the rare pediatric disease product application. For the purposes of this **Agreement**, **Priority Review Voucher** refers to any such voucher that the **Licensee** obtains as a result of its activities that relied upon **Licensed Products** or **Licensed Processes**.

2.26 "**Pro Rata Share**" means one of the following:

(a) in instances where the **Additional License(s)** granted by **IC** recover a pre-determined percentage of patent costs, one hundred percent (100%) of patent prosecution costs minus the percentage of patent prosecution costs recovered by the **Additional License(s)** which recover a pre-determined percentage of patent costs. For example, [***];

(b) in instances where the **Additional Licenses** granted by **IC** recover a full pro rata share of patent prosecution costs, one (1) minus the value derived from the number of **Additional Licenses** granted by **IC** which recover a full pro rata share of patent prosecution costs divided by the total number of licenses granted by **IC** which recover a full pro rata share of patent prosecution costs. For example, [***]; or

(c) in instances where the **Additional Licenses** are granted according to the definition of both 2.26(a) and 2.26(b), the **Pro Rata Share** paid by **Licensee** will be the value derived from the **Pro Rata Share** as determined under Paragraph 2.26(a) multiplied by the value derived from the **Pro Rata Share** as determined under Paragraph 2.26(b). For example, [***].

2.27 "**Registration Trial**" means, with respect to any **Licensed Product**, a controlled human clinical trial that is expected by **Licensee** to be the basis for filing an application for regulatory approval of such **Licensed Product**.

2.28 "**Research License**" means a nontransferable, nonexclusive license to make and to use the **Licensed Products** or the **Licensed Processes** as defined by the **Licensed Patent Rights** for purposes of research and not for purposes of commercial manufacture or distribution or in lieu of purchase.

2.29 "**Sublicensee**" means a **Third Party** to whom **Licensee** has granted or authorized a sublicense under the **Licensed Patent Rights** pursuant to Paragraph 4.1 hereunder. For clarity, a **Third Party Contractor** is not a **Sublicensee**.

2.30 "**Sublicense Income**" means all consideration received by **Licensee** or an **Affiliate** from a **Sublicensee** in consideration for a sublicense, cross-license, option, or other right, license, privilege or immunity granted by **Licensee** or an **Affiliate** under the **Licensed Patent Rights**, including without limitation, license fees, milestone payments, license maintenance fees, and other payments, but excluding: (a) royalties on **Net Sales** (including amounts payable as royalties or by way of a share of profits of such sublicensee arising from such sublicensee's

sales of the applicable **Licensed Product**); (b) amounts received by **Licensee** to reimburse **Licensee** for amounts paid or costs incurred by or on behalf of **Licensee** with respect to the **Licensed Patent Rights**, including patent prosecution, maintenance, enforcement or defense expenses; (c) payments made as consideration for debt or equity securities (excluding amounts in excess of the fair market value of such securities) to purchase capital stock of **Licensee**; and (d) amounts or other support received by **Licensee** or its **Affiliate** for bona fide research and development expenses that are in connection with activities that do not involve a **Commercial Purpose**, including, without limitation, in connection with clinical or non-clinical evaluation.

2.31 "**Third Party(ies)**" means a person or entity other than (i) **Licensee** or any of its **Affiliates** and (ii) **IC**.

2.32 "**Third Party Collaborator(**s)" means a **Third Party** organization engaged by **Licensee** to perform work related to the **Licensed Products** under a bona fide collaborative research project as described under an appropriate contractual arrangement between **Licensee** and relevant **Third Party Collaborator(s)**.

2.33 "**Third Party Contractor(s)**" means a **Third Party** organization providing contract research, development, manufacturing, or medical services (for example, CRO, CDO, CMO), that is acting with, on behalf and for the benefit of **Licensee**, for consideration provided by the **Licensee** on a fee-for-service basis to perform services or provide materials specified by the **Licensee**.

3. GRANT OF RIGHTS

3.1 The **IC** hereby grants and the **Licensee** accepts, subject to the terms and conditions of this **Agreement**, an exclusive license under the **Licensed Patent Rights** in the **Licensed Territory** to make and have made, to use and have used, to sell and have sold, to offer to sell, and to import any **Licensed Products** in the **Licensed Fields of Use** and to practice and have practiced any **Licensed Process(es)** in the **Licensed Fields of Use**.

3.2 Notwithstanding any terms to the contrary in Article 4, the **Licensee** is entitled to authorize its **Third Party Contractor(s)** and/or **Third Party Collaborators** to make, have made, import and to use, but not sell, **Licensed Products** and **Licensed Processes** on **Licensee's** behalf solely in the **Licensed Fields of Use** and in the **Licensed Territory**. **Licensee** may, without prior written permission, transfer **Licensed Products** to **Third Party Contractor(s)** solely for internal research purposes within the **Licensed Fields of Use**. **Licensee** shall ensure that such **Third Party Contractors** comply with the terms and obligations of this **Agreement** with respect to their use of the **Licensed Products**.

3.3 This **Agreement** confers no license or rights by implication, estoppel, or otherwise under any patent applications or patents of the **IC** other than the **Licensed Patent Rights** regardless of whether these patents are dominant or subordinate to the **Licensed Patent Rights**.

4. SUBLICENSING

4.1 Upon written approval, which shall include prior review of any sublicense agreement by the **IC** and which shall not be unreasonably withheld, the **Licensee** may enter into sublicensing agreements under the **Licensed Patent Rights**.

4.2 The **Licensee** agrees that any sublicenses granted by it shall provide that the obligations to the **IC** of Paragraphs 5.1-5.4, 8.1, 10.1, 10.2, 12.5, and 13.8-13.10 of this **Agreement** shall be binding upon the sublicensee as if it were a party to this **Agreement**. The **Licensee** further agrees to attach copies of these Paragraphs to all sublicense agreements.

4.3 Any sublicenses granted by the **Licensee** shall provide for the termination of the sublicense, or the conversion to a license directly between the sublicensees and the **IC**, at the option of the sublicensee, upon termination of this **Agreement** under Article 13. This conversion is subject to the **IC** approval and contingent upon acceptance by the sublicensee of the remaining provisions of this **Agreement**.

4.4 The **Licensee** agrees to forward to the **IC** a complete copy of each fully executed sublicense agreement postmarked within [***] of the execution of the agreement. To the extent permitted by law, the **IC** agrees to maintain each sublicense agreement in confidence.

5. STATUTORY AND NIH REQUIREMENTS AND RESERVED GOVERNMENT RIGHTS

5.1 (a) the **IC** reserves on behalf of the **Government** an irrevocable, nonexclusive, nontransferable, royalty-free license for the practice of all inventions licensed under the **Licensed Patent Rights** throughout the world by or on behalf of the **Government** and on behalf of any foreign government or international organization pursuant to any existing or future treaty or agreement to which the **Government** is a signatory. Prior to the **First Commercial Sale**, the **Licensee** agrees to provide the **IC** with reasonable quantities of the **Licensed Products** or materials made through the **Licensed Processes** for **IC** research use; and

(b) in the event that the **Licensed Patent Rights** are Subject Inventions made under **CRADA**, the **Licensee** grants to the **Government**, pursuant to 15 U.S.C. §3710a(b)(1)(A), a nonexclusive, nontransferable, irrevocable, paid-up license to practice the **Licensed Patent Rights** or have the **Licensed Patent Rights** practiced throughout the world by or on behalf of the **Government**. In the exercise of this license, the **Government** shall not publicly disclose trade secrets or commercial or financial information

that is privileged or confidential within the meaning of 5 U.S.C. §552(b)(4) or which would be considered as such if it had been obtained from a non-Federal party. Prior to the **First Commercial Sale**, the **Licensee** agrees to provide the **IC** with reasonable quantities of the **Licensed Products** or materials made through the **Licensed Processes** for **IC** research use.

5.2 The **Licensee** agrees that products used or sold in the United States embodying the **Licensed Products** or produced through use of the **Licensed Processes** shall be manufactured substantially in the United States, unless a written waiver is obtained in advance from the **IC**.

5.3 The **Licensee** acknowledges that the **IC** may enter into future **CRADAs** under the Federal Technology Transfer Act of 1986 that relate to the subject matter of this **Agreement**. The **Licensee** agrees not to unreasonably deny requests for a **Research License** from future collaborators with the **IC** when acquiring these rights is necessary in order to make a **CRADA** project feasible. The **Licensee** may request an opportunity to join as a party to the proposed **CRADA**.

5.4 (a) in addition to the reserved license of Paragraph 5.1, the **IC** reserves the right to grant **Research Licenses** directly or to require the **Licensee** to grant **Research Licenses** on reasonable terms. The purpose of these **Research Licenses** is to encourage basic research, whether conducted at an academic or corporate facility. In order to safeguard the **Licensed Patent Rights**, however, the **IC** shall consult with the **Licensee** before granting to commercial entities a **Research License** or providing to them research samples of materials made through the **Licensed Processes**; and

(b) in exceptional circumstances, and in the event that the **Licensed Patent Rights** are Subject Inventions made under a **CRADA**, the **Government**, pursuant to 15 U.S.C. §3710a(b)(1)(B), retains the right to require the **Licensee** to grant to a responsible applicant a nonexclusive, partially exclusive, or exclusive sublicense to use the **Licensed Patent Rights** in the **Licensed Fields of Use** on terms that are reasonable under the circumstances, or if the **Licensee** fails to grant this license, the **Government** retains the right to grant the license itself. The exercise of these rights by the **Government** shall only be in exceptional circumstances and only if the **Government** determines:

(i) the action is necessary to meet health or safety needs that are not reasonably satisfied by the **Licensee**;

(ii) the action is necessary to meet requirements for public use specified by Federal regulations, and these requirements are not reasonably satisfied by the **Licensee**; or

(iii) the **Licensee** has failed to comply with an agreement containing provisions described in 15 U.S.C. §3710a(c)(4)(B); and

(c) the determination made by the **Government** under this Paragraph 5.4 is subject to administrative appeal and judicial review under 35 U.S.C. §203(b).

6. ROYALTIES AND REIMBURSEMENT

6.1 The **Licensee** agrees to pay the **IC** a noncreditable, nonrefundable license issue royalty as set forth in Appendix C.

6.2 The **Licensee** agrees to pay the **IC** a nonrefundable minimum annual royalty as set forth in Appendix C.

6.3 The **Licensee** agrees to pay the **IC** earned royalties as set forth in Appendix C.

6.4 The **Licensee** agrees to pay the **IC** milestone royalties as set forth in Appendix C.

6.5 In the event of the grant of a **Priority Review Voucher** by the **FDA**, the **Licensee** agrees to pay the **IC** a royalty as set forth in Appendix C.

6.6 The **Licensee** agrees to pay the **IC** sublicensing royalties as set forth in Appendix C.

6.7 The **Licensee** agrees to pay the **IC** a non-creditable, nonrefundable license royalty as set forth in Appendix C within [***] of any **Change of Control**. This obligation shall survive any termination or expiration of the **Agreement** except for any termination of the **Agreement** initiated by **Licensee** due to an uncured material breach of the **Agreement** by **IC**.

6.8 The **Licensee** agrees to pay the **IC** royalties for patent reimbursement as described in Paragraph 6.12 and 6.13.

6.9 A patent or patent application licensed under this **Agreement** shall cease to fall within the **Licensed Patent Rights** for the purpose of computing earned royalty payments in any given country on the earliest of the dates that:

(a) the application has been abandoned and not continued;

(b) the patent expires or irrevocably lapses, or

(c) the patent has been held to be invalid or unenforceable by an unappealed or unappealable decision of a court of competent jurisdiction or administrative agency.

6.10 No multiple royalties shall be payable because any **Licensed Products** or **Licensed Processes** are covered by more than one of the **Licensed Patent Rights**.

6.11 On sales of the **Licensed Products** by the **Licensee** to sublicensees or on sales made in other than an arm's-length transaction, the value of the **Net Sales** attributed under this Article 6 to this transaction shall be that which would have been received in an arm's-length transaction, based on sales of like quantity and quality products on or about the time of this transaction. Sales made to patient assistance programs shall be deemed to be made in an arm's-length transaction for the purposes of calculating **Net Sales**.

6.12 With regard to unreimbursed expenses associated with the preparation, filing, prosecution, and maintenance of all patent applications and patents included within the **Licensed Patent Rights** and paid by the **IC** prior to [***], the **Licensee** shall pay the **IC**, as an additional royalty, within [***] of the **IC's** submission of a statement and request for payment to the **Licensee**, an amount equivalent to [***].

6.13 With regard to expenses associated with the preparation, filing, prosecution, and maintenance of all patent applications and patents included within the **Licensed Patent Rights** and paid by the **IC** on or after [***], the **IC**, at its sole option, may require the **Licensee**:

(a) to pay the **IC** on an annual basis, within [***] of the **IC's** submission of a statement and request for payment, a royalty amount equivalent to the **Pro Rata Share** of these expenses paid during the previous calendar year(s). Notwithstanding the foregoing, the parties acknowledge that **Licensee** is reimbursing for patent expenses for a portion of the **Licensed Patent Rights** under license L-096-2022. Accordingly, **Licensee** shall only be responsible for a **Pro Rata Share** of expenses for the E-017-2017 family under this **License** so long as L-096-2022 remains active;

(b) to pay these expenses directly to the law firm employed by the **IC** to handle these functions. However, in this event, the **IC** and not the **Licensee** shall be the client of the law firm; or

(c) in limited circumstances, the **Licensee** may be given the right to assume responsibility for the preparation, filing, prosecution, or maintenance of any patent application or patent included with the **Licensed Patent Rights**. In that event, the **Licensee** shall directly pay the attorneys or agents engaged to prepare, file, prosecute, or maintain these patent applications or patents and shall provide the **IC** with copies of each invoice associated with these services as well as documentation that these invoices have been paid.

6.14 The **IC** agrees, upon written request, to provide the **Licensee** with summaries of patent prosecution invoices for which the **IC** has requested payment from the **Licensee** under Paragraphs 6.12 and 6.13. The **Licensee** agrees that all information provided by the **IC** related to patent prosecution costs shall be treated as confidential commercial information and shall not be released to a **Third Party** except as required by law or a court of competent jurisdiction.

6.15 The **Licensee** may elect to surrender its rights in any country of the **Licensed Territory** under any of the **Licensed Patent Rights** upon [***] written notice to the **IC** and owe no payment obligation under Paragraph 6.13 for patent-related expenses paid in that country after [***] of the effective date of the written notice.

7. PATENT FILING, PROSECUTION, AND MAINTENANCE

7.1 Except as otherwise provided in this Article 7, the **IC** agrees to take responsibility for, but to consult with, the **Licensee** in the preparation, filing, prosecution, and maintenance of any and all patent applications or patents included in the **Licensed Patent Rights** and shall furnish copies of relevant patent-related documents to the **Licensee**.

7.2 Upon the **IC's** written request, the **Licensee** shall assume the responsibility for the preparation, filing, prosecution, and maintenance of any and all patent applications or patents included in the **Licensed Patent Rights** and shall, on an ongoing basis, promptly furnish copies of all patent-related documents to the **IC**. In this event, the **Licensee** shall, subject to the prior approval of the **IC**, select registered patent attorneys or patent agents to provide these services on behalf of the **Licensee** and the **IC**. The **IC** shall provide appropriate powers of attorney and other documents necessary to undertake this action to the patent attorneys or patent agents providing these services. The **Licensee** and its attorneys or agents shall consult with the **IC** in all aspects of the preparation, filing, prosecution and maintenance of patent applications and patents included within the **Licensed Patent Rights** and shall provide the **IC** sufficient opportunity to comment on any document that the **Licensee** intends to file or to cause to be filed with the relevant intellectual property or patent office.

7.3 At any time, the **IC** may provide the **Licensee** with written notice that the **IC** wishes to assume control of the preparation, filing, prosecution, and maintenance of any and all patent applications or patents included in the **Licensed Patent Rights**. If the **IC** elects to reassume these responsibilities, the **Licensee** agrees to cooperate fully with the **IC**, its attorneys, and agents in the preparation, filing, prosecution, and maintenance of any and all patent applications or patents included in the **Licensed Patent Rights** and to provide the **IC** with complete copies of any and all documents or other materials that the **IC** deems necessary to undertake such responsibilities. The **Licensee** shall be responsible for all costs associated with transferring patent prosecution responsibilities to an attorney or agent of the **IC's** choice.

7.4 Each party shall promptly inform the other as to all matters that come to its attention that may affect the preparation, filing, prosecution, or maintenance of the **Licensed Patent Rights** and permit each other to provide comments and suggestions with respect to the preparation, filing, prosecution, and maintenance of the **Licensed Patent Rights**, which comments and suggestions shall be considered by the other party.

8. RECORD KEEPING

8.1 The **Licensee** agrees to keep accurate and correct records of the **Licensed Products** made, used, sold, or imported and the **Licensed Processes** practiced under this **Agreement** appropriate to determine the amount of royalties due the **IC**. These records shall be retained for at least [***] years following a given reporting period and shall be available during normal business hours for inspection, at the expense of the **IC**, by an accountant or other designated auditor selected by the **IC** for the sole purpose of verifying reports and royalty payments hereunder. The accountant or auditor shall only disclose to the **IC** information relating to the accuracy of reports and royalty payments made under this **Agreement**. If an inspection shows an underreporting or underpayment in excess of [***] for any [***] month period, then the **Licensee** shall reimburse the **IC** for the cost of the inspection at the time the **Licensee** pays the unreported royalties, including any additional royalties as required by Paragraph 9.8. All royalty payments required under this Paragraph shall be due within [***] of the date the **IC** provides to the **Licensee** notice of the payment due.

9. REPORTS ON PROGRESS, BENCHMARKS, SALES, AND PAYMENTS

9.1 Prior to signing this **Agreement**, the **Licensee** has provided the **IC** with the **Commercial Development Plan** in Appendix E, under which the **Licensee** intends to bring the subject matter of the **Licensed Patent Rights** to the point of **Practical Application**. This **Commercial Development Plan** is hereby incorporated by reference into this **Agreement**. Based on this plan, performance **Benchmarks** are determined as specified in Appendix D.

9.2 The **Licensee** shall provide written annual reports on its product development progress or efforts to commercialize under the **Commercial Development Plan** for each of the **Licensed Fields of Use** within [***] after December 31 of each calendar year. These progress reports shall include, but not be limited to: progress on research and development, status of applications for regulatory approvals, manufacture and status of sublicensing, marketing, importing, and sales during the preceding calendar year, as well as, plans for the present calendar year. The **IC** also encourages these reports to include information on any of the **Licensee's** public service activities that relate to the **Licensed Patent Rights**. If reported progress differs from that projected in the **Commercial Development Plan** and **Benchmarks**, the **Licensee** shall explain the reasons for these differences. In the annual report, the **Licensee** may propose amendments to the **Commercial Development Plan**, acceptance of which by the **IC** may not be denied

unreasonably. The **Licensee** agrees to provide any additional information reasonably required by the **IC** to evaluate the **Licensee's** performance under this **Agreement**. The **Licensee** may amend the **Benchmarks** at any time upon written approval by the **IC**. The **IC** shall not unreasonably withhold approval of any request of the **Licensee** to extend the time periods of this schedule if the request is supported by a reasonable showing by the **Licensee** of diligence in its performance under the **Commercial Development Plan** and toward bringing the **Licensed Products** to the point of **Practical Application** as defined in 37 C.F.R. §404.3(d). The **Licensee** shall amend the **Commercial Development Plan** and **Benchmarks** at the request of the **IC** to address any **Licensed Fields of Use** not specifically addressed in the plan originally submitted.

9.3 The **Licensee** shall report to the **IC** the dates for achieving **Benchmarks** specified in Appendix D and the **First Commercial Sale** in each country in the **Licensed Territory** within [***] of such occurrences.

9.4 The **Licensee** shall submit to the **IC**, within [***] after each calendar [***], a royalty report, as described in the example in Appendix F, setting forth for the preceding [***] period the amount of the **Licensed Products** sold or **Licensed Processes** practiced by or on behalf of the **Licensee** in each country within the **Licensed Territory**, the **Net Sales**, and the amount of royalty accordingly due. With each royalty report, the **Licensee** shall submit payment of earned royalties due. If no earned royalties are due to the **IC** for any reporting period, the written report shall so state. The royalty report shall be certified as correct by an authorized officer of the **Licensee** and shall include a detailed listing of all deductions made under Paragraph 2.19 to determine **Net Sales** made under Article 6 to determine royalties due. The royalty report shall also identify the site of manufacture for the **Licensed Product(s)** sold in the United States.

9.5 The **Licensee** agrees to forward semi-annually to the **IC** a copy of these reports received by the **Licensee** from its sublicensees during the preceding half-year period as shall be pertinent to a royalty accounting to the **IC** by the **Licensee** for activities under the sublicense.

9.6 Royalties due under Article 6 shall be paid in U.S. dollars and payment options are listed in Appendix G. For conversion of foreign currency to U.S. dollars, the conversion rate shall be the New York foreign exchange rate quoted in *The Wall Street Journal* on the day that the payment is due. Any loss of exchange, value, taxes, or other expenses incurred in the transfer or conversion to U.S. dollars shall be paid entirely by the **Licensee**. The royalty report required by Paragraph 9.4 shall be mailed to the **IC** at its address for **Agreement** Notices indicated on the Signature Page or electronically mailed to the email address indicated on the Signature Page.

9.7 The **Licensee** shall be solely responsible for determining if any tax on royalty income is owed outside the United States and shall pay the tax and be responsible for all filings with appropriate agencies of foreign governments.

9.8 Additional royalties may be assessed by the **IC** on any payment that is more than [***] overdue at the rate of [***] per month. This [***] per month rate may be applied retroactively from the original due date until the date of receipt by the **IC** of the overdue payment and additional royalties. The payment of any additional royalties shall not prevent the **IC** from exercising any other rights it may have as a consequence of the lateness of any payment.

9.9 All plans and reports required by this Article 9 and marked "confidential" by the **Licensee** shall, to the extent permitted by law, be treated by the **IC** as commercial and financial information obtained from a person and as privileged and confidential, and any proposed disclosure of these records by the **IC** under the Freedom of Information Act (FOIA), 5 U.S.C. §552 shall be subject to the predisclosure notification requirements of 45 C.F.R. §5.65(d).

10. PERFORMANCE

10.1 The **Licensee** shall use its reasonable commercial efforts to bring the **Licensed Products** and the **Licensed Processes** to **Practical Application**. "Reasonable commercial efforts" for the purposes of this provision shall include adherence to the **Commercial Development Plan** in Appendix E and performance of the **Benchmarks** in Appendix D, or as amended as described in Paragraph 9.2. The efforts of a sublicensee shall be considered the efforts of the **Licensee**.

10.2 Upon the **First Commercial Sale**, until the expiration or termination of this **Agreement**, the **Licensee** shall use its reasonable commercial efforts to make the **Licensed Products** and the **Licensed Processes** reasonably accessible to the United States public.

10.3 The **Licensee** agrees, after its **First Commercial Sale**, to make reasonable quantities of the **Licensed Products** or materials produced through the use of the **Licensed Processes** available to patient assistance programs.

10.4 The **Licensee** agrees, after its **First Commercial Sale** and as part of its marketing and product promotion, to develop educational materials (e.g., brochures, website, etc.) directed to patients and physicians detailing the **Licensed Products** or medical aspects of the prophylactic and therapeutic uses of the **Licensed Products**.

10.5 The **Licensee** agrees to supply, to the Mailing Address for **Agreement** Notices indicated on the Signature Page, the Office of Technology Transfer, **NIH** with inert samples of the **Licensed Products** or the **Licensed Processes** or their packaging for educational and display purposes only.

11. INFRINGEMENT AND PATENT ENFORCEMENT

11.1 The **IC** and the **Licensee** agree to notify each other promptly of each infringement or possible infringement of the **Licensed Patent Rights**, as well as, any facts which may affect the validity, scope, or enforceability of the **Licensed Patent Rights** of which either party becomes aware.

11.2 Pursuant to this **Agreement** and the provisions of 35 U.S.C. § 207(a)(2) and 35 U.S.C. Chapter 29, the **Licensee** may:

(a) bring suit in its own name, at its own expense, and on its own behalf for infringement of presumably valid claims in the **Licensed Patent Rights**;

(b) in any suit, enjoin infringement and collect for its use, damages, profits, and awards of whatever nature recoverable for the infringement; or

(c) settle any claim or suit for infringement of the **Licensed Patent Rights** provided, however, that the **IC** and appropriate **Government** authorities shall have the first right to take such actions; and

(d) if the **Licensee** desires to initiate a suit for patent infringement, the **Licensee** shall notify the **IC** in writing. If the **IC** does not notify the **Licensee** of its intent to pursue legal action within [***], the **Licensee** shall be free to initiate suit. The **IC** shall have a continuing right to intervene in the suit. The **Licensee** shall take no action to compel the **Government** either to initiate or to join in any suit for patent infringement. The **Licensee** may request the **Government** to initiate or join in any suit if necessary to avoid dismissal of the suit. Should the **Government** be made a party to any suit, the **Licensee** shall reimburse the **Government** for any costs, expenses, or fees which the **Government** incurs as a result of the motion or other action, including all costs incurred by the **Government** in opposing the motion or other action. In all cases, the **Licensee** agrees to keep the **IC** reasonably apprised of the status and progress of any litigation. Before the **Licensee** commences an infringement action, the **Licensee** shall notify the **IC** and give careful consideration to the views of the **IC** and to any potential effects of the litigation on the public health in deciding whether to bring suit.

11.3 In the event that a declaratory judgment action alleging invalidity or non-infringement of any of the **Licensed Patent Rights** shall be brought against the **Licensee** or raised by way of counterclaim or affirmative defense in an infringement suit brought by the **Licensee** under Paragraph 11.2, pursuant to this **Agreement** and the provisions of 35 U.S.C. Chapter 29 or other statutes, the **Licensee** may:

(a) defend the suit in its own name, at its own expense, and on its own behalf for presumably valid claims in the **Licensed Patent Rights**;

(b) in any suit, ultimately to enjoin infringement and to collect for its use, damages, profits, and awards of whatever nature recoverable for the infringement; and

(c) settle any claim or suit for declaratory judgment involving the **Licensed Patent Rights**-provided, however, that the **IC** and appropriate **Government** authorities shall have the first right to take these actions and shall have a continuing right to intervene in the suit; and

(d) if the **IC** does not notify the **Licensee** of its intent to respond to the legal action within a reasonable time, the **Licensee** shall be free to do so. The **Licensee** shall take no action to compel the **Government** either to initiate or to join in any declaratory judgment action. The **Licensee** may request the **Government** to initiate or to join any suit if necessary to avoid dismissal of the suit. Should the **Government** be made a party to any suit by motion or any other action of the **Licensee**, the **Licensee** shall reimburse the **Government** for any costs, expenses, or fees, which the **Government** incurs as a result of the motion or other action. If the **Licensee** elects not to defend against the declaratory judgment action, the **IC**, at its option, may do so at its own expense. In all cases, the **Licensee** agrees to keep the **IC** reasonably apprised of the status and progress of any litigation. Before the **Licensee** commences an infringement action, the **Licensee** shall notify the **IC** and give careful consideration to the views of the **IC** and to any potential effects of the litigation on the public health in deciding whether to bring suit.

11.4 In any action under Paragraphs 11.2 or 11.3 the expenses including costs, fees, attorney fees, and disbursements, shall be paid by the **Licensee**. The value of any recovery made by the **Licensee** through court judgment or settlement shall be treated as **Net Sales** and subject to earned royalties.

11.5 The **IC** shall cooperate fully with the **Licensee** in connection with any action under Paragraphs 11.2 or 11.3. The **IC** agrees promptly to provide access to all necessary documents and to render reasonable assistance in response to a request by the **Licensee**.

12. NEGATION OF WARRANTIES AND INDEMNIFICATION

12.1 The **IC** offers no warranties other than those specified in Article 1.

12.2 The **IC** does not warrant the validity of the **Licensed Patent Rights** and makes no representations whatsoever with regard to the scope of the **Licensed Patent Rights**, or that the **Licensed Patent Rights** may be exploited without infringing other patents or other intellectual property rights of **Third Parties**.

12.3 THE **IC** MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF ANY SUBJECT MATTER DEFINED BY THE CLAIMS OF THE **LICENSED PATENT RIGHTS** OR TANGIBLE MATERIALS RELATED THERETO.

12.4 The **IC** does not represent that it shall commence legal actions against **Third Parties** infringing the **Licensed Patent Rights**.

12.5 The **Licensee** shall indemnify and hold the **IC**, its employees, students, fellows, agents, and consultants harmless from and against all liability, demands, damages, expenses, and losses, including but not limited to death, personal injury, illness, or property damage in connection with or arising out of:

(a) the use by or on behalf of the **Licensee**, its **Sublicensees**, **Affiliates**, directors, employees, or **Third Parties** of any **Licensed Patent Rights** in the **Licensed Fields of Use**; or

(b) the design, manufacture, distribution, or use of any **Licensed Products**, **Licensed Processes** or materials by the **Licensee**, or other products or processes developed in connection with or arising out of the **Licensed Patent Rights**.

12.6 The **Licensee** agrees to maintain a liability insurance program consistent with sound business practice.

13. TERM, TERMINATION, AND MODIFICATION OF RIGHTS

13.1 This **Agreement** is effective when signed by all parties, unless the provisions of Paragraph 14.16 are not fulfilled, and shall extend to the expiration of the last to expire of the **Licensed Patent Rights** unless sooner terminated as provided in this Article 13.

13.2 In the event that the **Licensee** is in default in the performance of any material obligations under this **Agreement**, including but not limited to the obligations listed in Paragraph 13.5, and if the default has not been remedied within ninety (90) days after the date of notice in writing of the default, the **IC** may terminate this **Agreement** by written notice and pursue outstanding royalties owed through procedures provided by the Federal Debt Collection Act.

13.3 In the event that the **Licensee** becomes insolvent, files a petition in bankruptcy, has such a petition filed against it, determines to file a petition in bankruptcy, or receives notice of a **Third Party's** intention to file an involuntary petition in bankruptcy, the **Licensee** shall immediately notify the **IC** in writing.

13.4 The **Licensee** shall have a unilateral right to terminate this **Agreement** or any licenses in any country or territory by giving the **IC** sixty (60) days written notice to that effect.

13.5 The **IC** shall specifically have the right to terminate or modify, at its option, this **Agreement**, if the **IC** determines that the **Licensee**:

(a) is not executing the **Commercial Development Plan** submitted with its request for a license and the **Licensee** cannot otherwise demonstrate to the **IC's** satisfaction that the **Licensee** has taken, or can be expected to take within a reasonable time, effective steps to achieve the **Practical Application** of the **Licensed Products** or the **Licensed Processes**;

(b) has not achieved the **Benchmarks** as may be modified under Paragraph 9.2;

(c) has willfully made a false statement of, or willfully omitted a material fact in the license application or in any report required by this **Agreement**;

(d) has committed a material breach of a covenant or agreement contained in this **Agreement**;

(e) is not keeping the **Licensed Products** or the **Licensed Processes** reasonably available to the public after commercial use commences;

(f) cannot reasonably satisfy unmet health and safety needs; or

(g) cannot reasonably justify a failure to comply with the domestic production requirement of Paragraph 5.2 unless waived.

(h) has been found by a court of competent jurisdiction to have violated the Federal antitrust laws in connection with its performance under this **Agreement**.

13.6 In making the determination referenced in Paragraph 13.5, the **IC** shall take into account the normal course of such commercial development programs conducted with sound and reasonable business practices and judgment and the annual reports submitted by the **Licensee** under Paragraph 9.2. Prior to invoking termination or modification of this **Agreement** under Paragraph 13.5, the **IC** shall give written notice to the **Licensee** providing the **Licensee** specific notice of, and a ninety (90) day opportunity to respond to, the **IC's** concerns as to the items referenced in 13.5(a)-13.5(h). If the **Licensee** fails to alleviate the **IC's** concerns as to the items referenced in 13.5(a)-13.5(h) or fails to initiate corrective action to the **IC's** satisfaction, the **IC** may terminate this **Agreement**.

13.7 When the public health and safety so require, and after written notice to the **Licensee** providing the **Licensee** a sixty (60) day opportunity to respond, the **IC** shall have the right to require the **Licensee** to grant sublicenses to responsible applicants, on reasonable terms, in any **Licensed Fields of Use** under the **Licensed Patent Rights**, unless the **Licensee** can reasonably demonstrate that the granting of the sublicense would not materially increase the availability to the public of the subject matter of the **Licensed Patent Rights**. The **IC** shall not require the granting of a sublicense unless the responsible applicant has first negotiated in good faith with the **Licensee**.

13.8 The **IC** reserves the right according to 35 U.S.C. §209(d)(3) to terminate or modify this **Agreement** if it is determined that this action is necessary to meet the requirements for public use specified by federal regulations issued after the date of the license and these requirements are not reasonably satisfied by the **Licensee**.

13.9 Within thirty (30) days of receipt of written notice of the **IC's** unilateral decision to modify or terminate this **Agreement**, the **Licensee** may, consistent with the provisions of 37 C.F.R. §404.11, appeal the decision by written submission to the designated **IC** official or designee. The decision of the designated **IC** official or designee shall be the final agency decision. The **Licensee** may thereafter exercise any and all administrative or judicial remedies that may be accessible.

13.10 Within ninety (90) days of expiration or termination of this **Agreement** under this Article 13, a final report shall be submitted by the **Licensee**. Any royalty payments, including those incurred but not yet paid (such as the full minimum annual royalty), and those related to patent expenses, due to the **IC** shall become immediately due and payable upon termination or expiration. If terminated under this Article 13, sublicensees may elect to convert their sublicenses to direct licenses with the **IC** pursuant to Paragraph 4.3. Unless otherwise specifically provided for under this **Agreement**, upon termination or expiration of this **Agreement**, the **Licensee** shall return all **Licensed Products** or other materials included within the **Licensed Patent Rights** to the **IC** or provide the **IC** with certification of the destruction thereof. The **Licensee** may not be granted additional **IC** licenses if the final reporting requirement is not fulfilled.

14. GENERAL PROVISIONS

14.1 Neither party may waive or release any of its rights or interests in this **Agreement** except in writing. The failure of the **Government** to assert a right hereunder or to insist upon compliance with any term or condition of this **Agreement** shall not constitute a waiver of that right by the **Government** or excuse a similar subsequent failure to perform any of these terms or conditions by the **Licensee**.

14.2 This **Agreement** constitutes the entire agreement between the parties relating to the subject matter of the **Licensed Patent Rights**, the **Licensed Products** and the **Licensed Processes**, and all prior negotiations, representations, agreements, and understandings are merged into, extinguished by, and completely expressed by this **Agreement**.

14.3 The provisions of this **Agreement** are severable, and in the event that any provision of this **Agreement** shall be determined to be invalid or unenforceable under any controlling body of law, this determination shall not in any way affect the validity or enforceability of the remaining provisions of this **Agreement**.

14.4 If either party desires a modification to this **Agreement**, the parties shall, upon reasonable notice of the proposed modification by the party desiring the change, confer in good faith to determine the desirability of the modification. No modification shall be effective until a written amendment is signed by the signatories to this **Agreement** or their designees.

14.5 The construction, validity, performance, and effect of this **Agreement** shall be governed by Federal law as applied by the Federal courts in the District of Columbia.

14.6 All **Agreement** notices required or permitted by this **Agreement** shall be given by prepaid, first class, registered or certified mail or by an express/overnight delivery service provided by a commercial carrier, properly addressed to the other party at the address designated on the following Signature Page, or to another address as may be designated in writing by the other party. **Agreement** notices shall be considered timely if the notices are received on or before the established deadline date or sent on or before the deadline date as verifiable by U.S. Postal Service postmark or dated receipt from a commercial carrier. Parties should request a legibly dated U.S. Postal Service postmark or obtain a dated receipt from a commercial carrier or the U.S. Postal Service. Private metered postmarks shall not be acceptable as proof of timely mailing.

14.7 This **Agreement** shall not be assigned or otherwise transferred (including any transfer by legal process or by operation of law, and any transfer in bankruptcy or insolvency, or in any other compulsory procedure or order of court) except to the **Licensee's Affiliate(s)** without the prior written consent of the **IC**, such consent not to be unreasonably withheld. The parties agree that the identity of the parties is material to the formation of this **Agreement** and that the obligations under this **Agreement** are nondelegable. In the event of an assignment of this **Agreement**, other than an assignment commensurate with a **Change of Control** event, the **Licensee** shall pay the **IC** an assignment royalty as set forth in Appendix C within [***] of the assignment.

14.8 The **Licensee** agrees in its use of any **IC**-supplied materials to comply with all applicable statutes, regulations, and guidelines, including **NIH** and **HHS** regulations and guidelines. **Licensee** agrees not to use any **IC**-supplied materials in humans for any purpose without prior written consent of **IC**. The **Licensee** agrees not to use the materials for research involving human subjects or clinical trials in the United States without complying with 21 C.F.R. Part 50 and 45 C.F.R. Part 46. The **Licensee** agrees not to use the materials for research involving human subjects or clinical trials outside of the United States without notifying the **IC**, in writing, of the research or trials and complying with the applicable regulations of the appropriate national control authorities. Written notification to the **IC** of research involving human subjects or clinical trials outside of the United States shall be given no later than [***] prior to commencement of the research or trials.

14.9 The **Licensee** acknowledges that it is subject to and agrees to abide by the United States laws and regulations (including the Export Administration Act of 1979 and Arms Export Control Act) controlling the export of technical data, computer software, laboratory prototypes, biological material, and other commodities. The transfer of these items may require a license from the appropriate agency of the U.S. **Government** or written assurances by the **Licensee** that it shall not export these items to certain foreign countries without prior approval of this agency. The **IC** neither represents that a license is or is not required or that, if required, it shall be issued.

14.10 The **Licensee** agrees to mark the **Licensed Products** or their packaging sold in the United States with all applicable U.S. patent numbers and similarly to indicate "Patent Pending" status. All the **Licensed Products** manufactured in, shipped to, or sold in other countries shall be marked in a manner to preserve the **IC's** patent rights in those countries.

14.11 By entering into this **Agreement**, the **IC** does not directly or indirectly endorse any product or service provided, or to be provided, by the **Licensee** whether directly or indirectly related to this **Agreement**. The **Licensee** shall not state or imply that this **Agreement** is an endorsement by the **Government**, the **IC**, any other **Government** organizational unit, or any **Government** employee. Additionally, the **Licensee** shall not use the names of the **IC**, the **FDA** or the **HHS** or the **Government** or their employees in any advertising, promotional, or sales literature without the prior written approval of the **IC**.

14.12 The parties agree to attempt to settle amicably any controversy or claim arising under this **Agreement** or a breach of this **Agreement**, except for appeals of modifications or termination decisions provided for in Article 13. The **Licensee** agrees first to appeal any unsettled claims or controversies to the designated **IC** official, or designee, whose decision shall be considered the final agency decision. Thereafter, the **Licensee** may exercise any administrative or judicial remedies that may be available.

14.13 Nothing relating to the grant of a license, nor the grant itself, shall be construed to confer upon any person any immunity from or defenses under the antitrust laws or from a charge of patent misuse, and the acquisition and use of rights pursuant to 37 C.F.R. Part 404 shall not be immunized from the operation of state or Federal law by reason of the source of the grant.

14.14 Any formal recordation of this **Agreement** required by the laws of any **Licensed Territory** as a prerequisite to enforceability of the **Agreement** in the courts of any foreign jurisdiction or for other reasons shall be carried out by the **Licensee** at its expense, and appropriately verified proof of recordation shall be promptly furnished to the **IC**.

14.15 Paragraphs 4.3, 8.1, 9.5-9.8, 12.1-12.5, 13.9, 13.10, 14.12 and 14.15 of this **Agreement** shall survive termination of this **Agreement**.

14.16 The terms and conditions of this **Agreement** shall, at the **IC's** sole option, be considered by the **IC** to be withdrawn from the **Licensee's** consideration and the terms and conditions of this **Agreement**, and the **Agreement** itself to be null and void, unless this **Agreement** is executed by the **Licensee** and a fully executed original is received by the **IC** within [***] from the date of the **IC's** signature found at the Signature Page.

SIGNATURES BEGIN ON NEXT PAGE

NIH PATENT LICENSE AGREEMENT – *EXCLUSIVE*

SIGNATURE PAGE

For the **IC**:

/s/ [***] February 7, 2023
[***] Date
Associate Director
Technology Transfer Center
National Cancer Institute
National Institutes of Health

Address for Agreement notices and reports:

E-mail: [***] (preferred)

Mail: License Compliance and Administration
Monitoring & Enforcement
Office of Technology Transfer
National Institutes of Health
6701 Rockledge Drive, Suite 700, MS 7788
Bethesda, Maryland 20892 U.S.A.

(For courier deliveries please check https://www.ott.nih.gov/licensing/license-noticesreports)

For the **Licensee** (Upon, information and belief, the undersigned expressly certifies or affirms that the contents of any statements of the **Licensee** made or referred to in this document are truthful and accurate.):

by:

/s/ [***] February 24, 2023
Signature of Authorized Official Date

[***]
Printed Name

Chief Operating Officer, CARGO Therapeutics
Title

I. Official and Mailing Address for **Agreement** notices:

[***]
Name

Chief Operating Officer, CARGO Therapeutics
Title

Mailing Address

1900 Alameda de las Pulgas

Suite 350

San Mateo, CA 94403

Email Address: [***]

Phone: [***]

Fax:

II. Official and Mailing Address for Financial notices (the **Licensee's** contact person for royalty payments)

[***]
Name

Chief Financial Officer
Title

Mailing Address:

1900 Alameda de las Pulgas, Suite 350

San Mateo, CA 94403

Email Address: [***]

Phone: [***]

Fax:

Any false or misleading statements made, presented, or submitted to the **Government**, including any relevant omissions, under this **Agreement** and during the course of negotiation of this **Agreement** are subject to all applicable civil and criminal statutes including Federal statutes 31 U.S.C. §§3801-3812 (civil liability) and 18 U.S.C. §1001 (criminal liability including fine(s) or imprisonment).

APPENDIX A – PATENT(S) OR PATENT APPLICATION(S)

[***]

APPENDIX B – LICENSED FIELDS OF USE AND TERRITORY

I. Licensed Fields of Use:

Development, manufacture and commercialization of chimeric antigen receptor T cell (CAR-T) immunotherapies for the treatment of B cell malignancies, wherein the T cells are:

1. Manufactured *ex vivo*;
2. Not engineered to overexpress CD47;
3. Engineered to express a CAR that targets CD22 via the m971 scFv in combination with both:
    a. Binders, CARs, or other receptors targeting CD19, CD20, and/or CD79b; and
    b. At least one of the following:
    - A technology to activate CD2 signaling in the CAR T cell, and/or
    - Manufacturing of the cell product using the Storage by Actuated Shuttling (StASh)

Where "*ex vivo*" specifically means where the cells or tissue are removed from a healthy donor (in the case of allogeneic therapy) or the patient (in the case of autologous therapy), modified *ex vivo* and then, implanted, transplanted, infused, or transferred into the patient.

For purposes of clarity, specifically excluded from these Fields of Use are the following:

1. Allogeneically-derived CAR-T immunotherapies that have been engineered to overexpress CD47;
2. CAR-T immunotherapies wherein the CAR-T cells are manufactured within the patient via gene therapy vectors delivered to the patient (*in vivo* CAR-T immunotherapies);
3. Autologously-derived CAR-T immunotherapies that have been engineered to be specific for CD19, CD20, and CD22 (via the m971 scFv) absent the engineering of the CAR-T therapies to activate CD2 signaling and/or StASh as described in the Fields of Use 3(b) above;
4. CAR-T immunotherapies wherein the CAR-T cells are engineered to express a bispecific CAR that is engineered to bind to CD19 and CD22, as described in **HHS** Ref. E-106-2015 and encompassing the m971 scFv and the CD22 CAR.

II. Licensed Territory:

Worldwide

APPENDIX C – ROYALTIES

Royalties:

I. The **Licensee** agrees to pay to the **IC** a noncreditable, nonrefundable license issue royalty in the amount of [***] payable in installments as follows:

(a) The first installment of [***] is due and payable within [***] from the **Effective Date** of this **Agreement**.

(b) The second installment of [***] is due and payable on the [***] anniversary of the **Effective Date** of this **Agreement**.

(c) The third installment of [***] is due and payable on the [***] anniversary of the **Effective Date** of this **Agreement**.

Subject to the terms of this **Agreement** (e.g., Article 13), if (1) this **Agreement** is terminated for any reason, (2) **Licensee** sublicenses the **Licensed Patent Rights**, or (3) in the event of a **Change of Control**, **Licensee** agrees to pay any and all remaining installments within [***] of event (1), (2) or (3).

II. The **Licensee** agrees to pay to the **IC** a nonrefundable minimum annual royalty in the amount of [***] as follows:

(a) [***]; and

(b) [***]; and

(c) [***].

III. The **Licensee** agrees to pay the **IC** earned royalties of [***] on **Net Sales** by or on behalf of the **Licensee**, **Affiliates**, and its **Sublicensees**.

In the event that **Licensee** is obligated to pay an earned royalty to an unaffiliated **Third Party** for a license to a patent or other intellectual property that would be infringed or otherwise violated or unauthorized by the use, manufacture, offer for sale, sale or import of a **Licensed Product** in a particular country absent a license from that **Third Party** (hereinafter "**Necessary License**"), then, if **Licensee** obtains a **Necessary License** from that **Third Party** after the **Effective Date** of this **Agreement**, **Licensee** shall be entitled to an offset of [***] against the earned royalty rate due to **IC** herein for the relevant **Licensed Product** each percent point in excess of [***] that **Licensee** actually pays to any **Third Party** for a **Necessary License** as determined on a cumulative basis across all **Third Parties** and **Necessary Licenses**. Notwithstanding the foregoing, in no event shall such offset or credit reduce the earned royalty due to **IC** under this **Agreement** by more than [***]. Upon request, **Licensee** shall furnish documentation to **IC** evidencing its payments and payment obligations to **Third Parties** under this Paragraph, including the identity of those patents or other intellectual property rights for which such payments are paid to a **Third Party**.

IV. The **Licensee** agrees to pay the **IC** milestone royalties within [***] of achieving each milestone, as follows:

(a) [***].

(b) [***].

(c) [***].

(d) [***].

(e) [***].

V. In the event that a **Priority Review Voucher** is granted or has been granted to the **Licensee** by the **FDA** based on **Licensed Products**, the **Licensee** agrees to make one of the following royalty payments for each such **Priority Review Voucher**:

(a) [***]:

(1) [***]; or

(2) [***].

(b) [***].

VI. The **Licensee** agrees to pay the **IC** additional sublicensing royalties on **Sublicense Income** received by **Licensee** following execution of a sublicense agreement granting a **Sublicense** pursuant to Article 4, within [***] of receipt of such income, as follows with each succeeding entry superseding the prior entry when the event described in the prior entry occurs:

(a) [***] of **Sublicense Income** for a sublicense granted before the **Licensee's** initiation (where initiation means the first patient dosed) of [***];

(b) [***] of **Sublicense Income** for a sublicense granted before **Licensee's** initiation (where initiation means the first patient dosed) of [***];

(c) [***] of **Sublicense Income** for a sublicense granted after **Licensee's** initiation (where initiation means the first patient dosed) of [***];

VII. In the event of a **Change of Control** of **Licensee** or an assignment of this **Agreement** not associated with a **Change of Control**, the **Licensee** agrees to pay the **IC** a royalty, with each succeeding entry in (a) through (c) superseding the prior entry when the event described in the prior entry occurs:

(a) The **Licensee** agrees to pay the **IC** royalties of [***] on the fair market value of any consideration received in connection with a **Change of Control** within [***] of the execution of such **Change of Control** event if [***]. **Licensee** shall fairly and in good faith allocate such consideration among all such intellectual property rights, technology or materials, and the payment to the **IC** will be based on the allocation of the **Licensed Patent Rights** under this **Agreement**.

(b) The **Licensee** agrees to pay the **IC** royalties of [***] on the fair market value of any consideration received in connection with a **Change of Control** within [***] of the execution of such **Change of Control** event if [***]. **Licensee** shall fairly and in good faith allocate such consideration among all such intellectual property rights, technology or materials, and the payment to the **IC** will be based on the allocation of the **Licensed Patent Rights** under this **Agreement**.

(c) The **Licensee** agrees to pay the **IC** royalties of [***] on the fair market value of any consideration received in connection with a **Change of Control** within [***] of the execution of such **Change of Control** event if [***]. **Licensee** shall fairly and in good faith allocate such consideration among all such intellectual property rights, technology or materials, and the payment to the **IC** will be based on the allocation of the **Licensed Patent Rights** under this **Agreement**.

(d) The **Licensee** agrees to pay the **IC** royalties of [***] on the fair market value of any consideration received in the event of an assignment of this **Agreement**, (such assignment not associated with a **Change of Control**) within [***] of the execution of such assignment. **Licensee** shall fairly and in good faith allocate such consideration among all such intellectual property rights, technology or materials, and the payment to the **IC** will be based on the allocation of the **Licensed Patent Rights** under this **Agreement**.

For clarity, only one of the payments set forth in (a), (b) or (c) above shall be payable in the event of each unique **Change of Control** or assignment of this **Agreement**.

APPENDIX D – BENCHMARKS AND PERFORMANCE

The **Licensee** agrees to the following **Benchmarks** for its performance under this **Agreement** and, within [***] of achieving a **Benchmark**, shall notify the **IC** that the **Benchmark** has been achieved. For purposes of this Appendix D, "initiate" or "initiation" means the first dosing of the first patient.

I. By [***], **Licensee** will [***].

II. By [***], **Licensee** will [***].

III. By [***], **Licensee** will [***].

IV. By [***], **Licensee** will [***].

V. By [***], **Licensee** will [***].

VI. By [***], **Licensee** will [***].

VII. By [***], **Licensee** will [***].

VIII. By [***], **Licensee** will [***].

APPENDIX E – COMMERCIAL DEVELOPMENT PLAN

[***]

APPENDIX F – EXAMPLE ROYALTY REPORT

Required royalty report information includes:

- License reference number (L-XXX-200X/0)
- Reporting period
- Catalog number and units sold of each Licensed Product (domestic and foreign)
- Gross Sales per catalog number per country
- Total Gross Sales
- Itemized deductions from Gross Sales
- Total Net Sales
- Earned Royalty Rate and associated calculations
- Gross Earned Royalty
- Adjustments for Minimum Annual Royalty (MAR) and other creditable payments made
- Net Earned Royalty due

Example

[***]

APPENDIX G – ROYALTY PAYMENT OPTIONS

New Payment Options Effective March 2018

[***]

CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of the plan is the Cargo Therapeutics, Inc. 2021 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 Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, 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 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 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: (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 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 (each, as may be amended and/or restated from time to time), 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 2,543,353 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 25,433,530 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.

(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 per share exercise price multiplied by the number of Shares underlying such 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 lower of the original per share purchase price paid by the Holder (subject to adjustment as provided in Section 3(b)) or the current Fair Market Value of such Shares, as determined immediately prior to the effective time of the Sale Event.

(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, (iii) obtaining from optionee payment or provision for all withholding taxes due as a result of the exercise of the Option and (iv) if required by the Company, the optionee's execution and delivery of any stockholders' agreements or other agreements with the Company and/or certain other stockholders of the Company relating to the shares of the Stock. 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 desires at any time 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 the price 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 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 Unvested Shares Issued Upon the Exercise of an Option. Upon a Termination Event, the Company or its assigns shall have the right and option to repurchase from a Holder of Shares acquired upon exercise of a Stock Option which are still subject to a risk of forfeiture as of the Termination Event. Such repurchase rights may be exercised by the Company within the later of (A) six months following the date of such Termination Event or (B) seven months after the acquisition of Shares upon exercise of a Stock Option. The repurchase price shall be equal to the lower of the original per share price paid by the Holder, subject to adjustment as provided in Section 3(b) of the Plan, or the current Fair Market Value of such Shares as of the date the Company elects to exercise its repurchase rights.

(ii) Right of Repurchase With Respect to Restricted Stock. Upon a Termination Event, the Company or its assigns shall have the right and option to repurchase from a Holder of Shares received pursuant to a Restricted Stock Award any Shares that are still subject to a risk of forfeiture as of the Termination Event. Such repurchase right may be exercised by the Company within six months following the date of such Termination Event. The repurchase price shall be the lower of the original per share purchase price paid by the Holder, subject to adjustment as provided in Section 3(b) of the Plan, or the current 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) Reserved.

(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) or (c) 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) or (c), 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 consummation of, or the effective date of a registration statement pertaining to, 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) and Section 9(c) (except for the Company's right to repurchase Shares still subject to a risk of forfeiture upon a Termination Event) 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. The Company's required tax withholding obligation may be satisfied, in whole or in part, by the Company (i) 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 withholding amount due or (ii) causing its transfer agent to sell a number of Shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due and remitting the proceeds from such sale to the Company.

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 Cargo Therapeutics, Inc. 2021 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 certificate 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 State of California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

DATE ADOPTED BY THE BOARD OF DIRECTORS:	July 30, 2021
DATE APPROVED BY THE STOCKHOLDERS:	August 16, 2021

CARGO THERAPEUTICS, INC.
AMENDMENT No. 5 TO
2021 STOCK OPTION AND GRANT PLAN

WHEREAS, the Board of Directors of CARGO Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.) (the "**Company**") approved and adopted the 2021 Stock Option and Grant Plan (the "**Plan**") of the Company on July 30, 2021; and

WHEREAS, the Board of Directors and the stockholders of the Company have determined that it is in the best interest of the Company to amend the Plan as set forth in this Amendment No. 5 (this "**Amendment**").

NOW, THEREFORE, the Plan is amended as follows:

1. Amendment of the Plan

1.01. Section 3(a) of the Plan is hereby amended and restated in its entirety to read as follows:

"(a) Stock Issuable. The maximum number of Shares reserved and available for issuance under the Plan shall be 49,103,103 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 49,103,103 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."

2. Miscellaneous.

2.01. Effect. Except as amended hereby, the Plan shall remain in full force and effect.

2.02. Defined Terms. All capitalized terms used but not specifically defined herein shall have the same meanings given such terms in the Plan unless the context clearly indicates or dictates a contrary meaning.

2.03. Governing Law. This Amendment shall be governed by and construed in accordance with the laws and judicial decisions of the State of Delaware, without regard to the application of the principles of conflicts of laws.

ADOPTED BY BOARD OF DIRECTORS: **July 21, 2023**

APPROVED BY STOCKHOLDERS: **July 31, 2023**

INCENTIVE STOCK OPTION GRANT NOTICE
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

Pursuant to the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.), a Delaware corporation (together with any successor, the "Company"), has granted to the individual named below, an option (the "Stock Option") to purchase on or prior to the Expiration Date, or such earlier date as is specified herein, all or any part of the number of shares of Common Stock, par value $0.001 per share ("Common Stock"), of the Company indicated below (the "Shares"), at the Option Exercise Price per share, subject to the terms and conditions set forth in this Incentive Stock Option Grant Notice (the "Grant Notice"), the attached Incentive Stock Option Agreement (the "Agreement") and the Plan. This Stock Option is intended to qualify as an "incentive stock option" as defined in Section 422(b) of the Internal Revenue Code of 1986, as amended from time to time (the "Code"). To the extent that any portion of the Stock Option does not so qualify, it shall be deemed a non-qualified stock option.

Name of Optionee:	_____ (the "Optionee")
No. of Shares:	_____ Shares of Common Stock
Grant Date:	_____
Vesting Commencement Date:	_____ (the "Vesting Commencement Date")
Expiration Date:	_____ (the "Expiration Date")
Option Exercise Price/Share:	$_____ (the "Option Exercise Price")
Vesting Schedule:	[25] percent of the Shares shall vest and become exercisable on the first anniversary of the Vesting Commencement Date; provided that the Optionee continues to have a Service Relationship with the Company at such time. Thereafter, the remaining [75] percent of the Shares shall vest and become exercisable in [36] equal monthly installments following the first anniversary of the Vesting Commencement Date, provided the Optionee continues to have a Service Relationship with the Company on each vesting date. Notwithstanding anything in the Agreement to the contrary, in the case of a Sale Event, this Stock Option and the Shares shall be treated as provided in Section 3(c) of the Plan.

Attachments: Incentive Stock Option Agreement, 2021 Stock Option and Grant Plan

INCENTIVE STOCK OPTION AGREEMENT
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

All capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Grant Notice and the Plan.

1. Vesting, Exercisability and Termination.

(a) No portion of this Stock Option may be exercised until such portion shall have vested and become exercisable.

(b) Except as set forth below, and subject to the determination of the Committee in its sole discretion to accelerate the vesting schedule hereunder, this Stock Option shall be vested and exercisable on the respective dates indicated below:

(i) This Stock Option shall initially be unvested and unexercisable.

(ii) This Stock Option shall vest and become exercisable in accordance with the Vesting Schedule set forth in the Grant Notice.

(c) Termination. Except as may otherwise be provided by the Committee, if the Optionee's Service Relationship is terminated, the period within which to exercise this Stock Option will be subject to earlier termination as set forth below (and if not exercised within such period, shall thereafter terminate subject, in each case, to Section 3(c) of the Plan):

(i) Termination Due to Death or Disability. If the Optionee's Service Relationship terminates by reason of such Optionee's death or Disability, this Stock Option may be exercised, to the extent exercisable on the date of such termination, by the Optionee, the Optionee's legal representative or legatee for a period of 12 months from the date of death or Disability or until the Expiration Date, if earlier.

(ii) Other Termination. If the Optionee's Service Relationship terminates for any reason other than death or Disability, and unless otherwise determined by the Committee, this Stock Option may be exercised, to the extent exercisable on the date of termination, for a period of 90 days from the date of termination or until the Expiration Date, if earlier; provided however, if the Optionee's Service Relationship is terminated for Cause, this Stock Option shall terminate immediately upon the date of such termination.

For purposes hereof, the Committee's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and his or her representatives or legatees. Any portion of this Stock Option that is not vested and exercisable on the date of termination of the Service Relationship shall terminate immediately and be null and void.

(d) It is understood and intended that this Stock Option is intended to qualify as an "incentive stock option" as defined in Section 422 of the Code to the extent permitted under applicable law. Accordingly, the Optionee understands that in order to obtain the benefits of an incentive stock option under Section 422 of the Code, no sale or other disposition may be made of Shares for which incentive stock option treatment is desired within the one-year period beginning on the day after the day of the transfer of such Shares to him or her, nor within the two-year period beginning on the day after Grant Date of this Stock Option and further that this Stock Option must be exercised within three months after termination of employment as an employee (or 12 months in the case of death or disability) to qualify as an incentive stock option. If the Optionee disposes (whether by sale, gift, transfer or otherwise) of any such Shares within either of these periods, he or she will notify the Company within 30 days after such disposition. The Optionee also agrees to provide the Company with any information concerning any such dispositions required by the Company for tax purposes. Further, to the extent this Stock Option and any other incentive stock options of the Optionee having an aggregate Fair Market Value in excess of $100,000 (determined as of the Grant Date) first become exercisable in any year, such options will not qualify as incentive stock options.

2. Exercise of Stock Option.

(a) The Optionee may exercise this Stock Option only in the following manner: Prior to the Expiration Date, the Optionee may deliver a Stock Option exercise notice (an "Exercise Notice") in the form of Appendix A hereto indicating his or her election to purchase some or all of the Shares with respect to which this Stock Option is then exercisable. Such notice shall specify the number of Shares to be purchased. Payment of the purchase price may be made by one or more of the methods described in Section 5 of the Plan, subject to the limitations contained in such Section of the Plan, including the requirement that the Committee specifically approve in advance certain payment methods.

(b) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date.

3. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan.

4. Transferability of Stock Option. This Stock Option is personal to the Optionee and is not transferable by the Optionee in any manner other than by will or by the laws of descent and distribution. The Stock Option may be exercised during the Optionee's lifetime only by the Optionee (or by the Optionee's guardian or personal representative in the event of the Optionee's incapacity). The Optionee may elect to designate a beneficiary by providing written notice of the name of such beneficiary to the Company, and may revoke or change such designation at any time by filing written notice of revocation or change with the Company; such beneficiary may exercise the Optionee's Stock Option in the event of the Optionee's death to the extent provided herein. If the Optionee does not designate a beneficiary, or if the designated beneficiary predeceases the Optionee, the legal representative of the Optionee may exercise this Stock Option to the extent provided herein in the event of the Optionee's death.

5. Restrictions on Transfer of Shares. The Shares acquired upon exercise of the Stock Option shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan.

6. Miscellaneous Provisions.

(a) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(b) Adjustments for Changes in Capital Structure. If, as a result of any reorganization, recapitalization, reincorporation, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Common Stock, the outstanding shares of Common Stock are increased or decreased or are exchanged for a different number or kind of securities of the Company, the restrictions contained in this Agreement shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of his or her ownership of, this Stock Option or Shares acquired pursuant thereto.

(c) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Optionee.

(d) Governing Law. This Agreement 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 California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

(e) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(f) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(g) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(h) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(i) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

(j) Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

7. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or this Stock Option, this Agreement, or the breach, termination or validity of the Plan, this Stock Option or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the "J.A.M.S. Rules"). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1 16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Palo Alto, California.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party's witness or expert. The arbitrator's decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator's decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Optionee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a "Party") covenants and agrees that such party will participate in the arbitration in good faith. This Section 7 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees 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 (except as protected by applicable law), 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, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby

consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

8. Waiver of Statutory Information Rights. The Optionee understands and agrees that, but for the waiver made herein, the Optionee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Optionee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Optionee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Optionee under any other written agreement between the Optionee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned as of the date first above written.

CARGO THERAPEUTICS, INC.

By: _____
Name:
Title:

Address:

_____

_____

_____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof, and understands that this Stock Option is subject to the terms of the Plan and of this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Grant Notice and this Agreement, SPECIFICALLY INCLUDING THE ARBITRATION PROVISIONS SET FORTH IN SECTION 7 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 8 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

OPTIONEE:

_____
Name:

Address:

_____

_____

_____

SPOUSE'S CONSENT
I acknowledge that I have read the
foregoing Non-Qualified Stock Option Agreement
and understand the contents thereof.

_____

DESIGNATED BENEFICIARY:

Beneficiary's Address:

Appendix A

STOCK OPTION EXERCISE NOTICE

Cargo Therapeutics, Inc.

Attention: _____

_____

_____

Pursuant to the terms of the grant notice and stock option agreement between the undersigned and Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.) (the "Company") dated _____ (the "Agreement") under the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), I, [Insert Name] _____, hereby [Circle One] partially/fully exercise such option by including herein payment in the amount of $_____ representing the purchase price for [Fill in number of Shares] _____ Shares. I have chosen the following form(s) of payment:

☐ 1. Cash

☐ 2. Certified or bank check payable to Cargo Therapeutics, Inc.

☐ 3. Other (as referenced in the Agreement and described in the Plan (please describe))
_____.

In connection with my exercise of the option as set forth above, I hereby represent and warrant to the Company as follows:

(i) I am purchasing the Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.

(ii) I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.

(iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(iv) I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period of time.

(v) I understand that the Shares may not be registered under the Securities Act of 1933 (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirement thereof). I further acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Shares will include similar restrictive notations.

(vi) I have read and understand the Plan and acknowledge and agree that the Shares are subject to all of the relevant terms of the Plan, including without limitation, the transfer restrictions set forth in Section 9 of the Plan.

(vii) I understand and agree that the Company has a right of first refusal with respect to the Shares pursuant to Section 9(b) of the Plan.

(viii) I understand and agree that the Company has certain repurchase rights with respect to the Shares pursuant to Section 9(c) of the Plan.

(ix) I understand and agree that I may not sell or otherwise transfer or dispose of the Shares for a period of time following the effective date of a public offering by the Company as described in Section 9(f) of the Plan.

(x) I understand and agree to the waiver of statutory information rights as set forth in Section 8 of the Agreement.

Sincerely yours,

_____

Name:

Address:

_____

_____

_____

Date:

EARLY EXERCISE
INCENTIVE STOCK OPTION GRANT NOTICE
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

Pursuant to the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.), a Delaware corporation (together with any successor thereto, the "Company"), has granted to the individual named below, an option (the "Stock Option") to purchase on or prior to the Expiration Date, or such earlier date as is specified herein, all or any part of the number of shares of Common Stock, par value $0.001 per share ("Common Stock"), of the Company indicated below (the "Shares"), at the Option Exercise Price per share, subject to the terms and conditions set forth in this Early Exercise Incentive Stock Option Grant Notice (the "Grant Notice"), the attached Early Exercise Incentive Stock Option Agreement (the "Agreement") and the Plan. This Stock Option is intended to qualify as an "incentive stock option" as defined in Section 422(b) of the Internal Revenue Code of 1986, as amended from time to time (the "Code"). To the extent that any portion of the Stock Option does not so qualify, it shall be deemed a non-qualified stock option.

Name of Optionee:	_____ (the "Optionee")
No. of Shares:	_____ Shares of Common Stock
Grant Date:	_____
Vesting Commencement Date:	_____ (the "Vesting Commencement Date")
Expiration Date:	_____ (the "Expiration Date")
Option Exercise Price/Share:	$_____ (the "Option Exercise Price")
Vesting Schedule:	[25] percent of the Shares shall vest on the first anniversary of the Vesting Commencement Date; provided that the Optionee continues to have a Service Relationship with the Company at such time.Thereafter, the remaining [75] percent of the Shares shall vest in [36] equal monthly installments following the first anniversary of the Vesting Commencement Date, provided the Optionee continues to have a Service Relationship with the Company on each vesting date. Notwithstanding anything in the Agreement to the contrary, in the case of a Sale Event, this Stock Option and the Shares shall be treated as provided in Section 3(c) of the Plan.

Attachments: Early Exercise Incentive Stock Option Agreement, Restricted Stock Agreement, 2021 Stock Option and Grant Plan

EARLY EXERCISE
INCENTIVE STOCK OPTION AGREEMENT
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

All capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Grant Notice and the Plan.

1. Vesting, Exercisability and Termination.

(a) This Stock Option shall be immediately exercisable, regardless of whether the Shares are vested.

(b) Except as set forth below, and subject to the determination of the Committee in its sole discretion to accelerate the vesting schedule hereunder, the Shares shall be vested on the respective dates indicated below:

(i) All Shares shall initially be unvested.

(ii) The Shares shall vest in accordance with the Vesting Schedule set forth in the Grant Notice.

(c) Termination. Except as may otherwise be provided by the Committee, if the Optionee's Service Relationship is terminated, the period within which to exercise this Stock Option will be subject to earlier termination as set forth below (and if not exercised within such period, shall thereafter terminate subject, in each case to Section 3(c) of the Plan):

(i) Termination Due to Death or Disability. If the Optionee's Service Relationship terminates by reason of such Optionee's death or Disability, this Stock Option may continue to be exercised, to the extent the Shares are vested on the date of termination, by the Optionee, the Optionee's legal representative or legatee for a period of 12 months from the date of death or Disability or until the Expiration Date, if earlier.

(ii) Other Termination. If the Optionee's Service Relationship terminates for any reason other than death or Disability, and unless otherwise determined by the Committee, this Stock Option may continue to be exercised, to the extent the Shares are vested on the date of termination, for a period of 90 days from the date of termination or until the Expiration Date, if earlier; provided however, if the Optionee's Service Relationship is terminated for Cause, this Stock Option shall terminate immediately upon the date of such termination.

For purposes hereof, the Committee's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and his or her representatives or legatees. Any portion of this Stock Option with respect to Shares that are not vested on the date of termination of the Service Relationship shall terminate immediately and be null and void.

(d) It is understood and intended that this Stock Option is intended to qualify as an "incentive stock option" as defined in Section 422 of the Code to the extent permitted under applicable law. Accordingly, the Optionee understands that in order to obtain the benefits of an incentive stock option under Section 422 of the Code, no sale or other disposition may be made of Shares for which incentive stock option treatment is desired within the one-year period beginning on the day after the day of the transfer of such Shares to him or her, nor within the two-year period beginning on the day after Grant Date of this Stock Option and further that this Stock Option must be exercised within three months after termination of employment as an employee (or 12 months in the case of death or disability) to qualify as an incentive stock option. If the Optionee disposes (whether by sale, gift, transfer or otherwise) of any such Shares within either of these periods, he or she will notify the Company within 30 days after such disposition. The Optionee also agrees to provide the Company with any information concerning any such dispositions required by the Company for tax purposes. Further, to the extent this Stock Option and any other incentive stock options of the Optionee having an aggregate Fair Market Value in excess of $100,000 (determined as of the Grant Date) first become exercisable in any year, such options will not qualify as incentive stock options.

2. Exercise of Stock Option.

(a) The Optionee may exercise this Stock Option only in the following manner: Prior to the Expiration Date, the Optionee may deliver a Stock Option exercise notice (an "Exercise Notice") in the form of Appendix A hereto indicating his or her election to purchase some or all of the Shares. Such notice shall specify the number of Shares to be purchased. To the extent this Stock Option is only partially exercised, such exercise shall first be with respect to the Shares, if any, that have previously vested, and then with respect to the Shares that will next vest, with the Shares that vest at the latest date being exercised last. Payment of the purchase price may be made by one or more of the methods described in Section 5 of the Plan, subject to the limitations contained in such Section of the Plan, including the requirement that the Committee specifically approve in advance certain payment methods.

(b) In the event the Optionee exercises a portion of this Stock Option with respect to Shares that have not vested, the Optionee shall also deliver a Restricted Stock Agreement covering such unvested Shares in the form of Appendix B hereto (the "Restricted Stock Agreement") with the same vesting schedule for such Shares as set forth for such Shares herein.

(c) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date.

3. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan.

4. Transferability of Stock Option. This Stock Option is personal to the Optionee and is not transferable by the Optionee in any manner other than by will or by the laws of descent and distribution. The Stock Option may be exercised during the Optionee's lifetime only by the Optionee (or by the Optionee's guardian or personal representative in the event of the Optionee's incapacity). The Optionee may elect to designate a beneficiary by providing written

notice of the name of such beneficiary to the Company, and may revoke or change such designation at any time by filing written notice of revocation or change with the Company; such beneficiary may exercise the Optionee's Stock Option in the event of the Optionee's death to the extent provided herein. If the Optionee does not designate a beneficiary, or if the designated beneficiary predeceases the Optionee, the legal representative of the Optionee may exercise this Stock Option to the extent provided herein in the event of the Optionee's death.

5. Restrictions on Transfer of Shares. The Shares acquired upon exercise of the Stock Option shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan and, if applicable, the Restricted Stock Agreement.

6. Miscellaneous Provisions.

(a) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(b) Adjustments for Changes in Capital Structure. If, as a result of any reorganization, recapitalization, reincorporation, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Common Stock, the outstanding shares of Common Stock are increased or decreased or are exchanged for a different number or kind of securities of the Company, the restrictions contained in this Agreement shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of his or her ownership of, this Stock Option or Shares acquired pursuant thereto.

(c) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Optionee.

(d) Governing Law. This Agreement 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 California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

(e) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(f) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(g) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(h) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, permitted assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(i) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

(j) Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

7. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or this Stock Option, this Agreement, or the breach, termination or validity of the Plan, this Stock Option or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the "J.A.M.S. Rules"). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1—16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Palo Alto, California.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party's witness or expert. The arbitrator's decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator's decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Optionee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a "Party") covenants and agrees that such party will participate in the arbitration in good faith. This Section 7 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees 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 (except as protected by applicable law), 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, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

8. Waiver of Statutory Information Rights. The Optionee understands and agrees that, but for the waiver made herein, the Optionee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Optionee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Optionee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Optionee under any other written agreement between the Optionee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned as of the date first above written.

CARGO THERAPEUTICS, INC.

By: _____
Name:
Title:

Address:

_____

_____

_____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof, and understands that this Stock Option is subject to the terms of the Plan and this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Grant Notice and this Agreement, SPECIFICALLY INCLUDING THE ARBITRATION PROVISIONS SET FORTH IN SECTION 7 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 8 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

OPTIONEE:

_____
Name:

Address:

_____

_____

_____

SPOUSE'S CONSENT
I acknowledge that I have read the
foregoing Incentive Stock Option Agreement
and understand the contents thereof.

_____

DESIGNATED BENEFICIARY:

_____

Beneficiary's Address:

_____

_____

_____

Appendix A

STOCK OPTION EXERCISE NOTICE

Cargo Therapeutics, Inc.
Attention: _____

_____

_____

_____

Pursuant to the terms of the grant notice and stock option agreement between the undersigned and Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.) (the "Company") dated _____ (the "Agreement") under the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), I, [Insert Name] _____, hereby [Circle One] partially/fully exercise such option by including herein payment in the amount of $_____ representing the purchase price for [Fill in number of Shares] _____ Shares. I have chosen the following form(s) of payment:

[ ] 1. Cash

[ ] 2. Certified or bank check payable to Cargo Therapeutics, Inc.

[ ] 3. Other (as referenced in the Agreement and described in the Plan (please describe))
_____.

In connection with my exercise of the option as set forth above, I hereby represent and warrant to the Company as follows:

(i) I am purchasing the Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.

(ii) I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.

(iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(iv) I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period of time.

(v) I understand that the Shares may not be registered under the Securities Act of 1933 (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and

under any applicable state securities or "blue sky" laws (or exemptions from the registration requirement thereof). I further acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Shares will include similar restrictive notations.

(vi) To the extent required, I have executed and delivered to the Company the Restricted Stock Agreement attached as Appendix B to the Agreement.

(vii) I have read and understand the Plan and acknowledge and agree that the Shares are subject to all of the relevant terms of the Plan, including without limitation, the transfer restrictions set forth in Section 9 of the Plan.

(viii) I understand and agree that the Company has a right of first refusal with respect to the Shares pursuant to Section 9(b) of the Plan.

(ix) I understand and agree that the Company has certain repurchase rights with respect to the Shares pursuant to Section 9(c) of the Plan.

(x) I understand and agree that I may not sell or otherwise transfer or dispose of the Shares for a period of time following the effective date of a public offering by the Company as described in Section 9(f) of the Plan.

(xi) I understand and agree to the waiver of statutory information rights as set forth in Section 8 of the Agreement.

Sincerely yours,

_____

Name:

Address:

_____

_____

_____

Date: _____

Appendix B

RESTRICTED STOCK AGREEMENT FOR EARLY EXERCISE OPTION
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

All capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Early Exercise Incentive Stock Option Grant Notice (the "Grant Notice") and Early Exercise Incentive Stock Option Agreement (the "Option Agreement") between Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.) (the "Company") and _____ (the "Grantee") for _____ Shares of Common Stock with a Grant Date of _____, _____ under the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan").

1. Purchase and Sale of Shares; Vesting.

(a) Purchase and Sale. The Company hereby sells to the Grantee, and the Grantee hereby purchases from the Company, on _____, 20[__],the number of Shares set forth in the Stock Option Exercise Notice (_____ Shares) dated _____ , pursuant to the Grant Notice and Option Agreement, for the aggregate Option Exercise Price for the Shares so purchased.

(b) Vesting. The risk of forfeiture shall lapse with respect to the Shares, and such Shares shall become vested, on the respective dates indicated on the Vesting Schedule set forth in the Grant Notice.

2. Repurchase Right. Upon a Termination Event, the Company shall have the right to repurchase the Shares of Restricted Stock that are unvested as of the date of such Termination Event as set forth in Section 9(c) of the Plan.

3. Restrictions on Transfer of Shares. The Shares (whether or not vested) shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Restricted Stock Agreement shall be subject to and governed by all the terms and conditions of the Plan.

5. Miscellaneous Provisions.

(a) Record Owner; Dividends. The Grantee and any Permitted Transferees, during the duration of this Agreement, shall be considered the record owners of and shall be entitled to vote the Shares if and to the extent the Shares are entitled to voting rights. The Grantee and any Permitted Transferees 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.

(b) Section 83(b) Election. The Grantee shall consult with the Grantee's tax advisor to determine whether it would be appropriate for the Grantee to make an election under Section 83(b) of the Code with respect to the Shares. Any such election must be filed with the Internal Revenue Service within 30 days of the date of exercise. If the Grantee makes an election under Section 83(b) of the Code, the Grantee shall give prompt notice to the Company (and provide a copy of such election to the Company). A sample Section 83(b) election is attached to this Agreement as Exhibit A.

(c) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(d) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Grantee.

(e) Governing Law. This Agreement 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 California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

(f) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(g) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(h) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Grantee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(i) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(j) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

6. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or the Shares, this Agreement, or the breach, termination or validity of the Plan, the Shares or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the "J.A.M.S. Rules"). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1 - 16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Palo Alto, California.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party's witness or expert. The arbitrator's decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator's decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Grantee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a "Party") covenants and agrees that such party will participate in the arbitration in good faith. This Section 6 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees 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 (except as protected by applicable law), 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, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

7. Waiver of Statutory Information Rights. The Grantee understands and agrees that, but for the waiver made herein, the Grantee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Grantee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Grantee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Grantee under any other written agreement between the Grantee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Restricted Stock Agreement is hereby accepted and the terms and conditions thereof are hereby agreed to by the undersigned as of the date written in Section 1(a) above.

CARGO THERAPEUTICS, INC.

By: _____
Name:
Title:

Address:

_____

_____

_____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof and understands that the Shares purchased hereby are subject to the terms of the Plan, the Grant Notice, and this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Grant Notice and this Agreement, SPECIFICALLY INCLUDING THE ARBITRATION PROVISIONS SET FORTH IN SECTION 6 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 7 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

GRANTEE:

_____
Name:

Address:

_____

_____

_____

SPOUSE'S CONSENT
I acknowledge that I have read the foregoing Restricted Stock Agreement and understand the contents thereof.

_____

EXHIBIT A
Section 83(b) Election

The undersigned hereby elects pursuant to §83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares.

1. The name, taxpayer identification number, address of the undersigned, and the taxable year for which this election is being made are:

Name: _____

Address: _____

_____

Social Security No.: _____

Taxable Year: Calendar Year 20___

2. The property which is the subject of this election is [number of unvested shares] shares of common stock of Cargo Therapeutics, Inc.

3. The property was transferred to the undersigned on [date of purchase/transfer].

4. The property is subject to the following restrictions:

The Shares will be subject to restrictions on transfer and risk of forfeiture upon termination of service relationship and in certain other events.

5. The fair market value of the property at time of transfer (determined without regard to any restrictions other than nonlapse restrictions as defined in §1.83-3(h) of the Income Tax Regulations) is $[current FMV] per share x [number of unvested shares] shares = $_____.

6. For the property transferred, the undersigned paid $[exercise price] per share x [number of unvested shares] shares = $_____.

7. The amount to include in gross income is $[amount reported in Item 5 minus the amount reported in Item 6].

The undersigned taxpayer will file this election with the Internal Revenue Service Office with which the taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property, at the IRS address listed for the taxpayer's state under "Are you not including a check or money order . . ." given in *Where Do You File* in the Instructions for Form 1040 and the Instructions for Form 1040A (which information can also be found at: https://www.irs.gov/uac/where-to-file-addresses-for-taxpayers-and-tax-professionals). A copy of the election will also be furnished to the person for whom the services were performed. The undersigned is the person performing services in connection with which the property was transferred.

Dated: _____, 20__

_____
Taxpayer

NON-QUALIFIED STOCK OPTION GRANT NOTICE
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

Pursuant to the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.), a Delaware corporation (together with any successor, the "Company"), has granted to the individual named below, an option (the "Stock Option") to purchase on or prior to the Expiration Date, or such earlier date as is specified herein, all or any part of the number of shares of Common Stock, par value $0.001 per share ("Common Stock"), of the Company indicated below (the "Shares"), at the Option Exercise Price per share, subject to the terms and conditions set forth in this Non-Qualified Stock Option Grant Notice (the "Grant Notice"), the attached Non-Qualified Stock Option Agreement (the "Agreement") and the Plan. This Stock Option is not intended to qualify as an "incentive stock option" as defined in Section 422(b) of the Internal Revenue Code of 1986, as amended from time to time (the "Code").

Name of Optionee:	_____ (the "Optionee")
No. of Shares:	_____ Shares of Common Stock
Grant Date:	_____
Vesting Commencement Date:	_____ (the "Vesting Commencement Date")
Expiration Date:	_____ (the "Expiration Date")
Option Exercise Price/Share:	$_____ (the "Option Exercise Price")
Vesting Schedule:	[25] percent of the Shares shall vest and become exercisable on the first anniversary of the Vesting Commencement Date; provided that the Optionee continues to have a Service Relationship with the Company at such time. Thereafter, the remaining [75] percent of the Shares shall vest and become exercisable in [36] equal monthly installments following the first anniversary of the Vesting Commencement Date, provided the Optionee continues to have a Service Relationship with the Company on each vesting date. Notwithstanding anything in the Agreement to the contrary, in the case of a Sale Event, this Stock Option and the Shares shall be treated as provided in Section 3(c) of the Plan.

Attachments: Non-Qualified Stock Option Agreement, 2021 Stock Option and Grant Plan

NON-QUALIFIED STOCK OPTION AGREEMENT
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

All capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Grant Notice and the Plan.

1. Vesting, Exercisability and Termination.

(a) No portion of this Stock Option may be exercised until such portion shall have vested and become exercisable.

(b) Except as set forth below, and subject to the determination of the Committee in its sole discretion to accelerate the vesting schedule hereunder, this Stock Option shall be vested and exercisable on the respective dates indicated below:

(i) This Stock Option shall initially be unvested and unexercisable.

(ii) This Stock Option shall vest and become exercisable in accordance with the Vesting Schedule set forth in the Grant Notice.

(c) Termination. Except as may otherwise be provided by the Committee, if the Optionee's Service Relationship is terminated, the period within which to exercise this Stock Option will be subject to earlier termination as set forth below (and if not exercised within such period, shall thereafter terminate subject, in each case, to Section 3(c) of the Plan):

(i) Termination Due to Death or Disability. If the Optionee's Service Relationship terminates by reason of such Optionee's death or Disability, this Stock Option may be exercised, to the extent exercisable on the date of such termination, by the Optionee, the Optionee's legal representative or legatee for a period of 12 months from the date of death or Disability or until the Expiration Date, if earlier.

(ii) Other Termination. If the Optionee's Service Relationship terminates for any reason other than death or Disability, and unless otherwise determined by the Committee, this Stock Option may be exercised, to the extent exercisable on the date of termination, for a period of 90 days from the date of termination or until the Expiration Date, if earlier; provided however, if the Optionee's Service Relationship is terminated for Cause, this Stock Option shall terminate immediately upon the date of such termination.

For purposes hereof, the Committee's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and his or her representatives or legatees and any Permitted Transferee. Any portion of this Stock Option that is not vested and exercisable on the date of termination of the Service Relationship shall terminate immediately and be null and void.

2. Exercise of Stock Option.

(a) The Optionee may exercise this Stock Option only in the following manner: Prior to the Expiration Date, the Optionee may deliver a Stock Option exercise notice (an "Exercise Notice") in the form of Appendix A hereto indicating his or her election to purchase some or all of the Shares with respect to which this Stock Option is then exercisable. Such notice shall specify the number of Shares to be purchased. Payment of the purchase price may be made by one or more of the methods described in Section 5 of the Plan, subject to the limitations contained in such Section of the Plan, including the requirement that the Committee specifically approve in advance certain payment methods.

(b) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date.

3. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan.

4. Transferability of Stock Option. This Stock Option is personal to the Optionee and is not transferable by the Optionee in any manner other than by will or by the laws of descent and distribution. The Stock Option may be exercised during the Optionee's lifetime only by the Optionee (or by the Optionee's guardian or personal representative in the event of the Optionee's incapacity). The Optionee may elect to designate a beneficiary by providing written notice of the name of such beneficiary to the Company, and may revoke or change such designation at any time by filing written notice of revocation or change with the Company; such beneficiary may exercise the Optionee's Stock Option in the event of the Optionee's death to the extent provided herein. If the Optionee does not designate a beneficiary, or if the designated beneficiary predeceases the Optionee, the legal representative of the Optionee may exercise this Stock Option to the extent provided herein in the event of the Optionee's death.

5. Restrictions on Transfer of Shares. The Shares acquired upon exercise of the Stock Option shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan.

6. Miscellaneous Provisions.

(a) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(b) Adjustments for Changes in Capital Structure. If, as a result of any reorganization, recapitalization, reincorporation, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Common Stock, the outstanding shares of Common Stock are increased or decreased or are exchanged for a different number or kind of securities of the Company, the restrictions contained in this Agreement shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of his or her ownership of, this Stock Option or Shares acquired pursuant thereto.

(c) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Optionee.

(d) Governing Law. This Agreement 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 California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

(e) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(f) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(g) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(h) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(i) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

(j) Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

7. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or this Stock Option, this Agreement, or the breach, termination or validity of the Plan, this Stock Option or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the “J.A.M.S. Rules”). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1-16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Palo Alto, California.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party's witness or expert. The arbitrator's decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator's decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Optionee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a "Party") covenants and agrees that such party will participate in the arbitration in good faith. This Section 7 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees 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 (except as protected by applicable law), 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, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

8. Waiver of Statutory Information Rights. The Optionee understands and agrees that, but for the waiver made herein, the Optionee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Optionee as may be provided for in Section 220,

the “Inspection Rights”). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Optionee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Optionee under any other written agreement between the Optionee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned as of the date first above written.

CARGO THERAPEUTICS, INC.

By: _____
Name:
Title:

Address:

_____

_____

_____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof, and understands that this Stock Option is subject to the terms of the Plan and of this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Grant Notice and this Agreement, SPECIFICALLY INCLUDING THE ARBITRATION PROVISIONS SET FORTH IN SECTION 7 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 8 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

OPTIONEE:

_____
Name:

Address:

_____

_____

_____

SPOUSE'S CONSENT
I acknowledge that I have read the foregoing Non-Qualified Stock Option Agreement and understand the contents thereof.

_____

DESIGNATED BENEFICIARY:

_____

Beneficiary's Address:

_____

_____

_____

Appendix A

STOCK OPTION EXERCISE NOTICE

Cargo Therapeutics, Inc.

Attention: _____
_____
_____

Pursuant to the terms of the grant notice and stock option agreement between the undersigned and Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.) (the "Company") dated _____ (the "Agreement") under the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), I, [Insert Name] _____, hereby [Circle One] partially/fully exercise such option by including herein payment in the amount of $_____ representing the purchase price for [Fill in number of Shares] _____ Shares. I have chosen the following form(s) of payment:

[ ] 1. Cash
[ ] 2. Certified or bank check payable to Cargo Therapeutics, Inc.
[ ] 3. Other (as referenced in the Agreement and described in the Plan (please describe))
_____.

In connection with my exercise of the option as set forth above, I hereby represent and warrant to the Company as follows:

(i) I am purchasing the Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.

(ii) I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.

(iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(iv) I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period of time.

(v) I understand that the Shares may not be registered under the Securities Act of 1933 (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and under any applicable state securities or "blue sky" laws (or

exemptions from the registration requirement thereof). I further acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Shares will include similar restrictive notations.

(vi) I have read and understand the Plan and acknowledge and agree that the Shares are subject to all of the relevant terms of the Plan, including without limitation, the transfer restrictions set forth in Section 9 of the Plan.

(vii) I understand and agree that the Company has a right of first refusal with respect to the Shares pursuant to Section 9(b) of the Plan.

(viii) I understand and agree that the Company has certain repurchase rights with respect to the Shares pursuant to Section 9(c) of the Plan.

(ix) I understand and agree that I may not sell or otherwise transfer or dispose of the Shares for a period of time following the effective date of a public offering by the Company as described in Section 9(f) of the Plan.

(x) I understand and agree to the waiver of statutory information rights as set forth in Section 8 of the Agreement.

Sincerely yours,

_____

Name:

Address:

_____

_____

_____

Date: _____

EARLY EXERCISE
NON-QUALIFIED STOCK OPTION GRANT NOTICE
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

Pursuant to the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.), a Delaware corporation (together with any successor thereto, the "Company"), has granted to the individual named below, an option (the "Stock Option") to purchase on or prior to the Expiration Date, or such earlier date as is specified herein, all or any part of the number of shares of Common Stock, par value $0.001 per share ("Common Stock"), of the Company indicated below (the "Shares"), at the Option Exercise Price per share, subject to the terms and conditions set forth in this Early Exercise Non-Qualified Stock Option Grant Notice (the "Grant Notice"), the attached Early Exercise Non-Qualified Stock Option Agreement (the "Agreement") and the Plan. This Stock Option is not intended to qualify as an "incentive stock option" as defined in Section 422(b) of the Internal Revenue Code of 1986, as amended from time to time (the "Code").

Name of Optionee:	_____ (the "Optionee")
No. of Shares:	_____ Shares of Common Stock
Grant Date:	_____
Vesting Commencement Date:	_____ (the "Vesting Commencement Date")
Expiration Date:	_____ (the "Expiration Date")
Option Exercise Price/Share:	$_____ (the "Option Exercise Price")
Vesting Schedule:	[25] percent of the Shares shall vest on the first anniversary of the Vesting Commencement Date; provided that the Optionee continues to have a Service Relationship with the Company at such time. Thereafter, the remaining [75] percent of the Shares shall vest in [36] equal monthly installments following the first anniversary of the Vesting Commencement Date, provided the Optionee continues to have a Service Relationship with the Company on each vesting date. Notwithstanding anything in the Agreement to the contrary, in the case of a Sale Event, this Stock Option and the Shares shall be treated as provided in Section 3(c) of the Plan.

Attachments: Early Exercise Non-Qualified Stock Option Agreement, Restricted Stock Agreement, 2021 Stock Option and Grant Plan

EARLY EXERCISE

NON-QUALIFIED STOCK OPTION AGREEMENT
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

All capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Grant Notice and the Plan.

1. Vesting, Exercisability and Termination.

(a) This Stock Option shall be immediately exercisable, regardless of whether the Shares are vested.

(b) Except as set forth below, and subject to the determination of the Committee in its sole discretion to accelerate the vesting schedule hereunder, the Shares shall be vested on the respective dates indicated below:

(i) All Shares shall initially be unvested.

(ii) The Shares shall vest in accordance with the Vesting Schedule set forth in the Grant Notice.

(c) Termination. Except as may otherwise be provided by the Committee, if the Optionee's Service Relationship is terminated, the period within which to exercise this Stock Option will be subject to earlier termination as set forth below (and if not exercised within such period, shall thereafter terminate subject, in each case, to Section 3(c) of the Plan):

(i) Termination Due to Death or Disability. If the Optionee's Service Relationship terminates by reason of such Optionee's death or Disability, this Stock Option may continue to be exercised, to the extent the Shares are vested on the date of termination, by the Optionee, the Optionee's legal representative or legatee for a period of 12 months from the date of death or Disability or until the Expiration Date, if earlier.

(ii) Other Termination. If the Optionee's Service Relationship terminates for any reason other than death or Disability, and unless otherwise determined by the Committee, this Stock Option may continue to be exercised, to the extent the Shares are vested on the date of termination, for a period of 90 days from the date of termination or until the Expiration Date, if earlier; provided however, if the Optionee's Service Relationship is terminated for Cause, this Stock Option shall terminate immediately upon the date of such termination.

For purposes hereof, the Committee's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and his or her representatives or legatees and any Permitted Transferee. Any portion of this Stock Option with respect to Shares that are not vested and exercisable on the date of termination of the Service Relationship shall terminate immediately and be null and void.

2. Exercise of Stock Option.

(a) The Optionee may exercise this Stock Option only in the following manner: Prior to the Expiration Date, the Optionee may deliver a Stock Option exercise notice (an "Exercise Notice") in the form of Appendix A hereto indicating his or her election to purchase some or all of the Shares. Such notice shall specify the number of Shares to be purchased. To the extent this Stock Option is only partially exercised, such exercise shall first be with respect to the Shares, if any, that have previously vested, and then with respect to the Shares that will next vest, with the Shares that vest at the latest date being exercised last. Payment of the purchase price may be made by one or more of the methods described in Section 5 of the Plan, subject to the limitations contained in such Section of the Plan, including the requirement that the Committee specifically approve in advance certain payment methods.

(b) In the event the Optionee exercises a portion of this Stock Option with respect to Shares that have not vested, the Optionee shall also deliver a Restricted Stock Agreement covering such unvested Shares in the form of Appendix B hereto (the "Restricted Stock Agreement") with the same vesting schedule for such Shares as set forth for such Shares herein.

(c) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date.

3. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan.

4. Transferability of Stock Option. This Stock Option is personal to the Optionee and is not transferable by the Optionee in any manner other than by will or by the laws of descent and distribution. The Stock Option may be exercised during the Optionee's lifetime only by the Optionee (or by the Optionee's guardian or personal representative in the event of the Optionee's incapacity). The Optionee may elect to designate a beneficiary by providing written notice of the name of such beneficiary to the Company, and may revoke or change such designation at any time by filing written notice of revocation or change with the Company; such beneficiary may exercise the Optionee's Stock Option in the event of the Optionee's death to the extent provided herein. If the Optionee does not designate a beneficiary, or if the designated beneficiary predeceases the Optionee, the legal representative of the Optionee may exercise this Stock Option to the extent provided herein in the event of the Optionee's death.

5. Restrictions on Transfer of Shares. The Shares acquired upon exercise of the Stock Option shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan and, if applicable, the Restricted Stock Agreement.

6. Miscellaneous Provisions.

(a) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(b) Adjustments for Changes in Capital Structure. If, as a result of any reorganization, recapitalization, reincorporation, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Common Stock, the outstanding shares of Common Stock are increased or decreased or are exchanged for a different number or kind of securities of the Company, the restrictions contained in this Agreement shall apply with equal force to additional and/or substitute securities, if any, received by the Optionee in exchange for, or by virtue of his or her ownership of, this Stock Option or Shares acquired pursuant thereto.

(c) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Optionee.

(d) Governing Law. This Agreement 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 California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

(e) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(f) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(g) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Optionee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(h) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(i) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

(j) Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

7. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or this Stock Option, this Agreement, or the breach, termination or validity of the Plan, this Stock Option or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the "J.A.M.S. Rules"). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1 - 16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Palo Alto, California.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party's witness or expert. The arbitrator's decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator's decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Optionee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a "Party") covenants and agrees that such party will participate in the arbitration in good faith. This Section 7 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees 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 (except as protected by applicable law), 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, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

8. Waiver of Statutory Information Rights. The Optionee understands and agrees that, but for the waiver made herein, the Optionee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Optionee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Optionee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Optionee under any other written agreement between the Optionee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned as of the date first above written.

CARGO THERAPEUTICS, INC.

By: _____
Name:
Title:

Address:

_____

_____

_____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof, and understands that this Stock Option is subject to the terms of the Plan and of this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Grant Notice and this Agreement, SPECIFICALLY INCLUDING THE ARBITRATION PROVISIONS SET FORTH IN SECTION 7 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 8 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

OPTIONEE:

_____
Name:

Address:

_____

_____

_____

SPOUSE'S CONSENT
I acknowledge that I have read the foregoing Non-Qualified Stock Option Agreement
and understand the contents thereof.

_____

DESIGNATED BENEFICIARY:

_____

Beneficiary's Address:

_____

_____

_____

Appendix A

STOCK OPTION EXERCISE NOTICE

Cargo Therapeutics, Inc.
Attention: _____
_____
_____

Pursuant to the terms of the grant notice and stock option agreement between the undersigned and Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.) (the "Company") dated _____ (the "Agreement") under the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), I, [Insert Name] _____, hereby [Circle One] partially/fully exercise such option by including herein payment in the amount of $_____ representing the purchase price for [Fill in number of Shares] _____ Shares. I have chosen the following form(s) of payment:

[ ] 1. Cash
[ ] 2. Certified or bank check payable to Cargo Therapeutics, Inc.
[ ] 3. Other (as referenced in the Agreement and described in the Plan (please describe))

_____

In connection with my exercise of the option as set forth above, I hereby represent and warrant to the Company as follows:

(i) I am purchasing the Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.

(ii) I have had such an opportunity as I have deemed adequate to obtain from the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company and have consulted with my own advisers with respect to my investment in the Company.

(iii) I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(iv) I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period of time.

(v) I understand that the Shares may not be registered under the Securities Act of 1933 (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Securities Act of 1933 and

under any applicable state securities or "blue sky" laws (or exemptions from the registration requirement thereof). I further acknowledge that certificates representing Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Shares will include similar restrictive notations.

(vi) To the extent required, I have executed and delivered to the Company the Restricted Stock Agreement attached as Appendix B to the Agreement.

(vii) I have read and understand the Plan and acknowledge and agree that the Shares are subject to all of the relevant terms of the Plan, including without limitation, the transfer restrictions set forth in Section 9 of the Plan.

(viii) I understand and agree that the Company has a right of first refusal with respect to the Shares pursuant to Section 9(b) of the Plan.

(ix) I understand and agree that the Company has certain repurchase rights with respect to the Shares pursuant to Section 9(c) of the Plan.

(x) I understand and agree that I may not sell or otherwise transfer or dispose of the Shares for a period of time following the effective date of a public offering by the Company as described in Section 9(f) of the Plan.

(xi) I understand and agree to the waiver of statutory information rights as set forth in Section 8 of the Agreement.

Sincerely yours,

_____

Name:

Address:

_____

_____

_____

Date: _____

Appendix B

RESTRICTED STOCK AGREEMENT FOR EARLY EXERCISE OPTION
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

All capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Early Exercise Non-Qualified Stock Option Grant Notice (the "Grant Notice") and Early Exercise Non-Qualified Stock Option Agreement (the "Option Agreement") between Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.) (the "Company") and (the "Grantee") for _____ Shares of Common Stock with a Grant Date of _____, _____ under the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan").

1. Purchase and Sale of Shares; Vesting.

(a) Purchase and Sale. The Company hereby sells to the Grantee, and the Grantee hereby purchases from the Company, on _____, 20[__], the number of Shares set forth in the Stock Option Exercise Notice (_____ Shares) dated _____ , pursuant to the Grant Notice and Option Agreement, for the aggregate Option Exercise Price for the Shares so purchased.

(b) Vesting. The risk of forfeiture shall lapse with respect to the Shares, and such Shares shall become vested, on the respective dates indicated on the Vesting Schedule set forth in the Grant Notice.

2. Repurchase Right. Upon a Termination Event, the Company shall have the right to repurchase Shares of Restricted Stock that are unvested as of the date of such Termination Event as set forth in Section 9(c) of the Plan.

3. Restrictions on Transfer of Shares. The Shares (whether or not vested) shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Restricted Stock Agreement shall be subject to and governed by all the terms and conditions of the Plan.

5. Miscellaneous Provisions.

(a) Record Owner; Dividends. The Grantee and any Permitted Transferees, during the duration of this Agreement, shall be considered the record owners of and shall be entitled to vote the Shares if and to the extent the Shares are entitled to voting rights. The Grantee and any Permitted Transferees 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.

(b) Section 83(b) Election. The Grantee shall consult with the Grantee's tax advisor to determine whether it would be appropriate for the Grantee to make an election under Section 83(b) of the Code with respect to the Shares. Any such election must be filed with the Internal Revenue Service within 30 days of the date of exercise. If the Grantee makes an election under Section 83(b) of the Code, the Grantee shall give prompt notice to the Company (and provide a copy of such election to the Company). A sample Section 83(b) election is attached to this Agreement as Exhibit A.

(c) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(d) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Grantee.

(e) Governing Law. This Agreement 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 California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

(f) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(g) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(h) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Grantee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(i) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(j) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

6. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or the Shares, this Agreement, or the breach, termination or validity of the Plan, the Shares or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the "J.A.M.S. Rules"). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1 - 16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Palo Alto, California.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party's witness or expert. The arbitrator's decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator's decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Grantee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a "Party") covenants and agrees that such party will participate in the arbitration in good faith. This Section 6 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees 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 (except as protected by applicable law), 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, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

7. Waiver of Statutory Information Rights. The Grantee understands and agrees that, but for the waiver made herein, the Grantee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Grantee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Grantee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Grantee under any other written agreement between the Grantee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Restricted Stock Agreement is hereby accepted and the terms and conditions thereof are hereby agreed to by the undersigned as of the date written in Section 1(a) above.

CARGO THERAPEUTICS, INC.

By: _____
Name:
Title:

Address:

_____

_____

_____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof and understands that the Shares purchased hereby are subject to the terms of the Plan, the Grant Notice, and this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Grant Notice and this Agreement, SPECIFICALLY INCLUDING THE ARBITRATION PROVISIONS SET FORTH IN SECTION 6 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 7 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

GRANTEE:

_____
Name:

Address:

_____

_____

_____

SPOUSE'S CONSENT
I acknowledge that I have read the foregoing Restricted Stock Agreement and understand the contents thereof.

EXHIBIT A
Section 83(b) Election

The undersigned hereby elects pursuant to §83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares.

1. The name, taxpayer identification number, address of the undersigned, and the taxable year for which this election is being made are:

   Name: _____

   Address: _____

   _____

   Social Security No.: _____

   Taxable Year: Calendar Year 20__

2. The property which is the subject of this election is [number of unvested shares] shares of common stock of Cargo Therapeutics, Inc.

3. The property was transferred to the undersigned on [date of purchase/transfer].

4. The property is subject to the following restrictions:

   The Shares will be subject to restrictions on transfer and risk of forfeiture upon termination of service relationship and in certain other events.

5. The fair market value of the property at time of transfer (determined without regard to any restrictions other than nonlapse restrictions as defined in §1.83-3(h) of the Income Tax Regulations) is $[current FMV] per share x [number of unvested shares] shares = $_____.

6. For the property transferred, the undersigned paid $[exercise price] per share x [number of unvested shares] shares = $_____.

7. The amount to include in gross income is $[amount reported in Item 5 minus the amount reported in Item 6].

The undersigned taxpayer will file this election with the Internal Revenue Service Office with which the taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property, at the IRS address listed for the taxpayer's state under "Are you not including a check or money order . . ." given in *Where Do You File* in the Instructions for Form 1040 and the Instructions for Form 1040A (which information can also be found at: https://www.irs.gov/uac/where-to-file-addresses-for-taxpayers-and-tax-professionals). A copy of the election will also be furnished to the person for whom the services were performed. The undersigned is the person performing services in connection with which the property was transferred.

Dated: _____, 20__

_____
Taxpayer

RESTRICTED STOCK AWARD NOTICE
UNDER THE CARGO THERAPEUTICS, INC.
2021 STOCK OPTION AND GRANT PLAN

Pursuant to the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan (the "Plan"), Cargo Therapeutics, Inc. (formerly known as Syncopation Life Sciences, Inc.), a Delaware corporation (together with any successor, the "Company"), hereby grants, sells and issues to the individual named below, the Shares at the Per Share Purchase Price, subject to the terms and conditions set forth in this Restricted Stock Award Notice (the "Award Notice"), the attached Restricted Stock Agreement (the "Agreement") and the Plan. The Grantee agrees to the provisions set forth herein and acknowledges that each such provision is a material condition of the Company's agreement to issue and sell the Shares to him or her. The Company hereby acknowledges receipt of $**[_____]** in full payment for the Shares. All references to share prices and amounts herein shall be equitably adjusted to reflect stock splits, stock dividends, recapitalizations, mergers, reorganizations and similar changes affecting the capital stock of the Company, and any shares of capital stock of the Company received on or in respect of Shares in connection with any such event (including any shares of capital stock or any right, option or warrant to receive the same or any security convertible into or exchangeable for any such shares or received upon conversion of any such shares) shall be subject to this Agreement on the same basis and extent at the relevant time as the Shares in respect of which they were issued, and shall be deemed Shares as if and to the same extent they were issued at the date hereof.

Name of Grantee:	_____ (the "Grantee")
No. of Shares:	_____ Shares of Common Stock (the "Shares")
Grant Date:	_____ __, ____
Date of Purchase of Shares:	_____ __, ____
Vesting Commencement Date:	_____ __, ____ (the "Vesting Commencement Date")
Per Share Purchase Price:	$_____ (the "Per Share Purchase Price")
Vesting Schedule:	[25] percent of the Shares shall vest on the [first] anniversary of the Vesting Commencement Date; provided that the Grantee continues to have a Service Relationship with the Company at such time. Thereafter, the remaining [75] percent of the Shares shall vest in [36] equal monthly installments following the first anniversary of the Vesting Commencement Date, provided the Grantee continues to have a Service Relationship with the Company at such time. Notwithstanding anything in the Agreement to the contrary in the case of a Sale Event, the Shares of Restricted Stock shall be treated as provided in Section 3(c) of the Plan.

Attachments: Restricted Stock Agreement, 2021 Stock Option and Grant Plan

All capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Award Notice and the Plan.

8. Purchase and Sale of Shares; Vesting; Investment Representations.

(a) Purchase and Sale. The Company hereby sells to the Grantee, and the Grantee hereby purchases from the Company, the number of Shares set forth in the Award Notice for the Per Share Purchase Price.

(b) Vesting. Initially, all of the Shares are non-transferable and subject to a substantial risk of forfeiture and are Shares of Restricted Stock. The risk of forfeiture shall lapse with respect to the Shares on the respective dates indicated on the Vesting Schedule set forth in the Award Notice.

(c) Investment Representations. In connection with the purchase and sale of the Shares contemplated by Section 1(a) above, the Grantee hereby represents and warrants to the Company as follows:

(i) The Grantee is purchasing the Shares for the Grantee's own account for investment only, and not for resale or with a view to the distribution thereof.

(ii) The Grantee has had such an opportunity as he or she has deemed adequate to obtain from the Company such information as is necessary to permit him or her to evaluate the merits and risks of the Grantee's investment in the Company and has consulted with the Grantee's own advisers with respect to the Grantee's investment in the Company.

(iii) The Grantee has sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

(iv) The Grantee can afford a complete loss of the value of the Shares and is able to bear the economic risk of holding such Shares for an indefinite period.

(v) The Grantee understands that the Shares are not registered under the Act (it being understood that the Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the Act and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirements thereof). The Grantee further acknowledges that certificates representing the Shares will bear restrictive legends reflecting the foregoing and/or that book entries for uncertificated Shares will include similar restrictive notations.

(vi) The Grantee has read and understands the Plan and acknowledges and agrees that the Shares are subject to all of the relevant terms of the Plan, including without limitation, the transfer restrictions set forth in Section 9 of the Plan.

(vii) The Grantee understands and agrees that the Company has a right of first refusal with respect to the Shares pursuant to Section 9(b) of the Plan.

(viii) The Grantee understands and agree that the Company has certain repurchase rights with respect to the Shares pursuant to Section 9(c) of the Plan.

(ix) The Grantee understands and agrees that the Grantee may not sell or otherwise transfer or dispose of the Shares for a period of time following the effective date of a public offering by the Company as described in Section 9(f) of the Plan.

9. Repurchase Right. Upon a Termination Event, the Company shall have the right to repurchase Shares of Restricted Stock that are unvested as of the date of such Termination Event as set forth in Section 9(c) of the Plan.

10. Restrictions on Transfer of Shares. The Shares (whether or not vested) shall be subject to certain transfer restrictions and other limitations including, without limitation, the provisions contained in Section 9 of the Plan.

11. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Restricted Stock Award shall be subject to and governed by all the terms and conditions of the Plan.

12. Miscellaneous Provisions.

(a) Record Owner; Dividends. The Grantee and any Permitted Transferees, during the duration of this Agreement, shall be considered the record owners of and shall be entitled to vote the Shares if and to the extent the Shares are entitled to voting rights. The Grantee and any Permitted Transferees 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.

(b) Section 83(b) Election. The Grantee shall consult with the Grantee's tax advisor to determine whether it would be appropriate for the Grantee to make an election under Section 83(b) of the Code with respect to this Award. Any such election must be filed with the Internal Revenue Service within 30 days of the date of this Award. If the Grantee makes an election under Section 83(b) of the Code, the Grantee shall give prompt notice to the Company (and provide a copy of such election to the Company). A sample Section 83(b) election is attached to this Agreement as Exhibit A.

(c) Equitable Relief. The parties hereto agree and declare that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

(d) Change and Modifications. This Agreement may not be orally changed, modified or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may be changed, modified or terminated only by an agreement in writing signed by the Company and the Grantee.

(e) Governing Law. This Agreement 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 California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

(f) Headings. The headings are intended only for convenience in finding the subject matter and do not constitute part of the text of this Agreement and shall not be considered in the interpretation of this Agreement.

(g) Saving Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(h) Notices. All notices, requests, consents and other communications shall be in writing and be deemed given when delivered personally, by telex or facsimile transmission or when received if mailed by first class registered or certified mail, postage prepaid. Notices to the Company or the Grantee shall be addressed as set forth underneath their signatures below, or to such other address or addresses as may have been furnished by such party in writing to the other.

(i) Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns, and legal representatives. The Company has the right to assign this Agreement, and such assignee shall become entitled to all the rights of the Company hereunder to the extent of such assignment.

(j) Counterparts. For the convenience of the parties and to facilitate execution, this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

(k) Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

13. Dispute Resolution.

(a) Except as provided below, any dispute arising out of or relating to the Plan or the Shares, this Agreement, or the breach, termination or validity of the Plan, the Shares or this Agreement, shall be finally settled by binding arbitration conducted expeditiously in accordance with the J.A.M.S./Endispute Comprehensive Arbitration Rules and Procedures (the “J.A.M.S. Rules”). The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. Sections 1 - 16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Palo Alto, California.

(b) The arbitration shall commence within 60 days of the date on which a written demand for arbitration is filed by any party hereto. In connection with the arbitration proceeding, the arbitrator shall have the power to order the production of documents by each party and any third-party witnesses. In addition, each party may take up to three depositions as of right, and the arbitrator may in his or her discretion allow additional depositions upon good cause shown by the moving party. However, the arbitrator shall not have the power to order the answering of interrogatories or the response to requests for admission. In connection with any arbitration, each party to the arbitration shall provide to the other, no later than seven business days before the date of the arbitration, the identity of all persons that may testify at the arbitration and a copy of all documents that may be introduced at the arbitration or considered or used by a party's witness or expert. The arbitrator's decision and award shall be made and delivered within six months of the selection of the arbitrator. The arbitrator's decision shall set forth a reasoned basis for any award of damages or finding of liability. The arbitrator shall not have power to award damages in excess of actual compensatory damages and shall not multiply actual damages or award punitive damages, and each party hereby irrevocably waives any claim to such damages.

(c) The Company, the Grantee, each party to the Agreement and any other holder of Shares issued pursuant to this Agreement (each, a "Party") covenants and agrees that such party will participate in the arbitration in good faith. This Section 6 applies equally to requests for temporary, preliminary or permanent injunctive relief, except that in the case of temporary or preliminary injunctive relief any party may proceed in court without prior arbitration for the limited purpose of avoiding immediate and irreparable harm.

(d) Each Party (i) hereby irrevocably submits to the jurisdiction of any United States District Court of competent jurisdiction for the purpose of enforcing the award or decision in any such proceeding, (ii) hereby waives, and agrees 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 (except as protected by applicable law), 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, and (iii) hereby waives and agrees not to seek any review by any court of any other jurisdiction which may be called upon to grant an enforcement of the judgment of any such court. Each Party hereby consents to service of process by registered mail at the address to which notices are to be given. Each Party agrees that its, his or her submission to jurisdiction and its, his or her consent to service of process by mail is made for the express benefit of each other Party. Final judgment against any Party in any such action, suit or proceeding may be enforced in other jurisdictions by suit, action or proceeding on the judgment, or in any other manner provided by or pursuant to the laws of such other jurisdiction.

14. Waiver of Statutory Information Rights. The Grantee understands and agrees that, but for the waiver made herein, the Grantee would be entitled, upon written demand under oath stating the purpose thereof, to inspect for any proper purpose, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the General Corporation Law of Delaware (any and all such rights, and any and all such other rights of the Grantee as may be provided for in Section 220, the "Inspection Rights"). In light of the foregoing, until the first sale of Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Grantee hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercised or pursued directly or indirectly pursuant to Section 220 or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver shall not affect any rights of a director, in his or her capacity as such, under Section 220. The foregoing waiver shall not apply to any contractual inspection rights of the Grantee under any other written agreement between the Grantee and the Company.

[SIGNATURE PAGE FOLLOWS]

The foregoing Restricted Stock Agreement is hereby accepted and the terms and conditions thereof are hereby agreed to by the undersigned as of the date of purchase of Shares above written.

CARGO THERAPEUTICS, INC.

By: _____
Name:
Title:

Address:

_____

_____

_____

The undersigned hereby acknowledges receiving and reviewing a copy of the Plan, including, without limitation, Section 9 thereof and understands that the Shares granted hereby are subject to the terms of the Plan and of this Agreement. This Agreement is hereby accepted, and the terms and conditions of the Plan, the Award Notice and this Agreement, SPECIFICALLY INCLUDING THE ARBITRATION PROVISIONS SET FORTH IN SECTION 6 AND THE WAIVER OF STATUTORY INFORMATION RIGHTS SET FORTH IN SECTION 7 OF THIS AGREEMENT, are hereby agreed to, by the undersigned as of the date first above written.

GRANTEE:

_____
Name:

Address:

_____

_____

_____

SPOUSE'S CONSENT I acknowledge that I have read the foregoing Restricted Stock Agreement and understand the contents thereof.

EXHIBIT A
Section 83(b) Election

The undersigned hereby elects pursuant to §83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares.

8. The name, taxpayer identification number, address of the undersigned, and the taxable year for which this election is being made are:

Name: _____

Address: _____

_____

Social Security No.: _____

Taxable Year: Calendar Year 20__

9. The property which is the subject of this election is [number of unvested shares] shares of common stock of Cargo Therapeutics, Inc.

10. The property was transferred to the undersigned on [date of purchase/transfer].

11. The property is subject to the following restrictions:

The Shares will be subject to restrictions on transfer and risk of forfeiture upon termination of service relationship and in certain other events.

12. The fair market value of the property at time of transfer (determined without regard to any restrictions other than nonlapse restrictions as defined in §1.83-3(h) of the Income Tax Regulations) is $[current FMV] per share x [number of unvested shares] shares = $_____.

13. For the property transferred, the undersigned paid $[exercise price] per share x [number of unvested shares] shares = $_____.

14. The amount to include in gross income is $[amount reported in Item 5 minus the amount reported in Item 6].

The undersigned taxpayer will file this election with the Internal Revenue Service Office with which the taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property, at the IRS address listed for the taxpayer's state under "Are you not including a check or money order . . ." given in *Where Do You File* in the Instructions for Form 1040 and the Instructions for Form 1040A (which information can also be found at: https://www.irs.gov/uac/where-to-file addresses-for-taxpayers-and-tax-professionals). A copy of the election will also be furnished to the person for whom the services were performed. The undersigned is the person performing services in connection with which the property was transferred.

Dated: _____, 20__

_____
Taxpayer

CARGO THERAPEUTICS, INC.
2023 INCENTIVE AWARD PLAN

ARTICLE I.
PURPOSE

The Plan's purpose is to enhance the Company's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company by providing these individuals with equity ownership opportunities.

ARTICLE II.
DEFINITIONS

As used in the Plan, the following words and phrases have the meanings specified below, unless the context clearly indicates otherwise:

2.1 "***Administrator***" means the Board or a Committee to the extent that the Board's powers or authority under the Plan have been delegated to such Committee. With reference to the Board's or a Committee's powers or authority under the Plan that have been delegated to one or more officers pursuant to Section 4.2, the term "Administrator" shall refer to such officer(s) unless and until such delegation has been revoked.

2.2 "***Applicable Law***" means any applicable law, including without limitation: (a) provisions of the Code, the Securities Act, the Exchange Act and any rules or regulations thereunder; (b) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether federal, state, local or foreign; and (c) rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded.

2.3 "***Automatic Exercise Date***" means, with respect to an Option or a Stock Appreciation Right, the last business day of the applicable Option term or Stock Appreciation Right term that was initially established by the Administrator for such Option or Stock Appreciation Right (e.g., the last business day prior to the tenth anniversary of the date of grant of such Option or Stock Appreciation Right if the Option or Stock Appreciation Right initially had a ten-year Option term or Stock Appreciation Right term, as applicable).

2.4 "***Award***" means an Option award, Stock Appreciation Right award, Restricted Stock award, Restricted Stock Unit award, Performance Bonus Award, Performance Stock Unit award, Dividend Equivalents award or Other Stock or Cash Based Award granted to a Participant under the Plan.

2.5 "***Award Agreement***" means an agreement evidencing an Award, which may be written or electronic, that contains such terms and conditions as the Administrator determines, consistent with and subject to the terms and conditions of the Plan.

2.6 "***Board***" means the Board of Directors of the Company.

2.7 "***Cause***" shall have the meaning ascribed to such term, or term of similar effect, in any offer letter, employment, severance or similar agreement, including any Award Agreement, between the Participant and the Company; provided, that in the absence of an offer letter, employment, severance or similar agreement containing such definition, Cause means, with respect to a Participant, the occurrence of any of the following: (a) the Participant's conviction of, or plea of guilty or *nolo contendere* with respect to, any (x) felony or (y) misdemeanor involving moral turpitude, fraud, misrepresentation, embezzlement

or theft; (b) Participant's willful act of misappropriation, embezzlement or fraud in the performance of Participant's duties; (c) Participant's willful and continued refusal to perform Participant's duties in any material respect that is not cured within thirty (30) days after receipt of specific written notice from the Company (if curable); (d) Participant's willful misconduct or gross negligence in the performance of Participant's duties and responsibilities to the Company that is, or could reasonably be expected to be, harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates); (e) Participant's willful violation of any state or federal law relating to the workplace environment (including, without limitation, laws relating to sexual harassment or age, sex or other prohibited discrimination) or any Company policy related thereto; (f) Participant's material breach of any written agreement between the Company and Participant, or any material Company policy that is not cured within thirty (30) days after receipt of specific written notice from the Company (if curable); (g) Participant willfully engaging in any activity that is, or could reasonably be expected to be harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates), that is not cured within thirty (30) days after receipt of specific written notice from the Company (if curable); or (h) Participant's willful violation of any material law or regulation applicable to Participant's work for the Company, that is not cured within thirty (30) after receipt of specific written notice from the Company (if curable).

2.8 "***Change in Control***" means any of the following:

(a) A transaction or series of transactions (other than an offering of Common Stock to the general public through a registration statement filed with the Securities and Exchange Commission) whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) directly or indirectly acquires beneficial ownership (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) of the Company's securities possessing more than 50% of the total combined voting power of the Company's securities outstanding immediately after such acquisition; provided, however, that the following acquisitions shall not constitute a Change in Control: (i) any acquisition by the Company or any Subsidiary; (ii) any acquisition by an employee benefit plan maintained by the Company or any Subsidiary, (iii) any acquisition which complies with Sections 2.8(c)(i), 2.8(c)(ii) and 2.8(c)(iii); or (iv) in respect of an Award held by a particular Participant, any acquisition by the Participant or any group of persons including the Participant (or any entity controlled by the Participant or any group of persons including the Participant);

(b) The Incumbent Directors cease for any reason to constitute a majority of the Board;

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination, (y) a sale or other disposition of all or substantially all of the Company's assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "***Successor Entity***")) directly or indirectly, at least a majority of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction;

(ii) after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this Section 2.8(c)(ii) as beneficially owning 50% or more of the combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction; and

(iii) after which at least a majority of the members of the board of directors (or the analogous governing body) of the Successor Entity were Board members at the time of the Board's approval of the execution of the initial agreement providing for such transaction; or

(d) The completion of a liquidation or dissolution of the Company.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any Award (or any portion of an Award) that provides for the deferral of compensation that is subject to Section 409A, to the extent required to avoid the imposition of additional taxes under Section 409A, the transaction or event described in subsection (a), (b), (c) or (d) of this Section 2.8 with respect to such Award (or portion thereof) shall only constitute a Change in Control for purposes of the payment timing of such Award if such transaction also constitutes a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5).

The Administrator shall have full and final authority, which shall be exercised in its sole discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, the date of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

2.9 "***Code***" means the U.S. Internal Revenue Code of 1986, as amended, and all regulations, guidance, compliance programs and other interpretative authority issued thereunder.

2.10 "***Committee***" means one or more committees or subcommittees of the Board, which may include one or more Directors or executive officers of the Company, to the extent permitted by Applicable Law. To the extent required to comply with the provisions of Rule 16b-3, it is intended that each member of the Committee will be, at the time the Committee takes any action with respect to an Award that is subject to Rule 16b-3, a "non-employee director" within the meaning of Rule 16b-3; however, a Committee member's failure to qualify as a "non-employee director" within the meaning of Rule 16b-3 will not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

2.11 "***Common Stock***" means the common stock of the Company.

2.12 "***Company***" means Cargo Therapeutics, Inc., a Delaware corporation, or any successor.

2.13 "***Consultant***" means any person, including any adviser, engaged by the Company or a Subsidiary to render services to such entity if the consultant or adviser: (i) renders bona fide services to the Company or a Subsidiary; (ii) renders services not in connection with the offer or sale of securities in a capital-raising transaction and does not directly or indirectly promote or maintain a market for the Company's securities; and (iii) who qualifies as a consultant or advisor under Instruction A.1.(a)(1) of Form S-8 under the Securities Act.

2.14 "***Designated Beneficiary***" means, if permitted by the Company, the beneficiary or beneficiaries the Participant designates, in a manner the Company determines, to receive amounts due or exercise the Participant's rights if the Participant dies. Without a Participant's effective designation, "Designated Beneficiary" will mean the Participant's estate or legal heirs.

2.15 "***Director***" means a Board member.

2.16 "***Disability***" means a permanent and total disability under Section 22(e)(3) of the Code.

2.17 "***Dividend Equivalents***" means a right granted to a Participant to receive the equivalent value (in cash or Shares) of dividends paid on a specified number of Shares. Such Dividend Equivalent shall be converted to cash or additional Shares, or a combination of cash and Shares, by such formula and at such time and subject to such limitations as may be determined by the Administrator.

2.18 "***DRO***" means a "domestic relations order" as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder.

2.19 "***Effective Date***" has the meaning set forth in Section 11.3.

2.20 "***Employee***" means any employee of the Company or any of its Subsidiaries.

2.21 "***Equity Restructuring***" means a nonreciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split (including a reverse stock split), spin-off or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of Shares (or other Company securities) or the share price of Common Stock (or other Company securities) and causes a change in the per share value of the Common Stock underlying outstanding Awards.

2.22 "***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended, and all regulations, guidance and other interpretative authority issued thereunder.

2.23 "***Fair Market Value***" means, as of any date, the value of a Share determined as follows: (i) if the Common Stock is listed on any established stock exchange, the value of a Share will be the closing sales price for a Share as quoted on such exchange for such date, or if no sale occurred on such date, the last day preceding such date during which a sale occurred, as reported in *The Wall Street Journal* or another source the Administrator deems reliable; (ii) if the Common Stock is not listed on an established stock exchange but is quoted on a national market or other quotation system, the value of a Share will be the closing sales price for a Share on such date, or if no sales occurred on such date, then on the last date preceding such date during which a sale occurred, as reported in *The Wall Street Journal* or another source the Administrator deems reliable; or (iii) if the Common Stock is not listed on any established stock exchange or quoted on a national market or other quotation system, the value established by the Administrator in its sole discretion. Notwithstanding the foregoing, with respect to any Award granted after the effectiveness of the Company's registration statement relating to its initial public offering but prior to the Public Trading Date, the Fair Market Value means the initial public offering price of a Share as set forth in the Company's final prospectus relating to its initial public offering filed with the Securities and Exchange Commission.

2.24 "***Good Reason***" shall have the meaning ascribed to such term, or term of similar effect, in any offer letter, employment, severance or similar agreement, including any Award Agreement, between the Participant and the Company or any Subsidiary; provided, that in the absence of an offer letter, employment, severance or similar agreement containing such definition, Good Reason means the occurrence of one or more of the following without the Participant's consent: (i) a material diminution in the Participant's base salary or wage rate (other than a reduction in base salary or wage rate of not more than ten percent (10%) that is consistent with reductions in base salary for all similarly situated employees

of the Company (including a reduction due to any economic downturn, market dislocation or volatility or other financial crisis)) or (ii) a relocation of the principal place at which the Participant must perform services that increases the Participant's one way commute by more than 35 miles. In order to establish Good Reason, the Participant must provide the Administrator with notice of the event giving rise to Good Reason within 30 days of the initial occurrence of such event, the event shall remain uncured 30 days thereafter and the Participant must actually terminate services with the Company or Subsidiary to which Participant provides services within 30 days following the end of such cure period.

2.25 "***Greater Than 10% Stockholder***" means an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or any parent corporation or subsidiary corporation of the Company, as determined in accordance with Section 424(e) and (f) of the Code, respectively.

2.26 "***Incentive Stock Option***" means an Option that meets the requirements to qualify as an "incentive stock option" as defined in Section 422 of the Code.

2.27 "***Incumbent Directors"*** means, for any period of 12 consecutive months, individuals who, at the beginning of such period, constitute the Board together with any new Director(s) (other than a Director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in clause (a) or (c) of the Change in Control definition) whose election or nomination for election to the Board was approved by a vote of at least a majority (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for Director without objection to such nomination) of the Directors then still in office who either were Directors at the beginning of the 12-month period or whose election or nomination for election was previously so approved. No individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to Directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be an Incumbent Director.

2.28 "***Non-Employee Director***" means a Director who is not an Employee.

2.29 "***Nonqualified Stock Option***" means an Option that is not an Incentive Stock Option.

2.30 "***Option***" means a right granted under Article VI to purchase a specified number of Shares at a specified price per Share during a specified time period. An Option may be either an Incentive Stock Option or a Nonqualified Stock Option.

2.31 "***Other Stock or Cash Based Awards***" means cash awards, awards of Shares, and other awards valued wholly or partially by referring to, or are otherwise based on, Shares or other property.

2.32 "***Overall Share Limit***" means the sum of (i) plus (ii) any Shares that are available for issuance under the Prior Plan as of the Effective Date plus (iii) any Shares that are subject to Prior Plan Awards that become available for issuance under the Plan pursuant to Article V plus (iv) an increase commencing on January 1, 2024 and continuing annually on the anniversary thereof through (and including) January 1, 2033, equal to the lesser of (A) 5% of the Shares outstanding on the last day of the immediately preceding calendar year and (B) such smaller number of Shares as determined by the Board or the Committee.

2.33 "***Participant***" means a Service Provider who has been granted an Award.

2.34 "***Performance Bonus Award***" has the meaning set forth in Section 8.3.

2.35 "***Performance Stock Unit***" means a right granted to a Participant pursuant to Section 8.1 and subject to Section 8.2, to receive cash or Shares, the payment of which is contingent upon achieving certain performance goals or other performance-based targets established by the Administrator.

2.36 "***Permitted Transferee***" means, with respect to a Participant, any "family member" of the Participant, as defined in the General Instructions to Form S-8 Registration Statement under the Securities Act (or any successor form thereto), or any other transferee specifically approved by the Administrator after taking into account Applicable Law.

2.37 "***Plan***" means this 2023 Incentive Award Plan.

2.38 "***Prior Plan***" means the Cargo Therapeutics, Inc. 2021 Stock Option and Grant Plan, as may be amended from time to time.

2.39 "***Prior Plan Award***" means an award outstanding under the Prior Plan as of immediately prior to the Effective Date.

2.40 "***Public Trading Date***" means the first date upon which Common Stock is listed (or approved for listing) upon notice of issuance on any securities exchange or designated (or approved for designation) upon notice of issuance as a national market security on an interdealer quotation system.

2.41 "***Restricted Stock***" means Shares awarded to a Participant under Article VII, subject to certain vesting conditions and other restrictions.

2.42 "***Restricted Stock Unit***" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Administrator to be equal to the Fair Market Value as of such settlement date, subject to certain vesting conditions and other restrictions.

2.43 "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act, including any amendments thereto.

2.44 "***Section 409A***" means Section 409A of the Code and the regulations promulgated thereunder by the United States Treasury Department, as amended or as may be amended from time to time.

2.45 "***Securities Act***" means the U.S. Securities Act of 1933, as amended, and all regulations, guidance and other interpretative authority issued thereunder.

2.46 "***Service Provider***" means an Employee, Consultant or Director.

2.47 "***Shares***" means shares of Common Stock.

2.48 "***Stock Appreciation Right***" or "***SAR***" means a right granted under Article VI to receive a payment equal to the excess of the Fair Market Value of a specified number of Shares on the date the right is exercised over the exercise price set forth in the applicable Award Agreement.

2.49 "***Subsidiary***" means any entity (other than the Company), whether U.S. or non-U.S., in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least 50% of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

2.50 "***Substitute Awards***" means Awards granted or Shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company or other entity acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines.

2.51 "***Tax-Related Items***" means any U.S. and non-U.S. federal, state and/or local taxes (including, without limitation, income tax, social insurance contributions, fringe benefit tax, employment tax, stamp tax and any employer tax liability which has been transferred to a Participant) for which a Participant is liable in connection with Awards and/or Shares.

2.52 "***Termination of Service***" means:

(a) As to a Consultant, the time when the engagement of a Participant as a Consultant to the Company or a Subsidiary is terminated for any reason, with or without Cause, including, without limitation, by resignation, discharge, death or retirement, but excluding terminations where the Consultant simultaneously commences or remains in employment or service with the Company or any Subsidiary.

(b) As to a Non-Employee Director, the time when a Participant who is a Non-Employee Director ceases to be a Director for any reason, including, without limitation, a termination by resignation, failure to be elected, death or retirement, but excluding terminations where the Participant simultaneously commences or remains in employment or service with the Company or any Subsidiary.

(c) As to an Employee, the time when the employee-employer relationship between a Participant and the Company or any Subsidiary is terminated for any reason, including, without limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where the Participant simultaneously commences or remains in employment or service with the Company or any Subsidiary.

The Company, in its sole discretion, shall determine the effect of all matters and questions relating to any Termination of Service, including, without limitation, whether a Termination of Service has occurred, whether a Termination of Service resulted from a discharge for Cause and all questions of whether particular leaves of absence constitute a Termination of Service. For purposes of the Plan, a Participant's employee-employer relationship or consultancy relationship shall be deemed to be terminated in the event that the Subsidiary employing or contracting with such Participant ceases to remain a Subsidiary following any merger, sale of stock or other corporate transaction or event (including, without limitation, a spin-off), even though the Participant may subsequently continue to perform services for that entity.

ARTICLE III.
ELIGIBILITY

Service Providers are eligible to be granted Awards under the Plan, subject to the limitations described herein. No Service Provider shall have any right to be granted an Award pursuant to the Plan and neither the Company nor the Administrator is obligated to treat Service Providers, Participants or any other persons uniformly.

ARTICLE IV.
ADMINISTRATION AND DELEGATION

4.1 Administration.

(a) The Plan is administered by the Administrator. The Administrator has authority to determine which Service Providers receive Awards, grant Awards and set Award terms and conditions, subject to the conditions and limitations in the Plan. The Administrator also has the authority to take all actions and make all determinations under the Plan, to interpret the Plan and Award Agreements and to adopt, amend and repeal Plan administrative rules, guidelines and practices as it deems advisable. The Administrator may correct defects and ambiguities, supply omissions, reconcile inconsistencies in the Plan or any Award and make all other determinations that it deems necessary or appropriate to administer the Plan and any Awards. The Administrator (and each member thereof) is entitled to, in good faith, rely or act upon any report or other information furnished to the Administrator or member thereof by any officer or other Employee, the Company's independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan. The Administrator's determinations under the Plan are in its sole discretion and will be final, binding and conclusive on all persons having or claiming any interest in the Plan or any Award.

(b) Without limiting the foregoing, the Administrator has the exclusive power, authority and sole discretion to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to each Participant; (iii) determine the number of Awards to be granted and the number of Shares to which an Award will relate; (iv) subject to the limitations in the Plan, determine the terms and conditions of any Award and related Award Agreement, including, but not limited to, the exercise price, grant price, purchase price, any performance criteria, any restrictions or limitations on the Award, any schedule for vesting, lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations, waivers or amendments thereof; (v) determine whether, to what extent, and under what circumstances an Award may be settled in, or the exercise price of an Award may be paid in cash, Shares, or other property, or an Award may be canceled, forfeited, or surrendered; and (vi) make all other decisions and determinations that may be required pursuant to the Plan or as the Administrator deems necessary or advisable to administer the Plan.

4.2 Delegation of Authority. To the extent permitted by Applicable Law, the Board or any Committee may delegate any or all of its powers under the Plan to one or more Committees or officers of the Company or any of its Subsidiaries; provided, however, that in no event shall an officer of the Company or any of its Subsidiaries be delegated the authority to grant Awards to, or amend Awards held by, the following individuals: (a) individuals who are subject to Section 16 of the Exchange Act, or (b) officers of the Company or any of its Subsidiaries or Directors to whom authority to grant or amend Awards has been delegated hereunder. Any delegation hereunder shall be subject to the restrictions and limits that the Board or Committee specifies at the time of such delegation or that are otherwise included in the applicable organizational documents, and the Board or Committee, as applicable, may at any time rescind the authority so delegated or appoint a new delegatee. At all times, the delegatee appointed under this Section 4.2 shall serve in such capacity at the pleasure of the Board or the Committee, as applicable, and the Board or the Committee may abolish any committee at any time and re-vest in itself any previously delegated authority. Further, regardless of any delegation, the Board or a Committee may, in its discretion, exercise any and all rights and duties as the Administrator under the Plan delegated thereby, except with respect to Awards that are required to be determined in the sole discretion of the Board or Committee under the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded.

ARTICLE V.
STOCK AVAILABLE FOR AWARDS

5.1 Number of Shares. Subject to adjustment under Article IX and the terms of this Article V, Awards may be made under the Plan covering up to the Overall Share Limit. As of the Effective Date, the Company will cease granting awards under the Prior Plan; however, Prior Plan Awards will remain subject to the terms of the Prior Plan. Shares issued or delivered under the Plan may consist of authorized but unissued Shares, Shares purchased on the open market or treasury Shares.

5.2 Share Recycling.

(a) If all or any part of an Award or Prior Plan Award expires, lapses or is terminated, converted into an award in respect of shares of another entity in connection with a spin-off or other similar event, exchanged or settled for cash, surrendered, repurchased, canceled without having been fully exercised or forfeited, in any case, in a manner that results in the Company acquiring Shares covered by the Award or Prior Plan Award at a price not greater than the price (as adjusted to reflect any Equity Restructuring) paid by the Participant for such Shares or not issuing any Shares covered by the Award or Prior Plan Award, the unused Shares covered by the Award or Prior Plan Award will, as applicable, become or again be available for Awards under the Plan. The payment of Dividend Equivalents in cash in conjunction with any outstanding Awards or Prior Plan Awards shall not count against the Overall Share Limit.

(b) In addition, the following shall be available as Shares for future grants of Awards: (i) Shares tendered by a Participant or withheld by the Company in payment of the exercise price of an Option or any stock option granted under the Prior Plan; (ii) Shares tendered by the Participant or withheld by the Company to satisfy any tax withholding obligation with respect to an Award or any Prior Plan Award; and (iii) Shares subject to a Stock Appreciation Right that are not issued in connection with the stock settlement of the Stock Appreciation Right on exercise thereof. Notwithstanding the provisions of this Section 5.2(b), no Shares may again be optioned, granted or awarded pursuant to an Incentive Stock Option if such action would cause such Option to fail to qualify as an incentive stock option under Section 422 of the Code.

5.3 Incentive Stock Option Limitations. Notwithstanding anything to the contrary herein, no more than Shares (as adjusted to reflect any Equity Restructuring) may be issued pursuant to the exercise of Incentive Stock Options.

5.4 Substitute Awards. In connection with an entity's merger or consolidation with the Company or any Subsidiary or the Company's or any Subsidiary's acquisition of an entity's property or stock, the Administrator may grant Substitute Awards in respect of any options or other stock or stock-based awards granted before such merger or consolidation by such entity or its affiliate. Substitute Awards may be granted on such terms and conditions as the Administrator deems appropriate, notwithstanding limitations on Awards in the Plan. Substitute Awards will not count against the Overall Share Limit (nor shall Shares subject to a Substitute Award be added to the Shares available for Awards under the Plan as provided under Section 5.2 above), except that Shares acquired by exercise of substitute Incentive Stock Options will count against the maximum number of Shares that may be issued pursuant to the exercise of Incentive Stock Options under the Plan. Additionally, in the event that a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as appropriately adjusted to reflect the transaction) may be used for Awards under the Plan and shall not count against the Overall Share Limit (and Shares subject to such Awards may again become available for Awards under the Plan as provided under Section 5.2 above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Service Providers prior to such acquisition or combination.

5.5 Non-Employee Director Award Limit. Notwithstanding any provision to the contrary in the Plan or in any policy of the Company regarding non-employee director compensation, the sum of the grant date fair value (determined as of the grant date in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor thereto) of all equity-based Awards and the maximum amount that may become payable pursuant to all cash-based Awards that may be granted to a Service Provider as compensation for services as a Non-Employee Director during any calendar year under the Plan shall not exceed $1,000,000 for such Service Provider's first year of service as a Non-Employee Director and $750,000 for each year thereafter.

ARTICLE VI.
STOCK OPTIONS AND STOCK APPRECIATION RIGHTS

6.1 General. The Administrator may grant Options or Stock Appreciation Rights to one or more Service Providers, subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine. The Administrator will determine the number of Shares covered by each Option and Stock Appreciation Right, the exercise price of each Option and Stock Appreciation Right and the conditions and limitations applicable to the exercise of each Option and Stock Appreciation Right. A Stock Appreciation Right will entitle the Participant (or other person entitled to exercise the Stock Appreciation Right) to receive from the Company upon exercise of the exercisable portion of the Stock Appreciation Right an amount determined by multiplying (x) the excess, if any, of the Fair Market Value of one Share on the date of exercise over the exercise price per Share of the Stock Appreciation Right by (y) the number of Shares with respect to which the Stock Appreciation Right is exercised, subject to any limitations of the Plan or that the Administrator may impose, and payable in cash, Shares valued at Fair Market Value on the date of exercise or a combination of the two as the Administrator may determine or provide in the Award Agreement.

6.2 Exercise Price. The Administrator will establish each Option's and Stock Appreciation Right's exercise price and specify the exercise price in the Award Agreement. Subject to Section 6.7, the exercise price will not be less than 100% of the Fair Market Value on the grant date of the Option or Stock Appreciation Right. Notwithstanding the foregoing, in the case of an Option or Stock Appreciation Right that is a Substitute Award, the exercise price per share of the Shares subject to such Option or Stock Appreciation Right, as applicable, may be less than the Fair Market Value on the date of grant; provided that the exercise price of any Substitute Award shall be determined in accordance with the applicable requirements of Sections 424 and 409A of the Code.

6.3 Duration of Options. Subject to Section 6.7, each Option or Stock Appreciation Right will be exercisable at such times and as specified in the Award Agreement, provided that the term of an Option or Stock Appreciation Right will not exceed ten years; provided, further, that, unless otherwise determined by the Administrator or specified in the Award Agreement, (a) no portion of an Option or Stock Appreciation Right which is unexercisable at a Participant's Termination of Service shall thereafter become exercisable and (b) the portion of an Option or Stock Appreciation Right that is unexercisable at a Participant's Termination of Service shall automatically expire on the date of such Termination of Service. In addition, in no event shall an Option or Stock Appreciation Right granted to an Employee who is a non-exempt employee for purposes of overtime pay under the U.S. Fair Labor Standards Act of 1938 be exercisable earlier than six months after its date of grant. Notwithstanding the foregoing, if the Participant, prior to the end of the term of an Option or Stock Appreciation Right, commits an act of Cause (as determined by the Administrator), or violates any non-competition, non-solicitation or confidentiality

provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company or any of its Subsidiaries, the right to exercise the Option or Stock Appreciation Right, as applicable, may be terminated by the Company and the Company may suspend the Participant's right to exercise the Option or Stock Appreciation Right when it reasonably believes that the Participant may have participated in any such act or violation.

6.4 Exercise. Options and Stock Appreciation Rights may be exercised by delivering to the Company (or such other person or entity designated by the Administrator) a notice of exercise, in a form and manner the Company approves (which may be written, electronic or telephonic and may contain representations and warranties deemed advisable by the Administrator), signed or authenticated by the person authorized to exercise the Option or Stock Appreciation Right, together with, as applicable, (a) payment in full of the exercise price for the number of Shares for which the Option is exercised in a manner specified in Section 6.5 and (b) satisfaction in full of any withholding obligation for Tax-Related Items in a manner specified in Section 10.5. The Administrator may, in its discretion, limit exercise with respect to fractional Shares and require that any partial exercise of an Option or Stock Appreciation Right be with respect to a minimum number of Shares.

6.5 Payment Upon Exercise. The Administrator shall determine the methods by which payment of the exercise price of an Option shall be made, including, without limitation:

(a) Cash, check or wire transfer of immediately available funds; provided that the Company may limit the use of one of the foregoing methods if one or more of the methods below is permitted;

(b) If there is a public market for Shares at the time of exercise, unless the Company otherwise determines, (A) delivery (including electronically or telephonically to the extent permitted by the Company) of a notice that the Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable upon exercise of the Option and that the broker has been directed to deliver promptly to the Company funds sufficient to pay the exercise price, or (B) the Participant's delivery to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company an amount sufficient to pay the exercise price by cash, wire transfer of immediately available funds or check; provided that such amount is paid to the Company at such time as may be required by the Company;

(c) To the extent permitted by the Administrator, delivery (either by actual delivery or attestation) of Shares owned by the Participant valued at their Fair Market Value on the date of delivery;

(d) To the extent permitted by the Administrator, surrendering Shares then issuable upon the Option's exercise valued at their Fair Market Value on the exercise date;

(e) To the extent permitted by the Administrator, delivery of a promissory note or any other lawful consideration; or

(f) To the extent permitted by the Administrator, any combination of the above payment forms.

6.6 Expiration of Option Term or Stock Appreciation Right Term: Automatic Exercise of In-The-Money Options and Stock Appreciation Rights. Unless otherwise provided by the Administrator in an Award Agreement or otherwise or as otherwise directed by a holder of an Option or a Stock Appreciation Right in writing to the Company, each vested and exercisable Option and Stock Appreciation Right outstanding on the Automatic Exercise Date with an exercise price per Share that is less than the sum of

the Fair Market Value and any related broker's fees (as described in Section 11.19(c)) per Share as of such date shall automatically and without further action by the holder of the Option or Stock Appreciation Right or the Company be exercised on the Automatic Exercise Date. In the sole discretion of the Administrator, payment of the exercise price of any such Option shall be made pursuant to Section 6.5(b) or 6.5(d) and the Company or any Subsidiary shall be entitled to deduct or withhold an amount sufficient to satisfy any withholding obligation for Tax-Related Items associated with such exercise in accordance with Section 10.5. Unless otherwise determined by the Administrator, this Section 6.6 shall not apply to an Option or Stock Appreciation Right if the holder of such Option or Stock Appreciation Right incurs a Termination of Service on or before the Automatic Exercise Date. For the avoidance of doubt, no Option or Stock Appreciation Right with an exercise price per Share that is equal to or greater than the Fair Market Value on the Automatic Exercise Date shall be exercised pursuant to this Section 6.6.

6.7 Additional Terms of Incentive Stock Options. The Administrator may grant Incentive Stock Options only to employees of the Company, any of its present or future parent or subsidiary corporations, as defined in Sections 424(e) or (f) of the Code, respectively, and any other entities the employees of which are eligible to receive Incentive Stock Options under the Code. If an Incentive Stock Option is granted to a Greater Than 10% Stockholder, the exercise price will not be less than 110% of the Fair Market Value on the Option's grant date, and the term of the Option will not exceed five years. All Incentive Stock Options (and Award Agreements related thereto) will be subject to and construed consistently with Section 422 of the Code. By accepting an Incentive Stock Option, the Participant agrees to give prompt notice to the Company of dispositions or other transfers (other than in connection with a Change in Control) of Shares acquired under the Option made within the later of (a) two years from the grant date of the Option or (b) one year after the transfer of such Shares to the Participant, specifying the date of the disposition or other transfer and the amount the Participant realized, in cash, other property, assumption of indebtedness or other consideration, in such disposition or other transfer. Neither the Company nor the Administrator will be liable to a Participant, or any other party, if an Incentive Stock Option fails or ceases to qualify as an "incentive stock option" under Section 422 of the Code. Any Incentive Stock Option or portion thereof that fails to qualify as an "incentive stock option" under Section 422 of the Code for any reason, including becoming exercisable with respect to Shares having a fair market value exceeding the $100,000 limitation under Treasury Regulation Section 1.422-4, will be a Nonqualified Stock Option.

ARTICLE VII.
RESTRICTED STOCK; RESTRICTED STOCK UNITS

7.1 General. The Administrator may grant Restricted Stock, or the right to purchase Restricted Stock, to any Service Provider, subject to forfeiture or the Company's right to repurchase all or part of the underlying Shares at their issue price or other stated or formula price from the Participant if conditions the Administrator specifies in the Award Agreement are not satisfied before the end of the applicable restriction period or periods that the Administrator establishes for such Award. In addition, the Administrator may grant Restricted Stock Units, which may be subject to vesting and forfeiture conditions during the applicable restriction period or periods, as set forth in an Award Agreement, to Service Providers. The Administrator shall establish the purchase price, if any, and form of payment for Restricted Stock and Restricted Stock Units; provided, however, that if a purchase price is charged, such purchase price shall be no less than the par value, if any, of the Shares to be purchased, unless otherwise permitted by Applicable Law. In all cases, legal consideration shall be required for each issuance of Restricted Stock and Restricted Stock Units to the extent required by Applicable Law. The Award Agreement for each Award of Restricted Stock and Restricted Stock Units shall set forth the terms and conditions not inconsistent with the Plan as the Administrator shall determine.

7.2 Restricted Stock.

(a) *Stockholder Rights*. Unless otherwise determined by the Administrator, each Participant holding Shares of Restricted Stock will be entitled to all the rights of a stockholder with respect to such Shares, subject to the restrictions in the Plan and the applicable Award Agreement, including the right to receive all dividends and other distributions paid or made with respect to the Shares to the extent such dividends and other distributions have a record date that is on or after the date on which such Participant becomes the record holder of such Shares; provided, however, that with respect to a share of Restricted Stock subject to restrictions or vesting conditions, except in connection with a spin-off or other similar event as otherwise permitted under Section 9.2, dividends which are paid to Company stockholders prior to the removal of restrictions and satisfaction of vesting conditions shall only be paid to the Participant to the extent that the restrictions are subsequently removed and the vesting conditions are subsequently satisfied and the share of Restricted Stock vests.

(b) *Stock Certificates*. The Company may require that the Participant deposit in escrow with the Company (or its designee) any stock certificates issued in respect of Shares of Restricted Stock, together with a stock power endorsed in blank.

(c) *Section 83(b) Election*. If a Participant makes an election under Section 83(b) of the Code to be taxed with respect to the Restricted Stock as of the date of transfer of the Restricted Stock rather than as of the date or dates upon which such Participant would otherwise be taxable under Section 83(a) of the Code, such Participant shall be required to deliver a copy of such election to the Company promptly after filing such election with the Internal Revenue Service along with proof of the timely filing thereof.

7.3 Restricted Stock Units. The Administrator may provide that settlement of Restricted Stock Units will occur upon or as soon as reasonably practicable after the Restricted Stock Units vest or will instead be deferred, on a mandatory basis or at the Participant's election, subject to compliance with Applicable Law. A Participant holding Restricted Stock Units will have only the rights of a general unsecured creditor of the Company (solely to the extent of any rights then applicable to Participant with respect to such Restricted Stock Units) until delivery of Shares, cash or other securities or property is made as specified in the applicable Award Agreement.

ARTICLE VIII.
OTHER TYPES OF AWARDS

8.1 General. The Administrator may grant Performance Stock Unit awards, Performance Bonus Awards, Dividend Equivalents or Other Stock or Cash Based Awards, to one or more Service Providers, in such amounts and subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine.

8.2 Performance Stock Unit Awards. Each Performance Stock Unit award shall be denominated in a number of Shares or in unit equivalents of Shares or units of value (including a dollar value of Shares) and may be linked to any one or more of performance or other specific criteria, including service to the Company or Subsidiaries, determined to be appropriate by the Administrator, in each case on a specified date or dates or over any period or periods determined by the Administrator. In making such determinations, the Administrator may consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular Participant.

8.3 Performance Bonus Awards. Each right to receive a bonus granted under this Section 8.3 shall be denominated in the form of cash (but may be payable in cash, stock or a combination thereof) (a "***Performance Bonus Award***") and shall be payable upon the attainment of performance goals that are established by the Administrator and relate to one or more of performance or other specific criteria, including service to the Company or Subsidiaries, in each case on a specified date or dates or over any period or periods determined by the Administrator.

8.4 Dividend Equivalents. If the Administrator provides, an Award (other than an Option or Stock Appreciation Right) may provide a Participant with the right to receive Dividend Equivalents. Dividend Equivalents may be paid currently or credited to an account for the Participant, settled in cash or Shares and subject to the same restrictions on transferability and forfeitability as the Award with respect to which the Dividend Equivalents are granted and subject to other terms and conditions as set forth in the Award Agreement. Notwithstanding anything to the contrary herein, Dividend Equivalents with respect to an Award subject to vesting shall either (a) to the extent permitted by Applicable Law, not be paid or credited or (b) be accumulated and subject to vesting to the same extent as the related Award. All such Dividend Equivalents shall be paid at such time as the Administrator shall specify in the applicable Award Agreement or as determined by the Administrator in the event not specified in such Award Agreement.

8.5 Other Stock or Cash Based Awards. Other Stock or Cash Based Awards may be granted to Participants, including Awards entitling Participants to receive cash or Shares to be delivered in the future and annual or other periodic or long-term cash bonus awards (whether based on specified performance criteria or otherwise), in each case subject to any conditions and limitations in the Plan. Such Other Stock or Cash Based Awards will also be available as a payment form in the settlement of other Awards, as standalone payments and as payment in lieu of compensation to which a Participant is otherwise entitled, subject to compliance with Section 409A. Other Stock or Cash Based Awards may be paid in Shares, cash or other property, as the Administrator determines. Subject to the provisions of the Plan, the Administrator will determine the terms and conditions of each Other Stock or Cash Based Award, including any purchase price, performance goal(s), transfer restrictions, and vesting conditions, which will be set forth in the applicable Award Agreement. Except in connection with a spin-off or other similar event as otherwise permitted under Article IX, dividends that are paid prior to vesting of any Other Stock or Cash Based Award shall only be paid to the applicable Participant to the extent that the vesting conditions are subsequently satisfied and the Other Stock or Cash Based Award vests.

ARTICLE IX.
ADJUSTMENTS FOR CHANGES IN COMMON STOCK AND CERTAIN OTHER EVENTS

9.1 Equity Restructuring. In connection with any Equity Restructuring, notwithstanding anything to the contrary in this Article IX, the Administrator will equitably adjust the terms of the Plan and each outstanding Award as it deems appropriate to reflect the Equity Restructuring, which may include (a) adjusting the number and type of securities subject to each outstanding Award or with respect to which Awards may be granted under the Plan (including, but not limited to, adjustments of the limitations in Article V hereof on the maximum number and kind of shares that may be issued); (b) adjusting the terms and conditions of (including the grant or exercise price), and the performance goals or other criteria included in, outstanding Awards; and (c) granting new Awards or making cash payments to Participants. The adjustments provided under this Section 9.1 will be nondiscretionary and final and binding on all interested parties, including the affected Participant and the Company; provided that the Administrator will determine whether an adjustment is equitable.

9.2 Corporate Transactions. In the event of any extraordinary dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), reorganization, merger, consolidation, split-up, spin off, combination, amalgamation, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Common Stock or other securities of the Company, Change in Control,

issuance of warrants or other rights to purchase Common Stock or other securities of the Company, other similar corporate transaction or event, other unusual or nonrecurring transaction or event affecting the Company or its financial statements or any change in any Applicable Law or accounting principles, the Administrator, on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event (except that action to give effect to a change in Applicable Law or accounting principles may be made within a reasonable period of time after such change) and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to (x) prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any Award granted or issued under the Plan, (y) to facilitate such transaction or event or (z) give effect to such changes in Applicable Law or accounting principles:

(a) To provide for the cancellation of any such Award in exchange for either an amount of cash or other property with a value equal to the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights under the vested portion of such Award, as applicable, in each case as of the date of such cancellation; provided that, if the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights, in any case, is equal to or less than zero, then the Award may be terminated without payment;

(b) To provide that such Award shall vest and, to the extent applicable, be exercisable as to all Shares (or other property) covered thereby, notwithstanding anything to the contrary in the Plan or the provisions of such Award;

(c) To provide that such Award be assumed by the successor or survivor corporation or entity, or a parent or subsidiary thereof, or shall be substituted for by awards covering the stock of the successor or survivor corporation or entity, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and applicable exercise or purchase price, in all cases, as determined by the Administrator;

(d) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding Awards or with respect to which Awards may be granted under the Plan (including, but not limited to, adjustments of the limitations in Article V hereof on the maximum number and kind of Shares which may be issued) or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards;

(e) To replace such Award with other rights or property selected by the Administrator; or

(f) To provide that the Award will terminate and cannot vest, be exercised or become payable after the applicable event.

9.3 Change in Control.

(a) Notwithstanding any other provision of the Plan, in the event of a Change in Control, unless the Administrator elects to (i) terminate an Award in exchange for cash, rights or property, or (ii) cause an Award to become fully exercisable and no longer subject to any forfeiture restrictions prior to the consummation of a Change in Control, pursuant to Section 9.2, (A) such Award (other than any portion subject to performance-based vesting) shall continue in effect or be assumed or an equivalent Award substituted by the successor corporation or a parent or subsidiary of the successor corporation and (B) the portion of such Award subject to performance-based vesting shall be subject to the terms and conditions of the applicable Award Agreement and, in the absence of applicable terms and conditions, the Administrator's discretion.

(b) In the event that the successor corporation in a Change in Control refuses to assume or substitute for an Award (other than any portion subject to performance-based vesting, which shall be handled as specified in the individual Award Agreement or as otherwise provided by the Administrator), the Administrator shall cause such Award to become fully vested and, if applicable, exercisable immediately prior to the consummation of such transaction and all forfeiture restrictions on such Award to lapse and, to the extent unexercised upon the consummation of such transaction, to terminate in exchange for cash, rights or other property. The Administrator shall notify the Participant of any Award that becomes exercisable pursuant to the preceding sentence that such Award shall be fully exercisable for a period of time as determined by the Administrator from the date of such notice (which shall be 15 days if no period is determined by the Administrator), contingent upon the occurrence of the Change in Control, and such Award shall terminate upon the consummation of the Change in Control in accordance with the preceding sentence.

(c) For the purposes of this Section 9.3, an Award shall be considered assumed if, following the Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Change in Control was not solely common stock of the successor corporation or its parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Award, for each Share subject to an Award, to be solely common stock of the successor corporation or its parent equal in fair market value to the per-share consideration received by holders of Common Stock in the Change in Control.

9.4 Administrative Stand Still. In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other extraordinary transaction or change affecting the Shares or the share price of Common Stock (including any Equity Restructuring or any securities offering or other similar transaction) or for reasons of administrative convenience or to facilitate compliance with any Applicable Law, the Administrator may refuse to permit the exercise or settlement of one or more Awards for such period of time as the Company may determine to be reasonably appropriate under the circumstances.

9.5 General. Except as expressly provided in the Plan or the Administrator's action under the Plan, no Participant will have any rights due to any subdivision or consolidation of Shares of any class, dividend payment, increase or decrease in the number of Shares of any class or dissolution, liquidation, merger, or consolidation of the Company or other corporation. Except as expressly provided with respect to an Equity Restructuring under Section 9.1 above or the Administrator's action under the Plan, no issuance by the Company of Shares of any class, or securities convertible into Shares of any class, will affect, and no adjustment will be made regarding, the number of Shares subject to an Award or the Award's grant price or exercise price. The existence of the Plan, any Award Agreements and the Awards granted hereunder will not affect or restrict in any way the Company's right or power to make or authorize (a) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (b) any merger, consolidation, spinoff, dissolution or liquidation of the Company or sale of Company assets or (c) any sale or issuance of securities, including securities with rights superior to those of the Shares or securities convertible into or exchangeable for Shares.

ARTICLE X.
PROVISIONS APPLICABLE TO AWARDS

10.1 Transferability.

(a) No Award may be sold, assigned, transferred, pledged or otherwise encumbered, either voluntarily or by operation of law, except by will or the laws of descent and distribution, or, subject to the Administrator's consent, pursuant to a DRO, unless and until such Award has been exercised or the Shares underlying such Award have been issued, and all restrictions applicable to such Shares have lapsed. During the life of a Participant, Awards will be exercisable only by the Participant, unless it has been disposed of pursuant to a DRO. After the death of a Participant, any exercisable portion of an Award may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Award Agreement, be exercised by the Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then-Applicable Law of descent and distribution. References to a Participant, to the extent relevant in the context, will include references to a transferee approved by the Administrator.

(b) Notwithstanding Section 10.1(a), the Administrator, in its sole discretion, may determine to permit a Participant or a Permitted Transferee of such Participant to transfer an Award other than an Incentive Stock Option (unless such Incentive Stock Option is intended to become a Nonqualified Stock Option) to any one or more Permitted Transferees of such Participant, subject to the following terms and conditions: (i) an Award transferred to a Permitted Transferee shall not be assignable or transferable by the Permitted Transferee other than (A) to another Permitted Transferee of the applicable Participant or (B) by will or the laws of descent and distribution or, subject to the consent of the Administrator, pursuant to a DRO; (ii) an Award transferred to a Permitted Transferee shall continue to be subject to all the terms and conditions of the Award as applicable to the original Participant (other than the ability to further transfer the Award to any Person other than another Permitted Transferee of the applicable Participant); (iii) the Participant (or transferring Permitted Transferee) and the receiving Permitted Transferee shall execute any and all documents requested by the Administrator, including, without limitation, documents to (A) confirm the status of the transferee as a Permitted Transferee, (B) satisfy any requirements for an exemption for the transfer under Applicable Law and (C) evidence the transfer; and (iv) any transfer of an Award to a Permitted Transferee shall be without consideration, except as required by Applicable Law. In addition, and further notwithstanding Section 10.1(a), the Administrator, in its sole discretion, may determine to permit a Participant to transfer Incentive Stock Options to a trust that constitutes a Permitted Transferee if, under Section 671 of the Code and other Applicable Law, the Participant is considered the sole beneficial owner of the Incentive Stock Option while it is held in the trust.

(c) Notwithstanding Section 10.1(a), if permitted by the Administrator, a Participant may, in the manner determined by the Administrator, designate a Designated Beneficiary. A Designated Beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and any Award Agreement applicable to the Participant and any additional restrictions deemed necessary or appropriate by the Administrator. If the Participant is married or a domestic partner in a domestic partnership qualified under Applicable Law and resides in a community property state, a designation of a person other than the Participant's spouse or domestic partner, as applicable, as the Participant's Designated Beneficiary with respect to more than 50% of the Participant's interest in the Award shall not be effective without the prior written or electronic consent of the Participant's spouse or domestic partner. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant at any time; provided that the change or revocation is delivered in writing to the Administrator prior to the Participant's death.

10.2 Documentation. Each Award will be evidenced in an Award Agreement in such form as the Administrator determines in its discretion. Each Award may contain such terms and conditions as are determined by the Administrator in its sole discretion, to the extent not inconsistent with those set forth in the Plan.

10.3 Discretion. Except as the Plan otherwise provides, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award to a Participant need not be identical, and the Administrator need not treat Participants or Awards (or portions thereof) uniformly.

10.4 Changes in Participant's Status. The Administrator will determine how the disability, death, retirement, authorized leave of absence or any other change or purported change in a Participant's Service Provider status affects an Award and the extent to which, and the period during which, the Participant, the Participant's legal representative, conservator, guardian or Designated Beneficiary may exercise rights under the Award, if applicable. Except to the extent otherwise required by Applicable Law or expressly authorized by the Company or by the Company's written policy on leaves of absence, no service credit shall be given for vesting purposes for any period the Participant is on a leave of absence.

10.5 Withholding. Each Participant must pay the Company or a Subsidiary, as applicable, or make provision satisfactory to the Administrator for payment of, any Tax-Related Items required by Applicable Law to be withheld in connection with such Participant's Awards and/or Shares by the date of the event creating the liability for Tax-Related Items. At the Company's discretion and subject to any Company insider trading policy (including black-out periods), any withholding obligation for Tax-Related Items may be satisfied by (i) deducting an amount sufficient to satisfy such withholding obligation from any payment of any kind otherwise due to a Participant; (ii) accepting a payment from the Participant in cash, by wire transfer of immediately available funds, or by check made payable to the order of the Company or a Subsidiary, as applicable; (iii) accepting the delivery of Shares, including Shares delivered by attestation; (iv) retaining Shares from the Award creating the withholding obligation for Tax-Related Items, valued on the date of delivery; (v) if there is a public market for Shares at the time the withholding obligation for Tax-Related Items is to be satisfied, selling Shares issued pursuant to the Award creating the withholding obligation for Tax-Related Items, either voluntarily by the Participant or mandatorily by the Company; (vi) accepting delivery of a promissory note or any other lawful consideration; or (vii) any combination of the foregoing payment forms. The amount withheld pursuant to any of the foregoing payment forms shall be determined by the Company and may be up to, but no greater than, the aggregate amount of such obligations based on the maximum statutory withholding rates in the applicable Participant's jurisdiction for all Tax-Related Items that are applicable to such taxable income. If any tax withholding obligation will be satisfied under clause (v) of the preceding paragraph, each Participant's acceptance of an Award under the Plan will constitute the Participant's authorization to the Company and instruction and authorization to any brokerage firm selected by the Company to effect the sale to complete the transactions described in clause (v).

10.6 Amendment of Award; Repricing. The Administrator may amend, modify or terminate any outstanding Award, including by substituting another Award of the same or a different type, changing the exercise or settlement date, and converting an Incentive Stock Option to a Nonqualified Stock Option. The Participant's consent to such action will be required unless (a) the action, taking into account any related action, does not materially and adversely affect the Participant's rights under the Award, or (b) the change is permitted under Article IX or pursuant to Section 11.6. In addition, the Administrator shall, without the approval of the stockholders of the Company, have the authority to (i) amend any outstanding Option or Stock Appreciation Right to reduce its exercise price per Share or (ii) cancel any Option or Stock Appreciation Right in exchange for cash or another Award.

10.7 Conditions on Delivery of Stock. The Company will not be obligated to deliver any Shares under the Plan or remove restrictions from Shares previously delivered under the Plan until (a) all Award conditions have been met or removed to the Company's satisfaction, (b) as determined by the Company, all other legal matters regarding the issuance and delivery of such Shares have been satisfied, including, without limitation, any applicable securities laws and stock exchange or stock market rules and regulations, (c) any approvals from governmental agencies that the Company determines are necessary or advisable have been obtained, and (d) the Participant has executed and delivered to the Company such representations or agreements as the Administrator deems necessary or appropriate to satisfy Applicable Law. The inability or impracticability of the Company to obtain or maintain authority to issue or sell any securities from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained, and shall constitute circumstances in which the Administrator may determine to amend or cancel Awards pertaining to such Shares, with or without consideration to the Participant.

10.8 Acceleration. The Administrator may at any time provide that any Award will become immediately vested and fully or partially exercisable, free of some or all restrictions or conditions, or otherwise fully or partially realizable.

ARTICLE XI.
MISCELLANEOUS

11.1 No Right to Employment or Other Status. No person will have any claim or right to be granted an Award, and the grant of an Award will not be construed as giving a Participant the right to commence or continue employment or any other relationship with the Company or a Subsidiary. The Company and its Subsidiaries expressly reserve the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan or any Award, except as expressly provided in an Award Agreement or other written agreement between the Participant and the Company or any Subsidiary.

11.2 No Rights as Stockholder; Certificates. Subject to the Award Agreement, no Participant or Designated Beneficiary will have any rights as a stockholder with respect to any Shares to be distributed under an Award until becoming the record holder of such Shares. Notwithstanding any other provision of the Plan, unless the Administrator otherwise determines or Applicable Law requires, the Company will not be required to deliver to any Participant certificates evidencing Shares issued in connection with any Award and instead such Shares may be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator). The Company may place legends on any share certificate or book entry to reference restrictions applicable to the Shares (including, without limitation, restrictions applicable to Restricted Stock).

11.3 Effective Date. The Plan will become effective on the date prior to the Public Trading Date (the "***Effective Date***"), provided that it is approved by the Company's stockholders prior to such date and occurring within 12 months following the date the Board approved the Plan. If the Plan is not approved by the Company's stockholders within the foregoing time frame, the Plan will not become effective. No Incentive Stock Option may be granted pursuant to the Plan after the tenth anniversary of the earlier of (a) the date the Plan was approved by the Board or (b) the date the Plan was approved by the Company's stockholders.

11.4 Amendment of Plan. The Board may amend, suspend or terminate the Plan at any time and from time to time; provided that (a) no amendment requiring stockholder approval to comply with Applicable Law shall be effective unless approved by the stockholders, and (b) no amendment, other than

an increase to the Overall Share Limit or pursuant to Article IX or Section 11.6, may materially and adversely affect any Award outstanding at the time of such amendment without the affected Participant's consent. No Awards may be granted under the Plan during any suspension period or after Plan termination. Awards outstanding at the time of any Plan suspension or termination will continue to be governed by the Plan and the Award Agreement, each as in effect before such suspension or termination. The Board will obtain stockholder approval of any Plan amendment to the extent necessary to comply with Applicable Law.

11.5 Provisions for Foreign Participants. The Administrator may modify Awards granted to Participants who are nationals of a country other than the United States or employed or residing outside the United States, establish subplans or procedures under the Plan or take any other necessary or appropriate action to address Applicable Law, including (a) differences in laws, rules, regulations or customs of such jurisdictions with respect to tax, securities, currency, employee benefit or other matters, (b) listing and other requirements of any non-U.S. securities exchange, and (c) any necessary local governmental or regulatory exemptions or approvals.

11.6 Section 409A.

(a) *General*. The Company intends that all Awards be structured to comply with, or be exempt from, Section 409A, such that no adverse tax consequences, interest, or penalties under Section 409A apply. Notwithstanding anything in the Plan or any Award Agreement to the contrary, the Administrator may, without a Participant's consent, amend this Plan or Awards, adopt policies and procedures, or take any other actions (including amendments, policies, procedures and retroactive actions) as are necessary or appropriate to preserve the intended tax treatment of Awards, including any such actions intended to (i) exempt this Plan or any Award from Section 409A, or (ii) comply with Section 409A, including regulations, guidance, compliance programs and other interpretative authority that may be issued after an Award's grant date. The Company makes no representations or warranties as to an Award's tax treatment under Section 409A or otherwise. The Company will have no obligation under this Section 11.6 or otherwise to avoid the taxes, penalties or interest under Section 409A with respect to any Award and will have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute noncompliant "nonqualified deferred compensation" subject to taxes, penalties or interest under Section 409A.

(b) *Separation from Service*. If an Award constitutes "nonqualified deferred compensation" under Section 409A, any payment or settlement of such Award upon a Participant's Termination of Service will, to the extent necessary to avoid taxes under Section 409A, be made only upon the Participant's "separation from service" (within the meaning of Section 409A), whether such "separation from service" occurs upon or after the Participant's Termination of Service. For purposes of this Plan or any Award Agreement relating to any such payments or benefits, references to a "termination," "termination of employment" or like terms means a "separation from service."

(c) *Payments to Specified Employees*. Notwithstanding any contrary provision in the Plan or any Award Agreement, any payment(s) of "nonqualified deferred compensation" required to be made under an Award to a "specified employee" (as defined under Section 409A and as the Administrator determines) due to such person's "separation from service" will, to the extent necessary to avoid taxes under Section 409A(a)(2)(B)(i) of the Code, be delayed for the six-month period immediately following such "separation from service" (or, if earlier, until the specified employee's death) and will instead be paid (as set forth in the Award Agreement) on the day immediately following such six-month period or as soon as administratively practicable thereafter (without interest). Any payments of "nonqualified deferred compensation" under such Award payable more than six months following the Participant's "separation from service" will be paid at the time or times the payments are otherwise scheduled to be made.

(d) *Separate Payments*. If an Award includes a "series of installment payments" within the meaning of Section 1.409A-2(b)(2)(iii) of Section 409A, the Participant's right to the series of installment payments will be treated as a right to a series of separate payments and not as a right to a single payment and, if an Award includes "dividend equivalents" within the meaning of Section 1.409A-3(e) of Section 409A, the Participant's right to receive the dividend equivalents will be treated separately from the right to other amounts under the Award.

(e) *Change in Control*. Any payment due upon a Change in Control of the Company will be paid only if such Change in Control constitutes a "change in ownership" or "change in effective control" within the meaning of Section 409A, and in the event that such Change in Control does not constitute a "change in the ownership" or "change in the effective control" within the meaning of Section 409A, such Award for which payment is due upon a Change in Control of the Company will vest upon the Change in Control and any payment will be delayed until the first compliant date under Section 409A.

11.7 Limitations on Liability. Notwithstanding any other provisions of the Plan, no individual acting as a Director, officer or other Employee will be liable to any Participant, former Participant, spouse, beneficiary, or any other person for any claim, loss, liability, or expense incurred in connection with the Plan or any Award, and such individual will not be personally liable with respect to the Plan because of any contract or other instrument executed in such person's capacity as an Administrator, Director, officer or other Employee. The Company will indemnify and hold harmless each Director, officer or other Employee that has been or will be granted or delegated any duty or power relating to the Plan's administration or interpretation, against any cost or expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim with the Administrator's approval) arising from any act or omission concerning this Plan unless arising from such person's own fraud or bad faith; provided that such person gives the Company an opportunity, at its own expense, to handle and defend the same before undertaking to handle and defend it on such person's own behalf.

11.8 Data Privacy. As a condition for receiving any Award, each Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of personal data as described in this Section 11.8 by and among the Company and its Subsidiaries and affiliates exclusively for implementing, administering and managing the Participant's participation in the Plan. The Company and its Subsidiaries and affiliates may hold certain personal information about a Participant, including the Participant's name, address and telephone number; birthdate; social security, insurance number or other identification number; salary; nationality; job title(s); any Shares held in the Company or its Subsidiaries and affiliates; and Award details, to implement, manage and administer the Plan and Awards (the "***Data***"). The Company and its Subsidiaries and affiliates may transfer the Data amongst themselves as necessary to implement, administer and manage a Participant's participation in the Plan, and the Company and its Subsidiaries and affiliates may transfer the Data to third parties assisting the Company with Plan implementation, administration and management. These recipients may be located in the Participant's country, or elsewhere, and the Participant's country may have different data privacy laws and protections than a recipient's country. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, to implement, administer and manage the Participant's participation in the Plan, including any required Data transfer to a broker or other third party with whom the Company or the Participant may elect to deposit any Shares. The Data related to a Participant will be held only as long as necessary to implement, administer, and manage the Participant's participation in the Plan. A Participant may, at any time, view the Data that the Company holds regarding such Participant, request additional information about the storage and processing of the Data regarding such Participant, recommend any necessary corrections to the Data regarding the Participant or refuse or withdraw the consents in this Section 11.8 in writing, without cost, by contacting the local human resources representative. The Company may cancel Participant's ability to participate in the Plan and, in the Administrator's sole discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents in this Section 11.8. For more information on the consequences of refusing or withdrawing consent, Participants may contact their local human resources representative.

11.9 Severability. If any portion of the Plan or any action taken under it is held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as if the illegal or invalid provisions had been excluded, and the illegal or invalid action will be null and void.

11.10 Governing Documents. If any contradiction occurs between the Plan and any Award Agreement or other written agreement between a Participant and the Company (or any Subsidiary), the Plan will govern, unless such Award Agreement or other written agreement was approved by the Administrator and expressly provides that a specific provision of the Plan will not apply.

11.11 Governing Law. The Plan and all Awards will be governed by and interpreted in accordance with the laws of the State of Delaware, without regard to the conflict of law rules thereof or of any other jurisdiction. By accepting an Award, each Participant irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America, in each case located in the State of Delaware, for any action arising out of or relating to the Plan (and agrees not to commence any litigation relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail to the address contained in the records of the Company shall be effective service of process for any litigation brought against it in any such court. By accepting an Award, each Participant irrevocably and unconditionally waives any objection to the laying of venue of any litigation arising out of the Plan or Award hereunder in the courts of the State of Delaware or the United States of America, in each case located in the State of Delaware, and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such litigation brought in any such court has been brought in an inconvenient forum. By accepting an Award, each Participant irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any litigation arising out of or relating to the Plan or any Award hereunder.

11.12 Clawback Provisions. The Administrator may, in its discretion, specify in an Award Agreement or a policy that will be deemed incorporated into an Award Agreement by reference (regardless of whether such policy is established before or after the date of such Award Agreement), that a Participant's rights, payments, and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture, rescission or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting, restrictions or performance conditions of an Award. Such events may include, but shall not be limited to, Termination of Service with or without Cause, breach of noncompetition, confidentiality, or other restrictive covenants that may apply to the Participant, or restatement of the Company's financial statements to reflect adverse results from those previously released financial statements, as a consequence of errors, omissions, fraud, or misconduct. Without limiting the foregoing, all Awards (including, without limitation, any proceeds, gains or other economic benefit actually or constructively received by a Participant upon any receipt or exercise of any Award or upon the receipt or resale of any Shares underlying the Award) shall be subject to the provisions of any clawback policy implemented by the Company, including, without limitation, any clawback policy adopted to comply with Applicable Law (including the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder) as and to the extent set forth in such clawback policy or the Award Agreement.

11.13 Titles and Headings. The titles and headings in the Plan are for convenience of reference only and, if any conflict, the Plan's text, rather than such titles or headings, will control.

11.14 Conformity to Applicable Law. Participant acknowledges that the Plan is intended to conform to the extent necessary with Applicable Law. Notwithstanding anything herein to the contrary, the Plan and all Awards will be administered only in a manner intended to conform with Applicable Law. To the extent Applicable Law permits, the Plan and all Award Agreements will be deemed amended as necessary to conform to Applicable Law.

11.15 Relationship to Other Benefits. No payment under the Plan will be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary, except as expressly provided in writing in such other plan or an agreement thereunder.

11.16 Unfunded Status of Awards. The Plan is intended to be an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or Award Agreement shall give the Participant any rights that are greater than those of a general creditor of the Company or any Subsidiary.

11.17 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan, the Plan and any Award granted or awarded to any individual who is then subject to Section 16 of the Exchange Act shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

11.18 Prohibition on Executive Officer and Director Loans. Notwithstanding any other provision of the Plan to the contrary, no Participant who is a Director or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to make payment with respect to any Awards granted under the Plan, or continue any extension of credit with respect to such payment, with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

11.19 Broker-Assisted Sales. In the event of a broker-assisted sale of Shares in connection with the payment of amounts owed by a Participant under or with respect to the Plan or Awards, including amounts to be paid under the final sentence of Section 10.5: (a) any Shares to be sold through the broker-assisted sale will be sold on the day the payment first becomes due, or as soon thereafter as practicable; (b) such Shares may be sold as part of a block trade with other Participants in the Plan in which all Participants receive an average price; (c) the applicable Participant will be responsible for all broker's fees and other costs of sale, and by accepting an Award, each Participant agrees to indemnify and hold the Company and its Directors, officers and other Employees harmless from any losses, costs, damages, or expenses relating to any such sale; (d) to the extent the Company or its designee receives proceeds of such sale that exceed the amount owed, the Company will pay such excess in cash to the applicable Participant as soon as reasonably practicable; (e) the Company and its designees are under no obligation to arrange for such sale at any particular price; and (f) in the event the proceeds of such sale are insufficient to satisfy the Participant's applicable obligation, the Participant may be required to pay immediately upon demand to the Company or its designee an amount in cash sufficient to satisfy any remaining portion of the Participant's obligation.

* * * * *

CARGO THERAPEUTICS, INC.
2023 INCENTIVE AWARD PLAN
STOCK OPTION GRANT NOTICE

Cargo Therapeutics, Inc., a Delaware corporation, (the "***Company***"), pursuant to its 2023 Incentive Award Plan, as may be amended from time to time (the "***Plan***"), hereby grants to the holder listed below ("***Participant***"), an option to purchase the number of shares of the Company's Common Stock (the "***Shares***"), set forth below (the "***Option***"). This Option is subject to all of the terms and conditions set forth herein, as well as in the Plan and the Stock Option Agreement attached hereto as **Exhibit A** (the "***Stock Option Agreement***"), each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Stock Option Grant Notice (the "***Grant Notice***") and the Stock Option Agreement.

Participant:	[_____]
Grant Date:	[_____]
Vesting Commencement Date:	[_____]
Exercise Price per Share:	$[_____]
Total Exercise Price:	[_____]
Total Number of Shares Subject to the Option:	[_____]
Expiration Date:	[_____]
Vesting Schedule:	[_____]

Type of Option: ☐ Incentive Stock Option ☐ Nonqualified Stock Option

If the Company uses an electronic capitalization table system (such as Shareworks, Carta or Equity Edge) and the fields in this Grant Notice are blank or the information is otherwise provided in a different format electronically, the blank fields and other information will be deemed to come from the electronic capitalization system and is considered part of this Grant Notice. In addition, the Company's signature below shall be deemed to have occurred by the Company's input of the Option in such electronic capitalization table system and Participant's signature below shall be deemed to have occurred by Participant's online acceptance of the Option through such electronic capitalization table system.

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

CARGO THERAPEUTICS, INC.:		**PARTICIPANT:**	
HOLDER:			
By:	_____	By:	_____
Print Name:	_____	Print Name:	_____
Title:	_____		
Address:	_____	Address:	_____
	_____		_____

EXHIBIT A
TO STOCK OPTION GRANT NOTICE

STOCK OPTION AGREEMENT

Pursuant to the Stock Option Grant Notice (the "***Grant Notice***") to which this Stock Option Agreement (this "***Agreement***") is attached, Cargo Therapeutics, Inc., a Delaware corporation (the "***Company***"), has granted to Participant an Option under the Company's 2023 Incentive Award Plan, as may be amended from time to time (the "***Plan***"), to purchase the number of Shares indicated in the Grant Notice.

ARTICLE 1.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 Incorporation of Terms of Plan. The Option is subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE 2.

GRANT OF OPTION

2.1 Grant of Option. In consideration of Participant's past and/or continued employment with or service to the Company or any Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the "***Grant Date***"), the Company irrevocably grants to Participant the Option to purchase any part or all of an aggregate of the number of Shares set forth in the Grant Notice, upon the terms and conditions set forth in the Plan and this Agreement, subject to adjustments as provided in Article IX of the Plan. Unless designated as a Nonqualified Stock Option in the Grant Notice, the Option shall be an Incentive Stock Option to the maximum extent permitted by law.

2.2 Exercise Price. The exercise price of the Shares subject to the Option shall be as set forth in the Grant Notice, without commission or other charge; *provided*, *however*, that the exercise price per share of the Shares subject to the Option shall not be less than 100% of the Fair Market Value of a Share on the Grant Date. Notwithstanding the foregoing, if this Option is designated as an Incentive Stock Option and Participant is a Greater Than 10% Stockholder as of the Grant Date, the exercise price per share of the Shares subject to the Option shall not be less than 110% of the Fair Market Value of a Share on the Grant Date.

ARTICLE 3.

PERIOD OF EXERCISABILITY

3.1 Commencement of Exercisability.

(a) Subject to this Section 3.1 and Sections 3.2, 3.3, 5.11 and 5.17 hereof, the Option shall become vested and exercisable in such amounts and at such times as are set forth in the Grant Notice.

(b) No portion of the Option which has not become vested and exercisable at the date of Participant's Termination of Service shall thereafter become vested and exercisable, except as may be otherwise provided by the Administrator or as set forth in a written agreement between the Company (or any Subsidiary that is the employer of Participant) and Participant.

(c) Notwithstanding Section 3.1(a) hereof and the Grant Notice, but subject to Section 3.1(b) hereof, in the event of a Change in Control the Option shall be treated pursuant to Sections 9.2 and 9.3 of the Plan.

3.2 Duration of Exercisability. The installments provided for in the vesting schedule set forth in the Grant Notice are cumulative. Each such installment which becomes vested and exercisable pursuant to the vesting schedule set forth in the Grant Notice shall remain vested and exercisable until it becomes unexercisable under Section 3.3 hereof.

3.3 Expiration of Option. The Option may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The Expiration Date set forth in the Grant Notice, which shall in no event be more than ten years from the Grant Date;

(b) If this Option is designated as an Incentive Stock Option and Participant, at the time the Option was granted, was a Greater Than 10% Stockholder, the expiration of five years from the Grant Date;

(c) The expiration of three months from the date of Participant's Termination of Service, unless such termination occurs by reason of Participant's death or Disability or Cause;

(d) The expiration of one year from the date of Participant's Termination of Service by reason of Participant's death or Disability; or

(e) Participant's Termination of Service for Cause.

3.4 Special Tax Consequences. Participant acknowledges that, to the extent that the aggregate Fair Market Value (determined as of the time the Option is granted) of all Shares with respect to which Incentive Stock Options, including the Option (if applicable), are exercisable for the first time by Participant in any calendar year exceeds $100,000, the Option and such other options shall be Nonqualified Stock Options to the extent necessary to comply with the limitations imposed by Section 422(d) of the Code. Participant further acknowledges that the rule set forth in the preceding sentence shall be applied by taking the Option and other "incentive stock options" into account in the order in which they were granted, as determined under Section 422(d) of the Code and the Treasury Regulations thereunder. Participant also acknowledges that an Incentive Stock Option exercised more than three months after Participant's termination of employment, other than by reason of death or Disability, will be taxed as a Nonqualified Stock Option.

3.5 Tax Indemnity.

(a) Participant agrees to hold harmless, indemnify and keep indemnified the Company, any Subsidiary and Participant's employing company, if different, from and against any liability for or obligation to pay any Tax-Related Items that is attributable to (1) the grant or exercise of, or any benefit derived by Participant from, the Option, (2) the acquisition by Participant of the Shares on exercise of the Option or (3) the disposal of any Shares.

(b) The Option cannot be exercised until Participant has made such arrangements as the Company may require for the satisfaction of any Tax-Related Items that may arise in connection with the exercise of the Option or the acquisition of the Shares by Participant. The Company shall not be required to issue, allot or transfer Shares until Participant has satisfied this obligation.

(c) Participant hereby acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option and (ii) does not commit to and is under no obligation to structure the terms of the grant or any aspect of any Award, including the Option, to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Furthermore, if Participant becomes subject to tax in more than one jurisdiction between the date of grant of an Award, including the Option, and the date of any relevant taxable event, Participant acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

ARTICLE 4.

EXERCISE OF OPTION

4.1 Person Eligible to Exercise. Except as provided in Section 5.3 hereof, during the lifetime of Participant, only Participant may exercise the Option or any portion thereof, unless it has been disposed of pursuant to a DRO. After the death of Participant, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.3 hereof, be exercised by the deceased Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then applicable laws of descent and distribution.

4.2 Partial Exercise. Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3 hereof. However, the Option shall not be exercisable with respect to fractional Shares.

4.3 Manner of Exercise. The Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary of the Company (or any third party administrator or other person or entity designated by the Company; for the avoidance of doubt, delivery shall include electronic delivery), during regular business hours, of all of the following prior to the time when the Option or such portion thereof becomes unexercisable under Section 3.3 hereof:

(a) An exercise notice in a form specified by the Administrator, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Administrator. The notice shall be signed by Participant or other person then entitled to exercise the Option or such portion of the Option;

(b) The receipt by the Company of full payment for the Shares with respect to which the Option or portion thereof is exercised, including payment of any applicable Tax-Related Items, which shall be made by deduction from other compensation payable to Participant or in such other form of consideration permitted under Section 4.4 hereof that is acceptable to the Company;

(c) Any other written representations or documents as may be required in the Administrator's sole discretion to evidence compliance with the Securities Act, the Exchange Act or any other Applicable Law; and

(d) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any person or persons other than Participant, appropriate proof of the right of such person or persons to exercise the Option.

Notwithstanding any of the foregoing, the Company shall have the right to specify all conditions of the manner of exercise, which conditions may vary by country and which may be subject to change from time to time.

4.4 Method of Payment. Payment of the exercise price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash or check;

(b) With the consent of the Administrator, surrender of Shares (including, without limitation, Shares otherwise issuable upon exercise of the Option) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof; or

(c) Other legal consideration acceptable to the Administrator (including, without limitation, through the delivery of a notice that Participant has placed a market sell order with a broker with respect to Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

4.5 Conditions to Issuance of Shares. The Shares deliverable upon the exercise of the Option, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Shares purchased upon the exercise of the Option or portion thereof prior to fulfillment of all of the conditions in Section 10.7 of the Plan and the following conditions:

(a) The admission of such Shares to listing on all stock exchanges on which such Shares are then listed;

(b) The completion of any registration or other qualification of such Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such Shares, including payment of any applicable Tax-Related Items, which may be in one or more of the forms of consideration permitted under Section 4.4 hereof; and

(e) The lapse of such reasonable period of time following the exercise of the Option as the Administrator may from time to time establish for reasons of administrative convenience.

4.6 Rights as Stockholder. The holder of the Option shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of any Shares purchasable upon the exercise of any part of the Option unless and until such Shares shall have been issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Article IX of the Plan.

ARTICLE 5.

OTHER PROVISIONS

5.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the Option.

5.2 Whole Shares. The Option may only be exercised for whole Shares.

5.3 Transferability. The Option shall be subject to the restrictions on transferability set forth in Section 10.1 of the Plan.

5.4 Tax Consultation. Participant understands that Participant may suffer adverse tax consequences as a result of the grant, vesting or exercise of the Option, or with the purchase or disposition of the Shares subject to the Option. Participant represents that Participant has consulted with any tax consultants Participant deems advisable in connection with the purchase or disposition of such Shares and that Participant is not relying on the Company for any tax advice.

5.5 Binding Agreement. Subject to the limitation on the transferability of the Option contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

5.6 Adjustments Upon Specified Events. The Administrator may accelerate the vesting of the Option in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and Article IX of the Plan.

5.7 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 5.7, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to Participant shall, if Participant is then deceased, be given to the person entitled to exercise his or her Option pursuant to Section 4.1 hereof by written notice under this Section 5.7. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

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

5.9 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws. By entering into this Agreement, Participant irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America, in each case located in the State of Delaware, for any action arising out of or relating to this Agreement and the Plan (and agrees not to commence any litigation relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail to the address contained in the records of the Company shall be effective service of process for any litigation brought against it in any such court. By entering into this Agreement, Participant irrevocably and unconditionally waives any objection to the laying of venue of any litigation arising out of the Plan or this Agreement in the courts of the State of Delaware or the United States of America, in each case located in the State of Delaware, and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such litigation brought in any such court has been brought in an inconvenient forum. By entering into this Agreement, Participant irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any litigation arising out of or relating to the Plan or this Agreement.

5.10 Conformity to Applicable Law. Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any other Applicable Law. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Option is granted and may be exercised, only in such a manner as to conform to such Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Law.

5.11 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board; *provided, however,* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Option in any material way without the prior written consent of Participant, unless such action is necessary to ensure or facilitate compliance with Applicable Law, as determined by the Administrator.

5.12 Successors and Assigns. The Company may assign any of its rights and delegate any of its obligations under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 5.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

5.13 Notification of Disposition. If this Option is designated as an Incentive Stock Option, Participant shall give prompt notice to the Company of any disposition or other transfer of any Shares acquired under this Agreement if such disposition or transfer is made (a) within two years from the Grant Date with respect to such Shares or (b) within one year after the transfer of such Shares to Participant. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

5.14 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, then the Plan, the Option and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

5.15 Not a Contract of Service Relationship. Nothing in this Agreement or in the Plan shall confer upon Participant any right to commence or continue to serve as an Employee or other Service Provider or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise by Applicable Law or in a written agreement between the Company or a Subsidiary (as applicable) and Participant.

5.16 Entire Agreement. The Plan, the Grant Notice and this Agreement (including all Exhibits thereto, if any) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof, provided that the Option shall be subject to any accelerated vesting provisions in any written agreement between Participant and the Company (or any Subsidiary that is the employer of Participant) or a Company plan pursuant to which Participant participates, in each case, in accordance with the terms therein.

5.17 Section 409A. This Option is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that the Option (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate either for the Option to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

5.18 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company and its Subsidiaries with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Shares as a general unsecured creditor with respect to the Option, as and when exercised pursuant to the terms hereof.

* * * * *

CARGO THERAPEUTICS, INC.
2023 INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT AWARD GRANT NOTICE

Cargo Therapeutics, Inc., a Delaware corporation, (the "***Company***"), pursuant to its 2023 Incentive Award Plan, as may be amended from time to time (the "***Plan***"), hereby grants to the holder listed below ("***Participant***"), an award of restricted stock units ("***Restricted Stock Units***" or "***RSUs***"). Each vested RSU represents the right to receive, in accordance with the Restricted Stock Unit Award Agreement attached hereto as **Exhibit A** (the "***Agreement***"), one share of Common Stock ("***Share***"). This award of RSUs is subject to all of the terms and conditions set forth herein and in the Agreement and the Plan, each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Stock Unit Award Grant Notice (the "***Grant Notice***") and the Agreement.

Participant:	[_____]
Grant Date:	[_____]
Total Number of RSUs:	[_____]
Vesting Commencement Date:	[_____]
Vesting Schedule:	[_____]
Termination of Service:	Except as otherwise provided by the Administrator and Section 9.3 of the Plan, if Participant experiences a Termination of Service, all RSUs that have not become vested on or prior to the date of such Termination of Service will thereupon be automatically forfeited by Participant without payment of any consideration therefor.

Participant understands that the terms of this award of RSUs explicitly include the following (a "***Sell to Cover***"):

Upon vesting of the RSUs and issuance of the resulting Shares, the Company, on Participant's behalf, will instruct the Company's transfer agent (together with any other party the Company determines necessary to execute the Sell to Cover, the "***Agent***") to sell that number of Shares determined in accordance with Section 2.5 of the Agreement as may be necessary to satisfy any resulting withholding tax obligations on the Company, and the Agent will remit the cash proceeds of such sale to the Company. The Company shall then make a cash payment equal to the required tax withholding from the cash proceeds of such sale directly to the appropriate taxing authorities.

If the Company uses an electronic capitalization table system (such as Shareworks, Carta or Equity Edge) and the fields in this Grant Notice are blank or the information is otherwise provided in a different format electronically, the blank fields and other information will be deemed to come from the electronic capitalization system and is considered part of this Grant Notice. In addition, the Company's signature below shall be deemed to have occurred by the Company's input of the RSUs in such electronic capitalization table system and Participant's signature below shall be deemed to have occurred by Participant's online acceptance of the RSUs through such electronic capitalization table system.

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

CARGO THERAPEUTICS, INC.:

By: _____
Print Name: _____
Title: _____
Address: _____

PARTICIPANT:

By: _____
Print Name: _____
Address: _____

PARTICIPANT:

EXHIBIT A
TO RESTRICTED STOCK UNIT AWARD GRANT NOTICE

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Award Grant Notice (the "***Grant Notice***") to which this Restricted Stock Unit Award Agreement (this "***Agreement***") is attached, Cargo Therapeutics, Inc., a Delaware corporation (the "***Company***"), has granted to Participant the number of restricted stock units ("***Restricted Stock Units***" or "***RSUs***") set forth in the Grant Notice under the Company's 2023 Incentive Award Plan, as may be amended from time to time (the "***Plan***"). Each RSU represents the right to receive one share of Common Stock (a "***Share***") upon vesting.

ARTICLE 1.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

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

ARTICLE 2.

GRANT OF RESTRICTED STOCK UNITS

2.1 Grant of RSUs. Pursuant to the Grant Notice and upon the terms and conditions set forth in the Plan and this Agreement, effective as of the Grant Date set forth in the Grant Notice, the Company hereby grants to Participant an award of RSUs under the Plan in consideration of Participant's past and/or continued employment with or service to the Company or any Subsidiary and for other good and valuable consideration.

2.2 Unsecured Obligation to RSUs. Unless and until the RSUs have vested in the manner set forth in Article 2 hereof, Participant will have no right to receive Common Stock under any such RSUs. Prior to actual payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.4 hereof, the RSUs shall vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth in the Grant Notice (rounding down to the nearest whole Share). Notwithstanding the foregoing and the Grant Notice, but subject to Section 2.4 hereof, in the event of a Change in Control, the RSUs shall be treated pursuant to Sections 9.2 and 9.3 of the Plan.

2.4 Forfeiture, Termination and Cancellation upon Termination of Service. Notwithstanding any contrary provision of this Agreement or the Plan, except as otherwise provided by the Administrator, upon Participant's Termination of Service for any or no reason, all RSUs which have not vested prior to or in connection with such Termination of Service shall thereupon automatically be forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and Participant, or Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder. No portion of the RSUs which has not become vested as of the date on which Participant incurs a Termination of Service shall thereafter become vested, except as may otherwise be provided by the Administrator or as set forth in a written agreement between the Company (or any Subsidiary that is the employer of Participant) and Participant.

2.5 Issuance of Common Stock upon Vesting.

(a) As soon as administratively practicable following the vesting of any RSUs pursuant to Section 2.3 hereof, but in no event later than March 15 of the year after the year of vesting (for the avoidance of doubt, this deadline is intended to comply with the "short term deferral" exemption from Section 409A of the Code), the Company shall deliver to Participant (or any transferee permitted under Section 3.2 hereof) a number of Shares equal to the number of RSUs subject to this Award that vest on the applicable vesting date. Notwithstanding the foregoing, in the event Shares are not issued pursuant to Section 10.7 of the Plan, the Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that Shares can again be issued in accordance with such Section.

(b) As set forth in Section 10.5 of the Plan, the Company shall have the authority and the right to deduct or withhold, or to require Participant to remit to the Company, an amount sufficient to satisfy all applicable Tax-Related Items required by law to be withheld with respect to any taxable event arising in connection with the RSUs. Such Tax-Related Items shall be satisfied by using a Sell to Cover pursuant to the Grant Notice. The Company shall not be obligated to deliver any Shares to Participant or Participant's legal representative unless and until Participant or Participant's legal representative shall have paid or otherwise satisfied in full the amount of all Tax-Related Items applicable to the taxable income of Participant resulting from the grant or vesting of the RSUs or the issuance of Shares. By accepting this award of RSUs, Participant has agreed to a Sell to Cover to satisfy any Tax-Related Items calculated at up to the maximum statutory tax rate, as determined by the Company, and Participant hereby acknowledges and agrees:

(i) Participant hereby appoints the Agent as Participant's agent and authorizes the Agent to (1) sell on the open market at the then prevailing market price(s), on Participant's behalf, as soon as practicable on or after the date the Shares are issued upon vesting of the RSUs, that number (rounded up to the next whole number) of the Shares so issued necessary to generate proceeds to cover (x) any Tax-Related Items incurred with respect to such vesting or issuance based on up to the maximum statutory tax rates, as determined by the Company, and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) in the Company's discretion, apply any remaining funds to Participant's federal tax withholding or remit such remaining funds to Participant.

(ii) Participant hereby authorizes the Company and the Agent to cooperate and communicate with one another to determine the number of Shares that must be sold pursuant to subsection (i) above.

(iii) Participant understands that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to Participant's account. In addition, Participant acknowledges that it may not be possible to sell Shares as provided in subsection (i) above due to (1) a legal or contractual restriction applicable to Participant or the Agent, (2) a market disruption or (3) rules governing order execution priority on the national exchange where the Shares may be traded. In the event of the Agent's inability to sell Shares, Participant will continue to be responsible for the timely payment to the Company and/or its affiliates of all Tax-Related Items that are required by applicable laws and regulations to be withheld.

(iv) Participant acknowledges that regardless of any other term or condition of this Section 2.5(b), the Agent will not be liable to Participant for (1) special, indirect, punitive, exemplary or consequential damages, or incidental losses or damages of any kind or (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control.

(v) Participant hereby agrees to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 2.5(b). The Agent is a third-party beneficiary of this Section 2.5(b).

This Section 2.5(b) shall terminate not later than the date on which all tax withholding and obligations arising in connection with the vesting and issuance of the RSUs have been satisfied.

2.6 Conditions to Delivery of Shares. The Shares deliverable hereunder may be either previously authorized but unissued Shares, treasury Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue Shares deliverable hereunder prior to fulfillment of the conditions set forth in Section 10.7 of the Plan.

2.7 Rights as Stockholder. The holder of the RSUs shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of the RSUs and any Shares underlying the RSUs and deliverable hereunder unless and until such Shares shall have been issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Article IX of the Plan.

ARTICLE 3.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the RSUs.

3.2 Transferability. The RSUs shall be subject to the restrictions on transferability set forth in Section 10.1 of the Plan.

3.3 Tax Consultation. Participant understands that Participant may suffer adverse tax consequences in connection with the RSUs granted pursuant to this Agreement (and the Shares issuable with respect thereto). Participant represents that Participant has consulted with any tax consultants Participant deems advisable in connection with the RSUs and the issuance of Shares with respect thereto and that Participant is not relying on the Company for any tax advice.

3.4 Binding Agreement. Subject to the limitation on the transferability of the RSUs contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.5 Adjustments Upon Specified Events. The Administrator may accelerate the vesting of the RSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and Article IX of the Plan.

3.6 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.6, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.7 Participant's Representations. If the Shares issuable hereunder have not been registered under the Securities Act or any applicable state laws on an effective registration statement at the time of such issuance, Participant shall, if required by the Company, concurrently with such issuance, make such written representations as are deemed necessary or appropriate by the Company or its counsel.

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

3.9 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws. By entering into this Agreement, Participant irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America, in each case located in the State of Delaware, for any action arising out of or relating to this Agreement and the Plan (and agrees not to commence any litigation relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail to the address contained in the records of the Company shall be effective service of process for any litigation brought against it in any such court. By entering into this Agreement, Participant irrevocably and unconditionally waives any objection to the laying of venue of any litigation arising out of the Plan or this Agreement in the courts of the State of Delaware or the United States of America, in each case located in the State of Delaware, and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such litigation brought in any such court has been brought in an inconvenient forum. By entering into this Agreement, Participant irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any litigation arising out of or relating to the Plan or this Agreement.

3.10 Conformity to Applicable Law. Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any other Applicable Law. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Law.

3.11 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board; *provided, however,* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without the prior written consent of Participant, unless such action is necessary to ensure or facilitate compliance with Applicable Law, as determined by the Administrator.

3.12 Successors and Assigns. The Company may assign any of its rights and delegate any of its obligations under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.2 hereof, this Agreement shall be binding upon Participant and Participant's heirs, executors, administrators, successors and assigns.

3.13 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, then the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.14 Not a Contract of Service Relationship. Nothing in this Agreement or in the Plan shall confer upon Participant any right to commence or continue to serve as an Employee or other Service Provider or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise by Applicable Law or in a written agreement between the Company or a Subsidiary (as applicable) and Participant.

3.15 Entire Agreement. The Plan, the Grant Notice and this Agreement (including all Exhibits thereto, if any) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof, provided that the RSUs shall be subject to any accelerated vesting provisions in any written agreement between Participant and the Company (or any Subsidiary that is the employer of Participant) or a Company plan pursuant to which Participant participates, in each case, in accordance with the terms therein.

3.16 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "***Section 409A***"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.17 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company and its Subsidiaries with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive the Shares as a general unsecured creditor with respect to RSUs, as and when payable hereunder.

* * * * *

CARGO THERAPEUTICS, INC.
2023 EMPLOYEE STOCK PURCHASE PLAN

ARTICLE 1
PURPOSE

The Plan's purpose is to assist employees of the Company and its Designated Subsidiaries in acquiring a stock ownership interest in the Company, and to help such employees provide for their future security and to encourage them to remain in the employment of the Company and its Subsidiaries.

The Plan consists of two components: the Section 423 Component and the Non-Section 423 Component. The Section 423 Component is intended to qualify as an "employee stock purchase plan" under Section 423 of the Code and shall be administered, interpreted and construed in a manner consistent with the requirements of Section 423 of the Code. In addition, this Plan authorizes the grant of Options under the Non-Section 423 Component, which need not qualify as Options granted pursuant to an "employee stock purchase plan" under Section 423 of the Code; such Options granted under the Non-Section 423 Component shall be granted pursuant to separate Offerings containing such sub-plans, appendices, rules or procedures as may be adopted by the Administrator and designed to achieve tax, securities laws or other objectives for Eligible Employees and the Designated Subsidiaries in locations outside of the United States. Except as otherwise provided herein, the Non-Section 423 Component will operate and be administered in the same manner as the Section 423 Component. Offerings intended to be made under the Non-Section 423 Component will be designated as such by the Administrator at or prior to the time of such Offering.

For purposes of this Plan, the Administrator may designate separate Offerings under the Plan, the terms of which need not be identical, in which Eligible Employees will participate, even if the dates of the applicable Offering Period(s) in each such Offering is identical, provided that the terms of participation are the same within each separate Offering under the Section 423 Component as determined under Section 423 of the Code. Solely by way of example and without limiting the foregoing, the Company could, but shall not be required to, provide for simultaneous Offerings under the Section 423 Component and the Non-Section 423 Component of the Plan.

ARTICLE 2
DEFINITIONS

As used in the Plan, the following words and phrases have the meanings specified below, unless the context clearly indicates otherwise:

2.1 "***Administrator***" means the Committee, or such individuals to which authority to administer the Plan has been delegated under Section 7.1 hereof.

2.2 "***Agent***" means the brokerage firm, bank or other financial institution, entity or person(s), if any, engaged, retained, appointed or authorized to act as the agent of the Company or an Employee with regard to the Plan.

2.3 "***Board***" means the Board of Directors of the Company.

2.4 "***Code***" means the U.S. Internal Revenue Code of 1986, as amended, and all regulations, guidance, compliance programs and other interpretative authority issued thereunder.

2.5 "***Committee***" means the Compensation Committee of the Board.

2.6 "***Common Stock***" means the common stock of the Company.

2.7 "***Company***" means Cargo Therapeutics, Inc., a Delaware corporation, or any successor.

2.8 "***Compensation***" of an Employee means the regular earnings or base salary paid to the Employee from the Company on each Payday as compensation for services to the Company or any Designated Subsidiary, before deduction for any salary deferral contributions made by the Employee to any tax-qualified or nonqualified deferred compensation plan, including overtime, shift differentials, vacation pay, salaried production schedule premiums, holiday pay, jury duty pay, funeral leave pay, paid time off, military pay and prior week adjustments, but excluding bonuses and commissions, education or tuition reimbursements, imputed income arising under any group insurance or benefit program, travel expenses, business and moving reimbursements, including tax gross ups and taxable mileage allowance, income received in connection with any stock options, restricted stock, restricted stock units or other compensatory equity awards and all contributions made by the Company or any Designated Subsidiary for the Employee's benefit under any employee benefit plan now or hereafter established. For any Participants in non-U.S. jurisdictions, any equivalent amounts of the foregoing compensation shall be determined by the Administrator. Compensation shall be calculated before deduction of any income or employment tax withholdings, but such amounts shall be withheld from the Employee's net income.

2.9 "***Designated Subsidiary***" means each Subsidiary, including any Subsidiary in existence on the Effective Date and any Subsidiary formed or acquired following the Effective Date, that has been designated by the Board or Committee from time to time in its sole discretion as eligible to participate in the Plan, in accordance with Section 7.2 hereof, such designation to specify whether such participation is in the Section 423 Component or Non-Section 423 Component. A Designated Subsidiary may participate in either the Section 423 Component or Non-Section 423 Component, but not both; *provided* that a Subsidiary that, for U.S. tax purposes, is disregarded from the Company or any Subsidiary that participates in the Section 423 Component shall automatically constitute a Designated Subsidiary that participates in the Section 423 Component. The designation by the Administrator of Designated Subsidiaries and changes in such designations by the Administrator shall not require stockholder approval. Only Subsidiary Corporations may be designated as Designated Subsidiaries for purposes of the Section 423 Component, and if an entity does not so qualify, it shall automatically be deemed to constitute a Designated Subsidiary that participates in the Non-Section 423 Component

2.10 "***Effective Date***" means the date immediately prior to the Public Trading Date.

2.11 "***Eligible Employee***" means, except as otherwise provided by the Administrator or in an Offering Document, an Employee:

(a) who is customarily scheduled to work at least 20 hours per week;

(b) whose customary employment is more than five months in a calendar year; and

(c) who, after the granting of the Option, would not be deemed for purposes of Section 423(b)(3) of the Code to possess 5% or more of the total combined voting power or value of all classes of stock of the Company or any Subsidiary.

For purposes of clause (c), the rules of Section 424(d) of the Code with regard to the attribution of stock ownership shall apply in determining the stock ownership of an individual, and stock which an Employee may purchase under outstanding options shall be treated as stock owned by the Employee.

Notwithstanding the foregoing, the Administrator may exclude from participation in the Section 423 Component as an Eligible Employee:

(x) any Employee that is a "highly compensated employee" of the Company or any Designated Subsidiary (within the meaning of Section 414(q) of the Code), or that is such a "highly compensated employee" (A) with compensation above a specified level, (B) who is an officer or (C) who is subject to the disclosure requirements of Section 16(a) of the Exchange Act; or

(y) any Employee who is a citizen or resident of a foreign jurisdiction (without regard to whether they are also a citizen of the United States or a resident alien (within the meaning of Section 7701(b)(1)(A) of the Code)) if either (A) the grant of the Option is prohibited under the laws of the jurisdiction governing such Employee, or (B) compliance with the laws of the foreign jurisdiction would cause the Section 423 Component, any Offering thereunder or an Option granted thereunder to violate the requirements of Section 423 of the Code;

provided that any exclusion in clauses (x) or (y) shall be applied in an identical manner under each Offering to all Employees of the Company and all Designated Subsidiaries, in accordance with Treas. Reg. § 1.423-2(e). Notwithstanding the foregoing, with respect to the Non-Section 423 Component, the first sentence in this definition shall apply in determining who is an "Eligible Employee," except (a) the Administrator may limit eligibility further within the Company or a Designated Subsidiary so as to only designate some Employees of the Company or a Designated Subsidiary as Eligible Employees, and (b) to the extent the restrictions in the first sentence in this definition are not consistent with applicable local laws, the applicable local laws shall control.

2.12 "***Employee***" means an individual who renders services to a Designated Subsidiary in the status of an employee, and, with respect to the Section 423 Component, a person who is an officer or other employee (as defined in accordance with Section 3401(c) of the Code) of the Company or any Designated Subsidiary. The Company shall determine in good faith and in the exercise of its discretion whether an individual has become or has ceased to be an Employee and the effective date of such individual's attainment or termination of such status. For purposes of an individual's participation in, or other rights under the Plan, all such determinations by the Company shall be final, binding and conclusive, notwithstanding that any court of law or governmental agency subsequently makes a contrary determination. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Company or a Designated Subsidiary (which, for purposes of the Section 423 Component, must meet the requirements of Treas. Reg. § 1.421-7(h)(2)). For purposes of the Section 423 Component, where the period of an approved leave of absence exceeds three months, or such other period specified in Treas. Reg. § 1.421-1(h)(2), and the individual's right to reemployment is not provided either by statute or contract, the employment relationship shall be deemed to have terminated for purposes of the Plan on the first day immediately following such three-month period, or such other period specified in Treas. Reg. § 1.421-1(h)(2).

2.13 "***Enrollment Date***" means the first date of each Offering Period.

2.14 "***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

2.15 "***Exercise Date***" means the last day of each Purchase Period, except as provided in Section 5.2 hereof.

2.16 "***Fair Market Value***" means, as of any date, the value of Common Stock determined as follows:

(a) If the Common Stock is (i) listed on any established securities exchange (such as the New York Stock Exchange or Nasdaq Stock Market), (ii) listed on any national market system or (iii) listed, quoted or traded on any automated quotation system, its Fair Market Value shall be the closing sales price for a share of Common Stock as quoted on such exchange or system for such date or, if there is no closing sales price for a share of Common Stock on the date in question, the closing sales price for a share of Common Stock on the last preceding date for which such quotation exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(b) If the Common Stock is not listed on an established securities exchange, national market system or automated quotation system, but the Common Stock is regularly quoted by a recognized securities dealer, its Fair Market Value shall be the mean of the high bid and low asked prices for such date or, if there are no high bid and low asked prices for a share of Common Stock on such date, the high bid and low asked prices for a share of Common Stock on the last preceding date for which such information exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(c) If the Common Stock is neither listed on an established securities exchange, national market system or automated quotation system nor regularly quoted by a recognized securities dealer, its Fair Market Value shall be established by the Administrator in good faith (and, with respect to the initial Offering Period of the Plan, as set forth in the Offering Document for the initial Offering Period).

2.17 "***Grant Date***" means the first day of an Offering Period (or, with respect to the initial Offering Period of the Plan, such date set forth in the Offering Document approved by the Administrator with respect to the initial Offering Period).

2.18 "***New Exercise Date***" has the meaning set forth in Section 5.2(b) hereof.

2.19 "***Non-Section 423 Component***" means those Offerings under the Plan, together with the sub-plans, appendices, rules or procedures, if any, adopted by the Administrator as a part of this Plan, in each case, pursuant to which Options may be granted to non-U.S. Eligible Employees that need not satisfy the requirements for Options granted pursuant to an "employee stock purchase plan" that are set forth under Section 423 of the Code.

2.20 "***Offering***" means an offer under the Plan of an Option that may be exercised during an Offering Period as further described in Section 4 hereof. Unless otherwise specified by the Administrator, each Offering to the Eligible Employees of the Company or a Designated Subsidiary shall be deemed a separate Offering, even if the dates and other terms of the applicable Offering Periods of each such Offering are identical and the provisions of the Plan will separately apply to each Offering. To the extent permitted by Treas. Reg. § 1.423-2(a)(1), the terms of each separate Offering under the Section 423 Component need not be identical, provided that the terms of the Section 423 Component and an Offering thereunder together satisfy Treas. Reg. § 1.423-2(a)(2) and (a)(3).

2.21 "***Offering Period***" means such period of time commencing on such date(s) as determined by the Board or Committee, in its discretion, and with respect to which Options shall be granted to Participants. The duration and timing of Offering Periods may be established or changed by the Board or Committee at any time, in its sole discretion. Notwithstanding the foregoing, in no event may an Offering Period exceed 27 months.

2.22 "***Option***" means the right to purchase shares of Common Stock pursuant to the Plan during each Offering Period.

2.23 "***Option Price***" means the purchase price of a share of Common Stock hereunder as provided in Section 4.2 hereof.

2.24 "***Parent***" means any entity that is a parent corporation of the Company within the meaning of Section 424 of the Code.

2.25 "***Participant***" means any Eligible Employee who elects to participate in the Plan.

2.26 "***Payday***" means the regular and recurring established day for payment of Compensation to an Employee of the Company or any Designated Subsidiary.

2.27 "***Plan***" means this 2023 Employee Stock Purchase Plan, including both the Section 423 Component and Non-Section 423 Component and any other sub-plans or appendices hereto, as amended from time to time.

2.28 "***Plan Account***" means a bookkeeping account established and maintained by the Company in the name of each Participant.

2.29 "***Purchase Period***" means such period of time commencing on such dates as determined by the Board or Committee, in its discretion, within each Offering Period. The duration and timing of Purchase Periods may be established or changed by the Board or Committee at any time, in its sole discretion. Notwithstanding the foregoing, in no event may a Purchase Period exceed the duration of the Offering Period under which it is established.

2.30 "***Section 409A***" means Section 409A of the Code and the regulations promulgated thereunder by the United States Treasury Department, as amended or as may be amended from time to time.

2.31 "***Section 423 Component***" means those Offerings under the Plan that are intended to meet the requirements under Section 423(b) of the Code.

2.32 "***Subsidiary***" means (a) any Subsidiary Corporation, and (b) with respect to any Offering pursuant to the Non-Section 423 Component only, Subsidiary may also include any corporate or noncorporate entity in which the Company has a direct or indirect equity interest or significant business relationship.

2.33 "***Subsidiary Corporation***" shall mean any corporation, other than the Company, in an unbroken chain of corporations beginning with the Company if, at the time of the determination, each of the corporations other than the last corporation in an unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain, or any other entity that is a subsidiary corporation of the Company within the meaning of Section 424 of the Code.

2.34 "***Treas. Reg.***" means U.S. Department of the Treasury regulations.

2.35 "***Withdrawal Election***" has the meaning set forth in Section 6.1(a) hereof.

ARTICLE 3
PARTICIPATION

3.1 Eligibility.

(a) Any Eligible Employee who is employed by the Company or a Designated Subsidiary on a given Enrollment Date for an Offering Period shall be eligible to participate in the Plan during such Offering Period, subject to the requirements of Articles 4 and 5 hereof, and, for the Section 423 Component, the limitations imposed by Section 423(b) of the Code.

(b) No Eligible Employee shall be granted an Option under the Section 423 Component which permits the Participant's rights to purchase shares of Common Stock under the Plan, and to purchase stock under all other employee stock purchase plans of the Company, any Parent or any Subsidiary subject to Section 423 of the Code, to accrue at a rate which exceeds $25,000 of fair market value of such stock (determined at the time such Option is granted) for each calendar year in which such Option is outstanding at any time. The limitation under this Section 3.1(b) shall be applied in accordance with Section 423(b)(8) of the Code.

3.2 Election to Participate; Payroll Deductions.

(a) Except as provided in Sections 3.2(e) and 3.3 hereof or in an applicable Offering Document, an Eligible Employee may become a Participant in the Plan only by means of payroll deduction. Each individual who is an Eligible Employee as of an Offering Period's Enrollment Date may elect to participate in such Offering Period and the Plan by delivering to the Company a payroll deduction authorization no later than the period of time prior to the applicable Enrollment Date that is determined by the Administrator, in its sole discretion.

(b) Subject to Section 3.1(b) hereof and except as may otherwise be determined by the Administrator and/or as set forth in the Offering Document, payroll deductions (i) shall equal at least 1% of the Participant's Compensation as of each Payday of the Offering Period following the Enrollment Date, but not more than 15% of the Participant's Compensation as of each Payday of the Offering Period following the Enrollment Date; and (ii) will be expressed as a whole number percentage. Amounts deducted from a Participant's Compensation with respect to an Offering Period pursuant to this Section 3.2 shall be deducted each Payday through payroll deduction and credited to the Participant's Plan Account.

(c) Unless otherwise determined by the Administrator and/or as set forth in the Offering Document, following at least one payroll deduction, a Participant may decrease (to as low as zero) the amount deducted from such Participant's Compensation only once during an Offering Period upon ten calendar days' prior written notice to the Company. Unless otherwise determined by the Administrator and/or as set forth in the Offering Document, a Participant may not increase the amount deducted from such Participant's Compensation during an Offering Period.

(d) Upon the completion of an Offering Period, each Participant in such Offering Period shall automatically participate in the immediately following Offering Period at the same payroll deduction percentage as in effect at the termination of such Offering Period, unless such Participant delivers to the Company a different election with respect to the successive Offering Period in accordance with Section 3.2(a) hereof, or unless such Participant becomes ineligible for participation in the Plan.

(e) Notwithstanding any other provisions of the Plan to the contrary, in non-U.S. jurisdictions where participation in the Plan through payroll deductions is prohibited, the Administrator may provide that an Eligible Employee may elect to participate through contributions to the Participant's account under the Plan in a form acceptable to the Administrator in lieu of or in addition to payroll deductions; provided, however, that, for any Offering under the Section 423 Component, the Administrator must determine that any alternative method of contribution is applied on an equal and uniform basis to all Eligible Employees in the Offering.

(f) To determine which Designated Subsidiaries shall participate in the Non-Section 423 Component and which shall participate in the Section 423 Component.

ARTICLE 4
PURCHASE OF SHARES

4.1 Grant of Option. The Company may make one or more Offerings under the Plan, which may be successive or overlapping with one another, until the earlier of: (i) the date on which the shares of Common Stock available under the Plan have been sold or (ii) the date on which the Plan is suspended or terminates. The Administrator shall designate the terms and conditions of each Offering in writing, including without limitation, the Offering Period and the Purchase Periods, as set forth in an offering document (the "***Offering Document***"). Each Participant shall be granted an Option with respect to an Offering Period on the applicable Grant Date. Subject to the limitations of Section 3.1(b) hereof, the number of shares of Common Stock subject to a Participant's Option shall be determined by dividing (a) such Participant's payroll deductions accumulated prior to an Exercise Date and retained in the Participant's Plan Account on such Exercise Date by (b) the applicable Option Price; *provided* that, unless otherwise set forth in the Offering Document, in no event shall a Participant be permitted to purchase during each Offering Period more than 100,000 shares of Common Stock (subject to any adjustment pursuant to Section 5.2 hereof). The Administrator and/or the Offering Document may, for future Offering Periods, increase or decrease, in its absolute discretion, the maximum number of shares of Common Stock that a Participant may purchase during such future Offering Periods. Each Option shall expire on the last Exercise Date for the applicable Offering Period immediately after the automatic exercise of the Option in accordance with Section 4.3 hereof, unless such Option terminates earlier in accordance with Article 6 hereof.

4.2 Option Price. The "***Option Price***" per share of Common Stock to be paid by a Participant upon exercise of the Participant's Option on an Exercise Date for an Offering Period shall equal 85% of the lesser of the Fair Market Value of a share of Common Stock on (a) the applicable Grant Date and (b) the applicable Exercise Date, or such other price designated by the Administrator; *provided* that in no event shall the Option Price per share of Common Stock be less than the par value per share of the Common Stock; *provided further*, that no Option Price shall be designated by the Administrator that would cause the Section 423 Component to fail to meet the requirements under Section 423(b) of the Code.

4.3 Purchase of Shares.

(a) On each Exercise Date for an Offering Period, each Participant shall automatically and without any action on such Participant's part be deemed to have exercised the Participant's Option to purchase at the applicable per share Option Price the largest number of whole shares of Common Stock which can be purchased with the amount in the Participant's Plan Account. Except as may otherwise be provided by the Administrator with respect to any Offering and/or as set forth in the Offering Document, any balance less than the per share Option Price that is remaining in the Participant's Plan Account (after exercise of such Participant's Option) as of the Exercise Date shall be carried forward to the next Purchase Period or Offering Period, unless the Participant has elected to withdraw from the Plan pursuant to Section 6.1 hereof or, pursuant to Section 6.2 hereof, such Participant has ceased to be an Eligible Employee. Any balance not carried forward to the next Purchase Period or Offering Period in accordance with the prior sentence shall be promptly refunded to the applicable Participant. In no event shall an amount greater than or equal to the per share Option Price as of an Exercise Date be carried forward to the next Purchase Period or Offering Period.

(b) As soon as practicable following each Exercise Date, the number of shares of Common Stock purchased by such Participant pursuant to Section 4.3(a) hereof shall be delivered (either in share certificate or book entry form), in the Company's sole discretion, to either (i) the Participant or (ii) an account established in the Participant's name at a stock brokerage or other financial services firm designated by the Company. If the Company is required to obtain from any commission or agency authority to issue any such shares of Common Stock, the Company shall seek to obtain such authority. Inability of the Company to obtain from any such commission or agency authority which counsel for the Company deems necessary for the lawful issuance of any such shares shall relieve the Company from liability to any Participant except to refund to the Participant such Participant's Plan Account balance, without interest thereon. The Company may require that such shares of Common Stock be retained with a particular broker or agent for a designated period of time and/or may establish other procedures to permit tracking of qualifying and disqualifying dispositions of such shares of Common Stock.

4.4 Automatic Termination of Offering Period. If the Fair Market Value of a share of Common Stock on any Exercise Date (except the final scheduled Exercise Date of any Offering Period) is lower than the Fair Market Value of a share of Common Stock on the Grant Date for an Offering Period, then such Offering Period shall terminate on such Exercise Date after the automatic exercise of the Option in accordance with Section 4.3 hereof, and each Participant shall automatically be enrolled in the Offering Period that commences immediately following such Exercise Date and such Participant's payroll deduction authorization shall remain in effect for such Offering Period.

4.5 Transferability of Rights. An Option granted under the Plan shall not be transferable, other than by will or the applicable laws of descent and distribution, and is exercisable during the Participant's lifetime only by the Participant. No option or interest or right to the Option shall be available to pay off any debts, contracts or engagements of the Participant or the Participant's successors in interest or shall be subject to disposition by pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempt at disposition of the Option shall have no effect.

ARTICLE 5
PROVISIONS RELATING TO COMMON STOCK

5.1 Common Stock Reserved. Subject to adjustment as provided in Section 5.2 hereof, the maximum number of shares of Common Stock that shall be made available for sale under the Plan shall be the sum of (a) and (b) an increase commencing on January 1, 2024 and continuing annually on the anniversary thereof through (and including) January 1, 2033, equal to the lesser of (A) 1% of the shares of Common Stock outstanding on the last day of the immediately preceding calendar year and (B) such smaller number of shares of Common Stock as determined by the Board or the Committee; *provided*, *however*, that no more than shares of Common Stock may be issued under the Plan. Shares of Common Stock made available for sale under the Plan may be authorized but unissued shares, treasury shares of Common Stock, or reacquired shares reserved for issuance under the Plan. All or any portion of such maximum number of shares may be issued under the Section 423 Component.

5.2 Adjustments Upon Changes in Capitalization, Dissolution, Liquidation, Merger or Asset Sale.

(a) Changes in Capitalization. Subject to any required action by the stockholders of the Company, the number of shares of Common Stock which have been authorized for issuance under the Plan but not yet placed under Option, as well as the price per share and the number of shares of Common Stock covered by each Option under the Plan which has not yet been exercised shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company; *provided*, *however*, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Administrator, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to an Option.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Offering Periods then in progress shall be shortened by setting a new Exercise Date (the "***New Exercise Date***"), and shall terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Administrator. The New Exercise Date shall be before the date of the Company's proposed dissolution or liquidation. The Administrator shall notify each Participant in writing prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 6.1 hereof or the Participant has ceased to be an Eligible Employee as provided in Section 6.2 hereof.

(c) Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding Option shall be assumed or an equivalent Option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. If the successor corporation refuses to assume or substitute for the Option, any Offering Periods then in progress shall be shortened by setting a New Exercise Date and any Offering Periods then in progress shall end on the New Exercise Date. The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Administrator shall notify each Participant in writing prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 6.1 hereof or the Participant has ceased to be an Eligible Employee as provided in Section 6.2 hereof.

5.3 Insufficient Shares. If the Administrator determines that, on a given Exercise Date, the number of shares of Common Stock with respect to which Options are to be exercised may exceed the number of shares of Common Stock remaining available for sale under the Plan on such Exercise Date, the Administrator shall make a pro rata allocation of the shares of Common Stock available for issuance on such Exercise Date in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants exercising Options to purchase Common Stock on such

Exercise Date, and unless additional shares are authorized for issuance under the Plan, no further Offering Periods shall take place and the Plan shall terminate pursuant to Section 7.5 hereof. If an Offering Period is so terminated, then the balance of the amount credited to the Participant's Plan Account which has not been applied to the purchase of shares of Common Stock shall be paid to such Participant in one lump sum in cash within 30 days after such Exercise Date, without any interest thereon.

5.4 Rights as Stockholders. With respect to shares of Common Stock subject to an Option, a Participant shall not be deemed to be a stockholder of the Company and shall not have any of the rights or privileges of a stockholder. A Participant shall have the rights and privileges of a stockholder of the Company when, but not until, shares of Common Stock have been deposited in the designated brokerage account following exercise of the Participant's Option.

ARTICLE 6
TERMINATION OF PARTICIPATION

6.1 Cessation of Contributions; Voluntary Withdrawal.

(a) A Participant may cease payroll deductions during an Offering Period and elect to withdraw from the Plan by delivering written notice of such election to the Company in such form and at such time prior to the Exercise Date for such Offering Period as may be established by the Administrator (a "***Withdrawal Election***"). A Participant electing to withdraw from the Plan may elect to either (i) withdraw all of the funds then credited to the Participant's Plan Account as of the date on which the Withdrawal Election is received by the Company, in which case amounts credited to such Plan Account shall be returned to the Participant in one lump-sum payment in cash within 30 days after such election is received by the Company, without any interest thereon, and the Participant shall cease to participate in the Plan and the Participant's Option for such Offering Period shall terminate; or (ii) exercise the Option for the maximum number of whole shares of Common Stock on the applicable Exercise Date with any remaining Plan Account balance returned to the Participant in one lump-sum payment in cash within 30 days after such Exercise Date, without any interest thereon, and after such exercise cease to participate in the Plan. Upon receipt of a Withdrawal Election, the Participant's payroll deduction authorization and the Participant's Option shall terminate.

(b) A Participant's withdrawal from the Plan shall not have any effect upon the Participant's eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the Participant withdraws.

(c) Except as otherwise permitted by the Administrator and/or as set forth in the Offering Document, a Participant who ceases contributions to the Plan during any Offering Period shall not be permitted to resume contributions to the Plan during that Offering Period.

6.2 Termination of Eligibility. Upon a Participant's ceasing to be an Eligible Employee, for any reason, such Participant's Option for the applicable Offering Period shall automatically terminate, the Participant shall be deemed to have elected to withdraw from the Plan, and such Participant's Plan Account shall be paid to such Participant or, in the case of the Participant's death, to the person or persons entitled thereto pursuant to applicable law, within 30 days after such cessation of being an Eligible Employee, without any interest thereon. If a Participant transfers employment from the Company or any Designated Subsidiary participating in the Section 423 Component to any Designated Subsidiary participating in the Non-Section 423 Component, such transfer shall not be treated as a termination of employment, but the Participant shall immediately cease to participate in the Section 423 Component; however, any contributions made for the Offering Period in which such transfer occurs shall be

transferred to the Non-Section 423 Component, and such Participant shall immediately join the then-current Offering under the Non-Section 423 Component upon the same terms and conditions in effect for the Participant's participation in the Section 423 Component, except for such modifications otherwise applicable for Participants in such Offering. A Participant who transfers employment from any Designated Subsidiary participating in the Non-Section 423 Component to the Company or any Designated Subsidiary participating in the Section 423 Component shall not be treated as terminating the Participant's employment and shall remain a Participant in the Non-Section 423 Component until the earlier of (i) the end of the current Offering Period under the Non-Section 423 Component, or (ii) the Enrollment Date of the first Offering Period in which the Participant is eligible to participate following such transfer. Notwithstanding the foregoing, the Administrator may establish different rules to govern transfers of employment between companies participating in the Section 423 Component and the Non-Section 423 Component, consistent with the applicable requirements of Section 423 of the Code.

ARTICLE 7
GENERAL PROVISIONS

7.1 Administration.

(a) The Plan shall be administered by the Committee, which shall be composed of members of the Board. The Committee may delegate administrative tasks under the Plan to the services of an Agent or Employees to assist in the administration of the Plan, including establishing and maintaining an individual securities account under the Plan for each Participant.

(b) It shall be the duty of the Administrator to conduct the general administration of the Plan in accordance with the provisions of the Plan. The Administrator shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To establish and terminate Offerings;

(ii) To determine when and how Options shall be granted and the provisions and terms of each Offering (which need not be identical);

(iii) To select Designated Subsidiaries in accordance with Section 7.2 hereof;

(iv) To impose a mandatory holding period pursuant to which Participants may not dispose of or transfer shares of Common Stock purchased under the Plan for a period of time determined by the Administrator in its discretion; and

(v) To construe and interpret the Plan, the terms of any Offering and the terms of the Options and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. The Administrator, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, any Offering or any Option, in a manner and to the extent it shall deem necessary or expedient to administer the Plan, subject to Section 423 of the Code for the Section 423 Component.

(c) The Administrator may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures. Without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules and procedures regarding handling of participation elections, payroll deductions, payment of interest, conversion of local currency, payroll tax, withholding procedures and handling of stock certificates which vary with local requirements. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Administrator under the Plan.

(d) The Administrator may adopt sub-plans applicable to particular Designated Subsidiaries or locations, which sub-plans may be designed to be outside the scope of Section 423 of the Code. The rules of such sub-plans may take precedence over other provisions of this Plan, with the exception of Section 5.1 hereof, but unless otherwise superseded by the terms of such sub-plan, the provisions of this Plan shall govern the operation of such sub-plan.

(e) All expenses and liabilities incurred by the Administrator in connection with the administration of the Plan shall be borne by the Company. The Administrator may, with the approval of the Committee, employ attorneys, consultants, accountants, appraisers, brokers or other persons. The Administrator, the Company and its officers and directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon all Participants, the Company and all other interested persons. No member of the Board or Administrator shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the options, and all members of the Board or Administrator shall be fully protected by the Company in respect to any such action, determination, or interpretation.

7.2 Designation of Subsidiary Corporations. The Board or Administrator shall designate from time to time the Subsidiaries that shall constitute Designated Subsidiaries, and determine whether such Designated Subsidiaries shall participate in the Section 423 Component or Non-Section 423 Component. The Board or Administrator may designate a Subsidiary, or terminate the designation of a Subsidiary, without the approval of the stockholders of the Company.

7.3 Reports. Individual accounts shall be maintained for each Participant in the Plan. Statements of Plan Accounts shall be made available to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Option Price, the number of shares purchased and the remaining cash balance, if any.

7.4 No Right to Employment. Nothing in the Plan shall be construed to give any person (including any Participant) the right to remain in the employ of the Company, a Parent or a Subsidiary or to affect the right of the Company, any Parent or any Subsidiary to terminate the employment of any person (including any Participant) at any time, with or without cause, which right is expressly reserved.

7.5 Amendment and Termination of the Plan.

(a) The Board may, in its sole discretion, amend, suspend or terminate the Plan at any time and from time to time. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision), with respect to the Section 423 Component, or any other applicable law, regulation or stock exchange rule, the Company shall obtain stockholder approval of any such amendment to the Plan in such a manner and to such a degree as required by Section 423 of the Code or such other law, regulation or rule.

(b) If the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Administrator may, to the extent permitted under Section 324 of the Code, for the Section 423 Component, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

(i) altering the Option Price for any Offering Period including an Offering Period underway at the time of the change in Option Price;

(ii) shortening any Offering Period so that the Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the Administrator action; and

(iii) allocating shares of Common Stock.

Such modifications or amendments shall not require stockholder approval or the consent of any Participant.

(c) Upon termination of the Plan, the balance in each Participant's Plan Account shall be refunded as soon as practicable after such termination, without any interest thereon.

7.6 Use of Funds; No Interest Paid. All funds received by the Company by reason of purchase of shares of Common Stock under the Plan shall be included in the general funds of the Company free of any trust or other restriction and may be used for any corporate purpose, except for funds contributed under Offerings in which the local law of a non-U.S. jurisdiction requires that contributions to the Plan by Participants be segregated from the Company's general corporate funds and/or deposited with an independent third party for Participants in non-U.S. jurisdictions. No interest shall be paid to any Participant or credited under the Plan, except as may be required by local law in a non-U.S. jurisdiction. If the segregation of funds and/or payment of interest on any Participant's account is so required, such provisions shall apply to all Participants in the relevant Offering except to the extent otherwise permitted by U.S. Treasury Regulation Section 1.423-2(f). With respect to any Offering under the Non-Section 423 Component, the payment of interest shall apply as determined by the Administrator (but absent any such determination, no interest shall apply).

7.7 Term; Approval by Stockholders. No Option may be granted during any period of suspension of the Plan or after termination of the Plan. The Plan shall be submitted for the approval of the Company's stockholders within 12 months after the date of the Board's initial adoption of the Plan. Options may be granted prior to such stockholder approval; *provided*, *however*, that such Options shall not be exercisable prior to the time when the Plan is approved by the stockholders; *provided, further* that if such approval has not been obtained by the end of the 12-month period, all Options previously granted under the Plan shall thereupon terminate and be canceled and become null and void without being exercised.

7.8 Effect Upon Other Plans. The adoption of the Plan shall not affect any other compensation or incentive plans in effect for the Company, any Parent or any Subsidiary. Nothing in the Plan shall be construed to limit the right of the Company, any Parent or any Subsidiary (a) to establish any other forms of incentives or compensation for Employees of the Company or any Parent or any Subsidiary, or (b) to grant or assume Options otherwise than under the Plan in connection with any proper corporate purpose, including, but not by way of limitation, the grant or assumption of options in connection with the acquisition, by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, firm or association.

7.9 Conformity to Securities Laws. Notwithstanding any other provision of the Plan, the Plan and the participation in the Plan by any individual who is then subject to Section 16 of the Exchange Act shall be subject to any additional limitations set forth in any applicable exemption rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

7.10 Notice of Disposition of Shares. Each Participant in the Section 423 Component shall give the Company prompt notice of any disposition or other transfer of any shares of Common Stock, acquired pursuant to the exercise of an Option granted under the Section 423 Component, if such disposition or transfer is made (a) within two years after the applicable Grant Date or (b) within one year after the transfer of such shares of Common Stock to such Participant upon exercise of such Option. The Company may direct that any certificates evidencing shares acquired pursuant to the Plan refer to such requirement.

7.11 Tax Withholding. The Company or any Parent or any Subsidiary shall be entitled to require payment in cash or deduction from other compensation payable to each Participant of any sums required by federal, state or local tax law to be withheld with respect to any purchase of shares of Common Stock under the Plan or any sale of such shares.

7.12 Governing Law. The Plan and all rights and obligations thereunder shall be construed and enforced in accordance with the laws of the State of Delaware, without regard to the conflict of law rules thereof or of any other jurisdiction.

7.13 Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

7.14 Conditions To Issuance of Shares.

(a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates or make any book entries evidencing shares of Common Stock pursuant to the exercise of an Option by a Participant, unless and until the Board or the Committee has determined, with advice of counsel, that the issuance of such shares of Common Stock is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any securities exchange or automated quotation system on which the shares of Common Stock are listed or traded, and the shares of Common Stock are covered by an effective registration statement or applicable exemption from registration. In addition to the terms and conditions provided herein, the Board or the Committee may require that a Participant make such reasonable covenants, agreements, and representations as the Board or the Committee, in its discretion, deems advisable in order to comply with any such laws, regulations, or requirements.

(b) All certificates for shares of Common Stock delivered pursuant to the Plan and all shares of Common Stock issued pursuant to book entry procedures are subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal, state, or foreign securities or other laws, rules and regulations and the rules of any securities exchange or automated quotation system on which the shares of Common Stock are listed, quoted, or traded. The Committee may place legends on any certificate or book entry evidencing shares of Common Stock to reference restrictions applicable to the shares of Common Stock.

(c) The Committee shall have the right to require any Participant to comply with any timing or other restrictions with respect to the settlement, distribution or exercise of any Option, including a window-period limitation, as may be imposed in the sole discretion of the Committee.

(d) Notwithstanding any other provision of the Plan, unless otherwise determined by the Committee or required by any applicable law, rule or regulation, the Company may, in lieu of delivering to any Participant certificates evidencing shares of Common Stock issued in connection with any Option, record the issuance of shares of Common Stock in the books of the Company (or, as applicable, its transfer agent or stock plan administrator).

7.15 Equal Rights and Privileges. All Eligible Employees of the Company (or of any Designated Subsidiary) granted Options pursuant to an Offering under the Section 423 Component shall have equal rights and privileges under this Plan to the extent required under Section 423 of the Code so that the Section 423 Component qualifies as an "employee stock purchase plan" within the meaning of Section 423 of the Code. Any provision of the Section 423 Component that is inconsistent with Section 423 of the Code shall, without further act or amendment by the Company or the Board, be reformed to comply with the equal rights and privileges requirement of Section 423 of the Code. Eligible Employees participating in the Non-Section 423 Component need not have the same rights and privileges as Eligible Employees participating in the Section 423 Component.

7.16 Rules Particular to Specific Countries. Notwithstanding anything herein to the contrary, the terms and conditions of the Plan with respect to Participants who are tax residents of a particular non-U.S. country or who are foreign nationals or employed in non-U.S. jurisdictions may be subject to an addendum to the Plan in the form of an appendix or sub-plan (which appendix or sub-plan may be designed to govern Offerings under the Section 423 Component or the Non-Section 423 Component, as determined by the Administrator). To the extent that the terms and conditions set forth in an appendix or sub-plan conflict with any provisions of the Plan, the provisions of the appendix or sub-plan shall govern. The adoption of any such appendix or sub-plan shall be pursuant to Section 7.1 above. Without limiting the foregoing, the Administrator is specifically authorized to adopt rules and procedures, with respect to Participants who are foreign nationals or employed in non-U.S. jurisdictions, regarding the exclusion of particular Subsidiaries from participation in the Plan, eligibility to participate, the definition of Compensation, handling of payroll deductions or other contributions by Participants, payment of interest, conversion of local currency, data privacy security, payroll tax, withholding procedures, establishment of bank or trust accounts to hold payroll deductions or contributions. Without limiting the foregoing, the Administrator is specifically authorized to adopt rules and procedures, with respect to Participants who are foreign nationals or employed in non-U.S. jurisdictions, regarding the exclusion of particular Subsidiaries from participation in the Plan, eligibility to participate, the definition of Compensation, handling of payroll deductions or other contributions by Participants, payment of interest, conversion of local currency, data privacy security, payroll tax, withholding procedures, establishment of bank or trust accounts to hold payroll deductions or contributions. Without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules and procedures regarding the exclusion of particular Subsidiaries from participation in the Plan, eligibility to participate, the definition of Compensation, handling of payroll deductions or other contributions by Participants, payment of interest, conversion of local currency, data privacy security, payroll tax, withholding procedures, establishment of bank or trust accounts to hold payroll deductions or contributions, determination of beneficiary designation requirements, and handling of stock certificates. The Administrator also is authorized to determine that, to the extent permitted by U.S. Treasury Regulation Section 1.423-2(f), the terms of a purchase right granted under the Plan or an Offering to citizens or residents of a non-U.S. jurisdiction will be less favorable than the terms of purchase rights granted under the Plan or the same Offering to Employees resident solely in the U.S. To the extent any sub-plan or appendix or other changes approved by the Administrator are inconsistent with the requirements of Section 423 of the Code or would jeopardize the tax-qualified status of the Section 423 Component, the change shall cause the Designated Subsidiaries affected thereby to be considered Designated Subsidiaries in a separate Offering under the Non-Section 423 Component instead of the Section 423 Component. To the extent any Employee of a Designated Subsidiary in the Section 423 Component is a citizen or resident of a foreign jurisdiction (without regard to whether they are also a U.S. citizen or a resident alien (within the meaning of Section 7701(b)(1)(A) of the Code)) and compliance with the laws of the foreign jurisdiction would cause the Section 423 Component, any Offering or the option to violate the requirements of Section 423 of the Code, such Employee shall be considered a Participant in a separate Offering under the Non-Section 423 Component.

Notwithstanding any other provisions of the Plan to the contrary, in non-U.S. jurisdictions where participation in the Plan through payroll deductions is prohibited, the Administrator may provide that an Eligible Employee may elect to participate through contributions to his or her account under the Plan in a form acceptable to the Administrator in lieu of or in addition to payroll deductions; provided, however, that, for any Offering under the Section 423 Component, the Administrator must determine that any alternative method of contribution is applied on an equal and uniform basis to all Eligible Employees in the Offering.

7.17 Transfer of Employment. A transfer of employment from one Designated Subsidiary to another shall not be treated as a termination of employment. If a Participant transfers employment from the Company or any Designated Subsidiary participating in the Section 423 Component to a Designated Subsidiary participating in the Non-Section 423 Component, he or she shall immediately cease to participate in the Section 423 Component; however, any payroll deductions made for the Offering Period in which such transfer occurs shall be transferred to the Non-Section 423 Component, and such Participant shall immediately join the then current Offering under the Non-Section 423 Component upon the same terms and conditions in effect for his or her participation in the Section 423 Component, except for such modifications otherwise applicable for Participants in such Offering. A Participant who transfers employment from a Designated Subsidiary participating in the Non-Section 423 Component to the Company or any Designated Subsidiary participating in the Section 423 Component shall remain a Participant in the Non-Section 423 Component until the earlier of (i) the end of the current Offering Period under the Non-Section 423 Component, or (ii) the Enrollment Date of the first Offering Period in which he or she is eligible to participate following such transfer. Notwithstanding the foregoing, the Administrator may establish different rules to govern transfers of employment between companies participating in the Section 423 Component and the Non-Section 423 Component, consistent with the applicable requirements of Section 423 of the Code.

7.18 Section 409A. The Section 423 Component of the Plan and the Options granted pursuant to Offerings thereunder are intended to be exempt from the application of Section 409A. Neither the Non-Section 423 Component nor any Option granted pursuant to an Offering thereunder is intended to constitute or provide for "nonqualified deferred compensation" within the meaning of Section 409A. Notwithstanding any provision of the Plan to the contrary, if the Administrator determines that any Option granted under the Plan may be or become subject to Section 409A or that any provision of the Plan may cause an Option granted under the Plan to be or become subject to Section 409A, the Administrator may adopt such amendments to the Plan and/or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions as the Administrator determines are necessary or appropriate to avoid the imposition of taxes under Section 409A, either through compliance with the requirements of Section 409A or with an available exemption therefrom.

* * * * *

Exhibit 10.8

SYNCOPATION LIFE SCIENCES, INC.
628 MIDDLEFIELD ROAD
PALO ALTO, CA 94301

March 24, 2022

Gina Chapman
[***]

Dear Gina:

On behalf of Syncopation Life Sciences, Inc., a Delaware corporation (the "**Company**"), I am pleased to offer you employment with the Company. The purpose of this letter (the "**Agreement**") is to summarize the terms of your employment with the Company, should you accept our offer:

1. Position and Duties

(a) Position and Term. You will be employed to serve on a full-time basis as Chief Executive Officer of the Company (CEO), effective as of May 2nd, 2022 (the "**Effective Date**").

(b) Duties and Responsibilities. As CEO, you will have the duties, responsibility, and authority customary for such position and such other duties as reasonably assigned by the Board.

2. Compensation and Related Matters

(a) Base Salary. Your base salary will be at an annual rate of $500,000, which will be paid per month in accordance with the Company's typical payroll schedule at a rate of $41,666.67 per pay period, subject to tax and other withholdings as required by law (the "**Base Salary**"). Such Base Salary shall be reviewed on an annual basis and the Company will determine, in its sole discretion, whether an upward adjustment to such compensation is warranted. Any upward adjustment shall be considered the new Base Salary for the purposes of this Agreement.

(b) Annual Bonus. You will be eligible to receive an annual cash bonus (the "**Bonus**"), based on your performance, with a target of up to 45% of your Base Salary, as determined in the sole discretion of the Company. The Bonus may be prorated in the year of hire based on your period of employment during such year. Your Bonus, if earned, will be payable on or before March 15th following the calendar year in which the Bonus was measured. Any Bonus will not be earned until paid, and except as otherwise provided in this Agreement, you must be employed with the Company at the time of payment to be eligible to receive such payment, *provided* that if your employment is terminated by the Company without Cause or if you terminate your employment for Good Reason, in each case after the Bonus is earned but prior to the payment date, you would be entitled to payment of your Bonus when it is paid to similarly situated executives.

(c) Transition Payment. You will also receive an aggregate transition payment of $300,000 (subject to tax and other withholdings as required by law), which shall be paid in $50,000 increments on a bi-annual basis, beginning within 30 days of your Effective Date, and subject to your continued employment with the Company on each such date (the aggregate of such payments, the "**Transition Payment**").

(d) Equity Grants. Subject to approval by the Board, as soon as practicable after the Effective Date, you will be granted an award to purchase 1,409,846 shares of common stock of the Company (which is no less than 5% of the Company's Fully-Diluted Capitalization on the date of this Agreement) (the "**Restricted Shares**") pursuant to the terms and conditions of the Company's 2021 Stock Option and Grant Plan (as amended from time to time, the "**Plan**") and the applicable stock purchase agreement thereunder. In addition, subsequent to the company's Series A financing, as soon as practicable after the close of the financing, you will be granted an additional award to purchase shares of common stock of the Company, which shall be no less than 5% of the Company's Fully-Diluted Capitalization post Series A (the "**Additional Restricted Shares**") pursuant to the terms and conditions of the Company's 2021 Stock Option and Grant Plan (as amended from time to time, the "**Plan**") and the applicable stock purchase agreement thereunder.

(e) The per share purchase price for the Restricted Shares shall be equal to the fair market value of a share of common stock of the Company on the date of grant as determined by the Company's then-current 409A valuation in effect. Upon the execution of the stock purchase agreement for the Restricted Shares and purchase thereof, you may file an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "**Code**"), for any unvested portion of the Restricted Shares, within 30 days after the transfer of such shares. As used herein, "**Fully-Diluted Capitalization**" means the Company's common stock outstanding (treating all directly or indirectly convertible or exercisable or exchangeable securities on an as-converted, as exercised, or as exchanged basis, as applicable), including all shares of Company's capital stock reserved and available for issuance under any equity incentive plan or similar arrangement.

(i) The Restricted Shares will vest as follows: 25% will vest (and the Company's corresponding repurchase option shall lapse) on the first anniversary of the Effective Date and the remaining 75% will vest (and the Company's corresponding repurchase option shall lapse) monthly over the next 36 months, subject to your continued employment with the Company through each applicable vesting date such that the Restricted Shares will be fully vested (and shall no longer be subject to the Company's repurchase option) on the fourth anniversary of the Effective Date, subject to your continued employment with the Company through such date. The Additional Restricted Shares will vest as follows: 1/48th will vest (and the Company's corresponding repurchase option shall lapse) monthly over 48 months from the applicable Series A closing, subject to your continued employment with the Company through each applicable vesting date such that the Additional Restricted Shares will be fully vested (and shall no longer be subject to the Company's repurchase option) on the fourth anniversary of the Series A closing, subject to your continued employment with the Company through such date. The Restricted Shares and the Additional Restricted Shares are collectively referred to as the "**Time-Based Restricted Shares**."

(f) PTO. Effective upon your Effective Date, you shall begin to accrue up to twenty (20) days of Paid Time Off ("**PTO**"), which includes sick and vacation time, subject to the terms of the Company's PTO policy. Any PTO not used in a given year will carry over into the following year; *provided*, *however*, that you will be allowed to accrue a PTO balance of no more than 1.5 times your annual PTO entitlement. Once this maximum is reached, all further accruals will cease, with accruals recommencing after you have taken PTO time and your accrued hours have dropped below the maximum.

(g) Employee Benefits. You shall be entitled to such other benefits, including the participation in the Company's health insurance, vision insurance and dental insurance under the Company's group health plan available to similarly situated employees in your position and for which you are eligible in accordance with any benefit plan or policy adopted by the Company during your employment. Your rights under any benefit policies or plans adopted by the Company shall be governed solely by the terms of such policies or plans. The Company reserves to itself or its designed administrator the exclusive authority and discretion to determine all issues of eligibility, interpretation and administration of each such benefit plan or policy. The Company or its designated administrator reserves the right to modify or terminate each benefit plan or program, and benefit plans or programs may be modified as required by the laws of the jurisdiction in which you reside.

(h) Business Expenses. You shall be reimbursed for all reasonable and necessary business expenses incurred in connection with your employment, including without limitation, expenses for travel and entertainment incurred in conducting or promoting business for the Company in accordance with the Company's normal expense reimbursement policies. Further, the Company shall reimburse you for up to $10,000 in the aggregate for documented legal expenses incurred in connection with the negotiation of this Agreement.

3. Severance Benefits. If the Company or you terminate your employment at any time as provided below, then you shall be entitled to receive severance benefits as follows:

(a) Resignation without Good Reason or Termination for Cause. If your employment with the Company terminates by reason of your voluntary resignation from the Company without Good Reason, or if you are terminated for Cause, then you shall not be entitled to receive severance or other benefits, other than (i) any Base Salary earned through the date of termination, unpaid expense reimbursements (subject to, and in accordance with, Section 2(g) of this Agreement) and unused vacation that accrued through the date of termination on or before the time required by law and the Company's PTO policies; and (ii) any vested benefits you may have under any employee benefit plan of the Company through the date of termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "**Accrued Benefits**").

(b) Termination without Cause or Resignation for Good Reason in Connection with a Sale Event. In the event your employment with the Company is terminated other than due to Cause, death or disability, or you resign from your employment with the Company for Good Reason (the date of such termination or resignation, the "**Date of Termination**") prior to twelve (12) months after the effective date of Sale Event (such period, the "**Corporate Transaction Period**"), subject to your execution and delivery of an effective and irrevocable Release (as defined below) within sixty (60) days of such Date of Termination, the following shall occur: the Company shall pay or provide to you: (i) any earned and unpaid Bonus for the prior year and your target Bonus for the year in which the termination occurs, (ii) 1.0 Base Salary, (iii) any unpaid portion of the Transition Payment; and (iv) should you timely elect to continue health and dental insurance coverage following the Date of Termination in accordance with the provision of COBRA, the Company shall pay you a taxable monthly cash payment equal to the full monthly premium for such coverage for the period beginning

on the Date of Termination and ending on the earlier to occur of (A) the date on which you obtain coverage under another health and dental insurance plan, (B) the end of your COBRA health continuation period, as required by law or (C) the date twelve months after the Date of Termination. You agree and represent that you will provide prompt written notice of the date on which you obtain coverage under another health and dental insurance plan following the Date of Termination; and (v) notwithstanding anything to the contrary in the Plan or any applicable option agreement or stock-based award agreement, (i) all outstanding stock options and other stock-based awards held by you at such time with time-based vesting (including, but not limited to, the Time/Performance-Based Restricted Shares) will immediately accelerate (and shall be released from the Company's repurchase option) and become fully exercisable or nonforfeitable as of your Date of Termination (or the date of the Sale Event, if later), (ii) any outstanding stock options or other stock-based awards held by you with solely performance-based vesting shall be treated as specified in the applicable award agreement; and (iii) the time for exercising any options shall be extended until the earlier of (A) three (3) months following the Date of Termination or (B) the original expiration date applicable to such option. For the avoidance of doubt, the definitions of "Cause" and "Good Reason" provided herein (and not any definitions provided in any relevant Company equity incentive plan) shall govern with respect to whether you would be entitled to the benefits provided in Section 3(b)(v). The amounts payable under Section 3(b)(i) – (iii) shall be paid out in a single lump sum within 60 days after the Date of Termination; *provided*, *however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, the amounts shall be paid in the second calendar year by the last day of such 60-day period.

(c) Termination without Cause or Resignation for Good Reason. You understand that your employment will be "at will", which means that both you and the Company may terminate your employment at any time, for any reason with or without Cause or advanced notice; *provided*, *however*, you agree to provide the Company with at least two (2) weeks' advance written notice of your intent to voluntarily resign from employment (other than for Good Reason). The Company may, in its sole discretion, waive the notice period upon your resignation of employment without Good Reason and your employment will immediately terminate at that time with no right to compensation (other than Accrued Benefits through the Date of Termination). In the event your employment is terminated by the Company other than due to Cause, death or disability or you resign from your employment with the Company for Good Reason, in either case other than during the Corporate Transaction Period, subject to your execution and delivery of an effective and irrevocable Release with sixty (60) days of such Date of Termination, the Company will: (1) continue to provide you with your then-current Base Salary for a period of twelve (12) months following the Date of Termination, which shall be paid in accordance with the Company's normal payroll procedures; (2) should you timely elect to continue health and dental insurance coverage following the Date of Termination in accordance with the provision of COBRA, the Company shall pay you a taxable monthly cash payment equal to the full monthly premium for such coverage for the period beginning on the Date of Termination and ending on the earlier to occur of (A) the date on which you obtain coverage under another health and dental insurance plan, (B) the end of your COBRA health continuation period, as required by law or (C) the date twelve (12) months after the Date of Termination; (3) any earned and unpaid Bonus for the prior year, and your target Bonus for the year in which the termination occurs; (4) any unpaid portion of the Transition Payment; and (5) notwithstanding anything to the contrary in the Plan or any applicable option agreement or stock-based award agreement, (i) 25% of all unvested stock options and other stock-based awards

held by you at such time with time-based vesting (including, but not limited to, the Time/Performance-Based Restricted Shares) will immediately accelerate (and shall be released from the Company's repurchase option) and become fully exercisable or nonforfeitable as of your Date of Termination (or the date of the Sale Event, if later), (ii) any outstanding stock options or other stock-based awards held by you with solely performance-based vesting shall be treated as specified in the applicable award agreement; and (iii) the time for exercising any options shall be extended until the earlier of (A) three (3) months following the Date of Termination or (B) the original expiration date applicable to such option. For the avoidance of doubt, the definitions of "Cause" and "Good Reason" provided herein (and not any definitions provided in any relevant Company equity incentive plan) shall govern with respect to whether you would be entitled to the benefits provided in Section 3(c)(v). The amounts payable under Sections 3(c)(1), (3) and (4) shall be paid out in a single lump sum within 60 days after the Date of Termination; *provided*, *however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, the amounts shall be paid in the second calendar year by the last day of such 60-day period.

Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).

Notwithstanding anything to the contrary herein, payment of the Severance Benefits set forth in 3(b) and 3(c) is subject to (i) your execution and non-revocation of a waiver and general release of claims and non-disparagement ("***Release***") within sixty (60) days following the date of your termination of employment and (ii) your continued compliance in all material respects with your obligations under Section 4 of this Offer Letter (collectively, the "**Restrictive Covenants**"). The Release will not waive: (1) any rights to indemnification and/or contribution, advancement or payment of related expenses you may have pursuant to the Company's Bylaws or other organizing documents, under any written indemnification or other agreement between you and the Company, and/or under applicable law; and (2) any rights you may have to insurance coverage under any directors and officers liability insurance, other insurance policies of the Company, COBRA or any similar state law; (3) any claims for worker's compensation benefits, disability or unemployment insurance, or any other claims that cannot be released as a matter of applicable law; (4) your rights to any vested equity or vested benefits under any written agreement with the Company or Company benefit plan, subject to the terms and conditions of such plan and applicable law; and (5) any claims arising after the date you sign the Release. Subject to your execution, delivery and non-revocation of the Release and Sections 3(b) and (c), the Severance Benefits will commence being paid on the first payroll date after the effective date of the Release, with the first such installment to include and satisfy all installments that would have otherwise been made up to such date assuming for such purpose that the installments had commenced on the first payroll date following your termination of employment. In the event you fail to execute the Release in a timely manner so as to permit any revocation period to expire prior to the end of such sixty (60) day period (or you revoke acceptance of the Release following its execution) or your breach any of the Restrictive Covenants, you will not be entitled to receive any of the Severance Benefits, and you will be required to repay to the Company any previously paid Severance Benefits.

As used in this Agreement, "***Cause***" means any of the following, as determined in good faith by the Board: (a) your conviction of, or plea of guilty or *nolo contendere* with respect to, any (x) felony or (y) misdemeanor involving moral turpitude, fraud, misrepresentation, embezzlement or theft; (b) your willful act of misappropriation, embezzlement or fraud in the performance of your duties

that is harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates); (c) your willful and continued refusal to perform your duties in any material respect that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); (d) your willful misconduct or gross negligence in the performance of your duties and responsibilities to the Company that is, or could reasonably be expected to be, harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates) that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); (e) your willful violation of any state or federal law relating to the workplace environment (including, without limitation, laws relating to sexual harassment or age, sex or other prohibited discrimination) or any Company policy related thereto; (f) your material breach of this Agreement (including your breach of any of the Restrictive Covenants), or any material Company policy that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); (g) your willfully engaging in any activity that is, or could reasonably be expected to be harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates), that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); or (h) your willful violation of any material law or regulation applicable to your work for the Company, that is not cured within thirty (30) after receipt of specific written notice from the Board (if curable).

As used in this Agreement, "***Good Reason***" means any one or more of the following done without your consent: (i) a material diminution in your duties, authorities or responsibilities that is not commensurate with your position with the Company; (ii) diminution in your Base Salary of more than ten percent (10%), other than any such diminution that is consistent with reductions in base salary for all other senior executives of the Company (including, but not limited to, a reduction due to any economic downturn, market dislocation or volatility or other financial crisis); (iii) change in the primary business location of the Company at which you are required to perform your duties and responsibilities by more than thirty (30) miles; (iv) any directive given to you in conflict with your professional medical ethics or obligations or otherwise in violation of the law or regulation applicable to the Company's business; or (v) a material breach by the Company of this Agreement or any other written agreement between you and the Company; *provided*, *however*, that Good Reason shall not exist unless you provide the Company with written notice within ninety (90) days following the initial existence of one or more of the conditions described in clauses (i) through (v), the Company fails to cure such event or condition, if curable, within thirty (30) days (the "***Cure Period***") following such written notice, and your employment terminates within thirty (30) days after expiration of the Company's applicable Cure Period.

4. Restrictive Covenants. You will be required to execute a Confidentiality and Proprietary Rights Agreement in the form attached as Exhibit A, as a condition of employment.

5. Miscellaneous Provisions.

You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing (or that purports to prevent) you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this letter.

You agree to provide to the Company, within three (3) days of your hire date, documentation of your eligibility to work in the United States, as required by the Immigration Reform and Control Act of 1986. You may need to obtain a work visa in order to be eligible to work in the United States. If that is the case, your employment with the Company will be conditioned upon your obtaining a work visa in a timely manner as determined by the Company.

This Agreement shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at will, under which both you and the Company remain free to terminate the employment relationship, with or without cause, at any time, with or without notice subject to the Company's obligation to pay you severance benefits, if applicable. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at-will" nature of your employment may only be changed by a written agreement signed by you and the President of the Company or the CEO once hired, which expressly states the intention to modify the at-will nature of your employment.

In return for the compensation payments set forth in this Agreement, you agree to devote substantially all of your business time, reasonable best efforts, skill, knowledge, attention, and energies to the advancement of the Company's business and interests and to the performance of your duties and responsibilities as an employee of the Company and not to engage in any other business activities without prior approval from the Company.

The Company may obtain background reports both pre-employment and from time to time during your employment with the Company, as necessary.

As an employee of the Company, you will be required to comply with all Company policies and procedures. Violations of the Company's policies may lead to immediate termination of your employment. Further, the Company's premises, including all workspaces, furniture, documents, and other tangible materials, and all information technology resources of the Company (including computers, data and other electronic files, and all internet and email) are subject to oversight and inspection by the Company at any time. Company employees should have no expectation of privacy with regard to any Company premises, materials, resources, or information.

6. Indemnification. During the term of your employment and thereafter, the Company agrees that it shall indemnify you and provide you with Directors & Officers liability insurance coverage to the same extent that it indemnifies and/or provides such insurance coverage to other senior executive officers of the Company.

7. Section 409A. Notwithstanding anything else provided herein, to the extent any payments provided under this Agreement in connection with your termination of employment constitute deferred compensation as defined in Section 409A of the Code and the regulations thereunder ("***Section 409A***"), and you are deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six (6)-month period measured from your separation from

service from the Company or (ii) the date of your death following such a separation from service; *provided*, *however*, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to you including, without limitation, the additional tax for which you would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. The first payment thereof will include a catch-up payment covering the amount that would have otherwise been paid during the period between your termination of employment and the first payment date but for the application of this provision, and the balance of the installments (if any) will be payable in accordance with their original schedule. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A, the provision will be read in such a manner so that all payments hereunder comply with Section 409A. To the extent any payment under this offer letter may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this Agreement are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations. Any references to a Sale Event shall only constitute a change of control if they also satisfy the requirements of U.S. Treasury Regulation 1.409A-3(i)(5)(v) or (vii). Notwithstanding anything contained herein to the contrary, you shall not be considered to have terminated employment with the Company unless you would be considered to have incurred a "separation from service" from the Company within the meaning of U.S. Treasury Regulation §1.409A-1(h)(1)(ii).

This Agreement is your formal offer of employment and supersedes any and all prior or contemporaneous agreements, discussions and understandings, whether written or oral, relating to the subject matter of this letter or your employment with the Company. The resolution of any disputes under this letter will be governed by the laws of the State of California.

Very Truly Yours,

SYNCOPATION LIFE SCIENCES, INC.

By: /s/ Abraham Bassan
Name: Abraham Bassan
Title: President

The foregoing correctly sets forth the terms of my employment by Syncopation Life Sciences, Inc.

Date: 3/24/22

/s/ Gina Chapman
Name: Gina Chapman

EXHIBIT A

CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

SYNCOPATION LIFE SCIENCES, INC.

CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

This Confidentiality and Proprietary Rights Agreement (this "**Agreement**") is made effective as of the earlier of the date this agreement is signed and the date of the undersigned employee's or consultant's first day of employment with or service as a consultant to (the "**Effective Date**") Syncopation Life Sciences, Inc., a Delaware corporation (the "**Company**").

In consideration for the Company employing or engaging me or continuing to employ or engage me, as the case may be, as an employee or consultant and my receipt of the compensation now and hereafter paid to me by the Company, I agree as follows:

1. **Definition of Confidential Information**. I acknowledge that I may be, or have been, furnished and/or have access to confidential, proprietary and/or trade secret information relating to the Company's past, present or future (a) products, processes, formulas, patterns, compositions, compounds, projects, specifications, know how, research data, clinical data, personnel data, compilations, programs, devices, methods, techniques, inventions, software, and improvements thereto; (b) research and development activities; (c) designs and technical data; (d) marketing and business development activities, including without limitation prospective or actual bids or proposals, pricing information and financial information; (e) customers or suppliers; and/or (f) other administrative, management, planning, financial, marketing, purchasing or manufacturing activities. All of this type of information, whether it belongs to the Company or was provided to the Company by a third party with the understanding that it be kept confidential, and any documents, storage media (whether electronic or physical), or other materials or items containing this type of information, are proprietary, confidential and/or trade secrets to the Company ("**Confidential Information**").

2. **Obligations**. I will protect the confidentiality of Confidential Information both during and after my employment (or consultancy) with or by the Company. In addition, I will not, at any time during the term of this Agreement or thereafter, (a) disclose or disseminate Confidential Information to any third party, including, without limitation, employees or consultants of the Company without a legitimate business need to know such Confidential Information; (b) remove Confidential Information from the Company's premises or make copies of Confidential Information, except as required to perform my job; or (c) use Confidential Information for my own benefit or for the benefit of any third party. I also agree to take all actions necessary to avoid unauthorized disclosure and otherwise to maintain the confidential, proprietary or trade secret nature of such Confidential Information. If I am not certain whether or not information is confidential, proprietary and/or a trade secret, I will treat that information as Confidential Information until I have verification from an officer of the Company that the information is not Confidential Information.

3. **Exceptions**. The obligations in Section 2 do not apply to any information that I can establish through written records (a) has become publicly known without (i) a breach of this Agreement by me or (ii) a third party's breach of an agreement to maintain the confidentiality of the information; (b) was disclosed by me as permitted by the policies and procedures of the Company, or (c) was developed by me prior to the Effective Date, and prior to the date any earlier

confidentiality agreement of the Company was signed by me (or any earlier effective date of such agreement), if the date of development can be established by documentary evidence. Notwithstanding anything in this Agreement, I may disclose, without violating the terms of this Agreement, Confidential Information that I am specifically required by court order, subpoena or law to disclose, but I agree to disclose only that portion of Confidential Information that is legally required to be disclosed and further agree, to the extent permitted under applicable law, that prior to disclosure when compelled by applicable law, I shall provide prior written notice to the Company. I further understand and acknowledge that nothing in this Agreement or any other agreement or policy prohibits me from reporting possible violations of federal or state law or regulation to any governmental agency or entity or self-regulatory organization (including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General), cooperating with any such governmental agency or entity or self-regulatory organization in connection with any such possible violation, or making other disclosures or taking other actions (including, without limitation, receiving any whistleblower award provided for under such laws or regulations) that are protected under the whistleblower provisions of federal or state law or regulation (collectively "**Protected Activity**"), in each case without any notice to or authorization from the Company. I further understand that "Protected Activity" does not include the disclosure of any Company attorney-client privileged communications. As required by the Defend Trade Secrets Act of 2016 ("**DTSA**"), 18 U.S.C. § 1833(b), I acknowledge that I will not be held criminally liable or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made under circumstances described therein, including: (1) in confidence to a government official or an attorney for the sole purpose of reporting or investigating a suspected violation of law; (2) in a complaint or other document filed in a legal proceeding, so long as such document is filed under seal; or (3) should I file a lawsuit against the Company for purported retaliation for reporting a suspected violation of law, then to my attorney, or in that court proceeding, so long as any document I file containing the trade secret is filed under seal and I do not disclose the trade secret except pursuant to court order. Unless expressly provided, the DTSA does not authorize, or limit liability for, an act that is otherwise prohibited by law, such as the unlawful access of material by unauthorized means.

4. **Former Employer Information**. I will not, during my employment (or consultancy) with or by the Company, improperly use or disclose any confidential information, proprietary information or trade secrets of any former or current employer or any other person or entity and that I will not bring onto the premises of the Company, or incorporate into my work for the Company, any unpublished document or confidential information, proprietary information or trade secret belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

5. **Inventions and Works Retained and Licensed**. I have attached hereto, as Exhibit A, a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were authored, created, conceived, reduced to practice or made by me, alone or jointly with others, prior to my employment (or consultancy) with or by the Company, which belong to me, which relate to the Company's business, products, or research and development (collectively referred to as "**Prior Works or Inventions**"), and which are not assigned to the Company hereunder, or, if no such list is attached, I represent that there are no such Prior Works or Inventions. If, in the course of my employment (or consultancy) with or by the Company, I incorporate into a Company product, process or machine a Prior Work or Invention owned by me or in which I have an interest, the Company is hereby granted and shall have a nonexclusive, royalty-free, assignable, sublicensable, irrevocable, perpetual, worldwide license to make, have made, copy, distribute, modify, use, import, offer to sell and sell such Prior Work or Invention as part of or in connection with such product, process or machine.

6. **Ownership of Works**.

a. The Company owns all right, title and interest, including without limitation all trade secrets, patents and copyrights, in the following works that I create, make, conceive or reduce to practice, solely or jointly: (i) works that are created using the Company's facilities, supplies, information, trade secrets or time; (ii) works that relate directly or indirectly to or arise out of the actual or proposed business of the Company, including, without limitation the research and development activities of the Company; (iii) works that relate directly or indirectly to or arise out of any task assigned to me or work I perform for the Company and/or (iv) works that are based on Confidential Information (collectively "**Works**").

b. Because these Works will inevitably be based upon or somehow involve the Company's business, products, services or methodologies, I agree that the Works will belong to the Company even if I create, make, conceive or reduce them to practice on my own time, using my own equipment, on the Company's premises or elsewhere or after termination of my employment (or consultancy) with or by the Company. I will promptly provide full written disclosure to an officer of the Company of any Works I create, make, conceive or reduce to practice, solely or jointly. To the extent that the Works do not qualify as works made for hire under U.S. copyright law, I irrevocably assign to the Company the ownership of, and all rights of copyright in, the Works.

c. The Company will have the right to hold in its own name all rights in the Works, including without limitation all rights of copyright, trade secrets and trademark. I also waive all claims to moral rights in any Works. I acknowledge and agree that any and all patents, patent applications or other intellectual property rights relating to the Works are to be the exclusive property of the Company.

7. **Ownership of Inventions**.

a. I hereby irrevocably assign and agree to assign to the Company my entire right, title and interest in any idea, invention, modification, design, program code, software, documentation, formula, data, know how, technique, process, method, device, discovery, improvement, developments, or works of authorship, and all related patents, patent applications, copyrights and copyright applications, whether patentable or not, authored, created, made, conceived or reduced to practice, solely or jointly by me, whether or not during normal working hours or on my own time, whether or not using my own equipment, on the premises of the Company or elsewhere, or after termination of my employment (or consultancy) with or by the Company, that (i) is authored, created, made, conceived or reduced to practice using the Company's facilities, supplies, information, trade secrets or time; (ii) relates directly or indirectly to or arises out of the actual or proposed business, including without limitation the research and development activities, of the Company; (iii) relates directly or indirectly to or arises out of any task assigned to me or work I perform for the Company and/or (iv) is based on Confidential

Information (collectively "**Inventions**"), and all intellectual property rights therein. I will promptly make full written disclosure to an officer of the Company of any Inventions I create, make, conceive or reduce to practice, solely or jointly. I also waive all claims to moral rights in any Inventions. I acknowledge and agree that any and all patents, patent applications or other intellectual property rights relating to the Inventions are the exclusive property of the Company.

b. I agree to cooperate fully with the Company, both during and after my employment (or consultancy) with or by the Company, with respect to the procurement, maintenance and enforcement of copyrights, patents and other intellectual property rights (both in the United States and foreign countries) relating to Works and/or Inventions. I agree to execute and deliver all papers, including, without limitation, copyright applications, patent applications, declarations, oaths, formal assignments, assignments of priority rights, and powers of attorney, which the Company may deem necessary or desirable to protect its rights and interests in any Works and/or Inventions. I further agree that if the Company is unable, after reasonable effort, to secure my signature on any such papers, any executive officer of the Company shall be entitled to execute any such papers as my agent and attorney-in-fact, and I hereby irrevocably designate and appoint each officer of the Company as my agent and attorney-in-fact to execute any such papers on my behalf, and to take any and all actions as the Company may deem necessary or desirable to protect its rights and interests in any Works and/or Inventions, under the conditions described in this sentence.

c. I understand that the provisions of this Agreement requiring assignment of Inventions to the Company do not apply to any invention which qualifies fully under the provisions of California Labor Code Section 2870 (attached as Exhibit B). I will advise the Company promptly in writing of any inventions that I believe meet the criteria in California Labor Code Section 2870 and are not otherwise disclosed on Exhibit A and such disclosed inventions shall be received by the Company in confidence pursuant to Labor Code section 2871.

8. **Maintenance of Records**. I will keep and maintain adequate and current written records of all Works and Inventions made by me (solely or jointly with others) during the term of my employment (or consultancy) with or by the Company. The records will be in the form of notes, sketches, drawings, and any other format that may be specified by the Company. The records will be available to and remain the sole property of the Company at all times.

9. **Return of Confidential Information**. I will return to the Company all Confidential Information in my possession, custody or control immediately upon termination of my employment (or consultancy) with the Company, or earlier if the Company requests.

10. **Notification of New Employer**. If I leave the employ of the Company or cease to serve as a consultant to the Company, I hereby grant consent to notification by the Company to my new employer or any person or entity that engages my services as a consultant or otherwise about my rights and obligations under this Agreement.

11. **Non-Solicitation**. I acknowledge and agree that:

a. During my employment (or consultancy) and for one (1) year after termination of my employment (or consultancy) or engagement for any reason, I shall not, directly or indirectly solicit or recruit any employee of, or consultant to, the Company to work for a party other than the Company or engage in any activity that would cause any employee or consultant to violate any agreement with the Company.

b. During my employment (or consultancy), I shall not, directly or indirectly, solicit, divert or appropriate or attempt to solicit, divert or appropriate, for the purpose of competing with the Company, any customers, suppliers, licensees, licensors or other business partners of the Company, or any prospective customers suppliers, licensees, licensors or other business partners of the Company.

12. **Representations and Warranties**. I represent and warrant that (a) I am able to perform the duties of my position and that my ability to work for the Company is not limited or restricted by any agreements or understandings between me and other persons or companies; (b) I will not disclose to the Company, its employees, consultants, clients, partners or suppliers, or induce any of them to use or disclose, any confidential information or material belonging to others, except with the written permission of the owner of the information or material; and (c) any information, material or product I create or develop for, or any advice I provide to, the Company, its employees, consultants, clients, partners or suppliers, will not rely or be based on confidential information, proprietary information or trade secrets I obtained or derived from a source other than the Company. I agree to indemnify and hold the Company harmless from damages, claims, costs and expenses based on or arising from the breach of any agreement or understanding between me and another person or company or from my use or disclosure of any confidential information, proprietary information or trade secrets I obtained from sources other than the Company.

13. **Damages and Injunctive Relief**. I acknowledge and agree that:

a. My obligations under this Agreement have a unique and substantial value to the Company and I remain obligated even if I voluntarily or involuntarily leave the Company's employment (or consultancy). I understand that if I violate this Agreement during or after my employment (or consultancy) or engagement, the Company may be able to recover monetary damages from me and/or the other relief described below.

b. A violation or even a threatened violation of this Agreement is likely to result in irreparable harm to the Company and monetary damages alone would not completely compensate the Company for the harm. Accordingly, the Company may obtain an injunction prohibiting me from violating this Agreement, an order requiring me to render specific performance of the Agreement, and/or other appropriate equitable remedies, without the necessity of the Company obtaining a bond.

c. If a court determines that I have breached or attempted or threatened to breach this Agreement, I consent to the granting of an injunction restraining me from further breaches or attempted or threatened breaches of this Agreement, compelling me to comply with this Agreement, and/or prescribing other equitable remedies.

14. **At-Will Employment**. If I am an employee of the Company, (a) I understand that this Agreement does not create an obligation on the Company or any other person or entity to continue my employment; (b) I acknowledge that I am employed by the Company on an at- will basis and that either the Company or I may terminate my employment at any time and for any reason, and (c) while no written or oral commitments have been made to or by me to suggest other than at-will employment, I specifically acknowledge that this supersedes any prior representation or agreement to the contrary and that the at-will nature of my employment may not be amended, modified or waived except by a fully executed written agreement with the Company.

15. **Miscellaneous Provisions**.

a. *Applicability*. The provisions of this Agreement are applicable to Confidential Information, Works and Inventions disclosed, created, developed or proprietary before or after I sign this Agreement. I agree that if and to the extent that, during any period I was engaged by the Company to provide services prior to the date of this Agreement: (i) I received access to any information from or on behalf of the Company that would have been "Confidential Information" (as defined above) if I received access to such information during the period of my employment with Company under this Agreement; or (ii) I conceived, created, authored, invented, developed or reduced to practice any item, including any intellectual property rights with respect thereto, that would have been an "Invention" (as defined above) if conceived, created, authored, invented, developed or reduced to practice during the period of my employment with Company under this Agreement; then any such information shall be deemed "Confidential Information" hereunder and any such item shall be deemed an "Invention" hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.

b. *Notices*. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not during normal business hours of the recipient, then on the next business day; (iii) five (5) calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the other party to this Agreement at such party's address hereinafter set forth on the signature page hereof, or at such other address as such party may designate by ten (10) days' advance written notice to the other party hereto.

c. *Assignment*. Neither this Agreement nor any of my rights or obligations hereunder shall be assignable by me, and any assignment by me shall be null and void. The Company may assign this Agreement or any of its obligations hereunder to any subsidiary of the Company, or to any successor (whether by merger, purchase or otherwise) to all or substantially all of the equity, assets or business of the Company. This Agreement is intended to bind and inure to the benefit of and be enforceable by me and the Company and the Company's permitted successors and assigns.

d. *Governing Law; Venue*. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties agree that any action brought by either party to interpret or enforce any provision of this Agreement shall be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court in the county in which I last worked on a regular basis for the Company.

e. *Entire Agreement; Amendment*. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each of the parties hereto. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

f. *Severability*. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

g. *Counterparts*. This Agreement may be executed in two 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, Uniform Electronic Transactions Act or other applicable law) 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.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

Signature: /s/ Gina Chapman
Name: Gina Chapman
Address: [****]
Date: March 24, 2022

SYNCOPATION LIFE SCIENCES, INC.

By: /s/ Abraham Bassan
Name: Abraham Bassan
Title: President
Date: March 24, 2022

SYNCOPATION LIFE SCIENCES, INC.
SIGNATURE PAGE TO CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

Exhibit 10.9

SYNCOPATION LIFE SCIENCES, INC.
1900 ALAMEDA DE LAS PULGAS, SUITE 350
SAN MATEO, CA 94403

July 20, 2022

Anup Radhakrishnan
[***]

Dear Anup.

On behalf of Syncopation Life Sciences. Inc., a Delaware corporation (the "**Company**"). I am pleased to offer you employment with the Company. The purpose of this letter (the "**Agreement**") is to summarize the terms of your employment with the Company, should you accept our offer:

1. *Role, Reporting Relationship & Responsibilities.* You will be employed to serve on a full-time basis as Chief Financial Officer (CFO), effective August 8, 2022. As CFO, you will report to Gina Chapman, Chief Executive Officer, and will work in coordination with the Company's Board of Directors (the "**Board**") to advance the Company's financial, operational, and strategic goals.

2. *Cash Compensation.* Your base salary will be at an annual rate of $390,000, which will be paid twice a month at a rate of $16,250 per pay period in accordance with the Company's regular payroll schedule, subject to tax and other withholdings as required by law. Such base salary may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company. You will be eligible to receive a discretionary annual bonus, based on your performance, of up to 35% of your base salary (the "**Bonus**"), as determined in the sole discretion of the Company. The Bonus, if earned, will be payable on or before March 15th following the calendar year for which the Bonus was determined. Any Bonus will not be earned until paid, and except as otherwise provided in this Agreement, you must be employed with the Company at the time of payment to be eligible to receive such payment, *provided* that if your employment is terminated by the Company without Cause (as defined below) or if you terminate your employment for Good Reason (as defined below), in each case after the Bonus is earned but prior to the payment date, you would be entitled to payment of your Bonus when it is paid to similarly situated executives. Your 2022 bonus will be pro-rated by your hiring date.

3. *Equity Grants.* Subject to Board approval, you will be granted an award of stock options to purchase 281,193 shares of the Company's common stock, at an exercise price not less than the fair market value per share of common stock, as determined by the Board subject to a valid 409(a) valuation on the date of grant. The options will be subject to the terms and conditions of the Company's 2021 Stock Option and Grant Plan (as may be amended, restated or otherwise modified from time to lime, the "**Plan**") and the applicable stock option award agreement thereunder and will vest as follows: 25% of the options will vest with a 1-year cliff on the first anniversary of the date of your hire, and the remaining 75% will vest monthly over the next 36 months, subject to your continued employment through each applicable vesting period.

4. *Employee Benefits.* Effective upon your start date, you shall begin to accrue up to fifteen (15) days of Paid Time Off ("**PTO**"), which includes sick and vacation time, subject to the terms of the Company's PTO policy. Any PTO not used in a given year will carry over into the following year; *provided, however*, that you will be allowed to accrue a PTO balance of no more than 1.5 times your annual PTO entitlement. Once this maximum is reached, all further accruals will cease, with accruals recommencing after you have taken PTO time and your accrued hours have dropped below the maximum. You shall be entitled to such other benefits, including the participation in the Company's health insurance, vision insurance and dental insurance under the Company's group health plan available to similarly situated employees in your position and for which you are eligible in accordance with any benefit plan or policy adopted by the Company during your employment. Your rights under any benefit policies or plans adopted by the Company shall be governed solely by the terms of such policies or plans. The Company reserves to itself or its designated administrator the exclusive authority and discretion to determine all issues of eligibility, interpretation, and administration of each such benefit plan or policy, the Company or its designated administrator reserves the right to modify or terminate each benefit plan or program, and benefit plans or programs may be modified as required by the laws of the jurisdiction in which you reside.

5. *Termination in Connection with Sale Event.* In the event your employment is terminated without Cause or you resign from your employment for Good Reason (the date of such termination, the "**Date of Termination**") within three **(3) months prior to or twelve (12) months** after the effective date of a Sale Event (as defined in the Plan) (such period, the "**Corporate Transaction Period**"), subject to your execution and delivery of an effective and irrevocable Release (as defined below) within sixty (60) days of such Date of Termination, the following shall occur:

(a) The Company shall pay or provide to you: (i) **any earned and unpaid Bonus for the prior year and your target Bonus for the year in which the Date of Termination occurs, and (ii) an amount equal to IX your Base Salary; and (iii)** should you timely elect to continue health and dental insurance coverage following the Date of Termination in accordance with the provision of COBRA, the Company shall pay you a taxable monthly cash payment equal to the full monthly premium for such coverage for the period beginning on the Date of Termination and ending on the earlier to occur of (A) the date on which you obtain coverage under another health and dental insurance plan, (B) the end of your COBRA health continuation period, as required by law, or (C) the date **twelve months** after the Date of Termination. You agree and represent that you will provide prompt written notice of the date on which you obtain coverage under another health and dental insurance plan following the Date of Termination; and (iv) notwithstanding anything to the contrary in the Plan or any applicable option agreement or stock-based award agreement, (i) **all outstanding stock options** and other stock-based awards held by you at such time with **time-based vesting** will immediately accelerate (and shall be released from the Company's repurchase option, if any) and become **fully exercisable or nonforfeitable** as of your Date of Termination (or the date of the Sale Event, if later), (ii) any outstanding stock options or other stock-based awards held by you with solely performance-based vesting shall be treated as specified in the applicable award agreement; and (iii) the time for exercising any options shall be extended until the earlier of (A) **three (3) months** following the Date of Termination or (B) the original expiration date applicable to such option.

The amounts payable under Sections 5(a)(i) and (ii) shall be paid out in a single lump sum within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, the amounts shall be paid in the second calendar year by the last day of such 60-day period.

6. *At Will; Termination without Cause or for Good Reason Not in Connection with a Sale Event.* You understand that your employment will be "at will", which means that both you and the Company may terminate your employment at any time, for any reason with or without Cause or advanced notice; *provided, however,* you agree to provide the Company with at least forty-five (45) days advanced written notice of your intent to voluntarily resign from employment (other than for Good Reason). The Company may, in its sole discretion, waive the notice period upon your resignation of employment without Good Reason and your employment will immediately terminate at that time with **no right to compensation** (other than earned but unpaid base salary through the date of termination).

(a) In the event your employment is terminated by the Company without Cause or you resign from your employment with the Company for Good Reason, in either case other than during the Corporate Transaction Period, subject to your execution and delivery of an effective and irrevocable Release within sixty (60) days of such Date of Termination, the Company will pay or provide to you: (1) your then-**current Base Salary multiplied by 0.75 (or multiplied by 1** if such qualifying termination occurs on or prior to the first anniversary of your hire date); (2) **accelerated vesting of all outstanding Company stock options and other stock-based awards held by you that would have vested within three (3) months following** the Date of Termination as if your employment with the Company had not terminated, (3) should you timely elect to continue health and dental insurance coverage following the Date of Termination in accordance with the provision of COBRA, the Company shall pay you a taxable monthly cash payment equal to the full monthly premium for such coverage for the period beginning on the Date of Termination and ending on the earlier to occur of (A) the date on which you obtain coverage under another health and dental insurance plan, (B) the end of your COBRA health continuation period, as required by law or (C) the date nine months after the Date of Termination; and (4) any earned and unpaid Bonus for the prior year. The amounts payable under Sections 6(a)(1) and (4) shall be paid out in a single lump sum within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, the amounts shall be paid in the second calendar year by the last day of such 60-day period.

Each payment pursuant to this Agreement is intended to constitute a separate payment for the purposes of Treasury Regulation Section l.409A-2(b)(2).

Notwithstanding anything to the contrary herein, payment of the severance benefits described in Sections 5(a) and 6(a) is subject to (i) your execution and non-revocation of a waiver and general release of claims ("**Release**") in favor of the Company in a form acceptable to the Company, within sixty (60) days following the date of your termination of employment and (ii) your continued compliance with your obligations under Section 7 of this Agreement (collectively, the "**Restrictive Covenants**"). The Release will not waive: (1) any rights to indemnification and/or contribution, advancement or payment of related expenses you may have pursuant to the Company's Bylaws or other organizing documents, under any written indemnification or other agreement between you and the Company, and/or under applicable law; and (2) any rights you may have to insurance

coverage under any directors and officers liability insurance, other insurance policies of the Company, COBRA or any similar state law; (3) any claims for worker's compensation benefits, disability or unemployment insurance, or any other claims that cannot be released as a matter of applicable law; (4) your rights to any vested equity or vested benefits under any written agreement with the Company or Company benefit plan, subject to the terms and conditions of such plan and applicable law; and (5) any claims arising after the date you sign the Release. Subject to your execution, delivery and non-revocation of the Release, and Sections 5(a) and 6(a), the Severance Benefits will commence being paid on the first payroll date after the effective date of the Release, with the first such installment to include and satisfy all installments that would have otherwise been made up to such date assuming for such purpose that the installments had commenced on the first payroll date following your termination of employment. In the event you fail to execute the Release in a timely manner so as to permit any revocation period to expire prior to the end of such sixty (60) day period (or you revoke acceptance of the Release following its execution) or your breach any of the Restrictive Covenants, you will not be entitled to receive any of the Severance Benefits, and you will be required to repay to the Company any previously paid Severance Benefits.

As used in this Agreement, "**Cause**" means any of the following, as determined in good faith by the Board: (a) your conviction of, or plea of guilty or *nolo contendere* with respect to, any (x) felony or (y) misdemeanor involving moral turpitude, fraud, misrepresentation, embezzlement or theft; (b) your willful act of misappropriation, embezzlement or fraud in the performance of your duties; (c) your willful and continued refusal to perform your duties in any material respect that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); (d) your willful misconduct or gross negligence in the performance of your duties and responsibilities to the Company that is, or could reasonably be expected to be, harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates); (e) your willful violation of any state or federal law relating to the workplace environment (including, without limitation, laws relating to sexual harassment or age, sex or other prohibited discrimination) or any Company policy related thereto; (f) your material breach of this Agreement (including your breach of any of the Restrictive Covenants), or any material Company policy that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); (g) your willfully engaging in any activity that is, or could reasonably be expected to be harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates), that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); or (h) your willful violation of any material law or regulation applicable to your work for the Company, that is not cured within thirty (30) after receipt of specific written notice from the Board (if curable).

As used in this Agreement. "**Good Reason**" means any of the following done without your consent: (i) a material diminution in your duties, authorities or responsibilities: (ii) a material diminution in your Base Salary (other than a reduction in Base Salary of not more than ten percent (10%) that is consistent with reductions in base salary for all other senior executives of the Company (including a reduction due to any economic downturn, market dislocation or volatility or other financial crisis)): (iii) any requirement by the Board that you engage in illegal conduct; or (iv) a material breach by the Company of this Agreement or any other written agreement between

you and the Company; *provided, however*, that Good Reason shall not exist unless you provide the Company with written notice within sixty (60) days following the initial existence of one or more of the conditions described in clauses (i) through (iv), the Company fails to cure such event or condition, if curable, within thirty (30) days following such written notice, and your employment terminates within thirty (30) days after expiration of the Company's applicable cure period.

7. *Restrictive Covenants.* You will be required to execute a Confidentiality and Proprietary Rights Agreement in the form attached as Exhibit A, as a condition of employment.

8. *Miscellaneous Provisions.* You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing (or that purports to prevent) you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this letter.

You agree to provide to the Company, within three (3) days of your hire date, documentation of your eligibility to work in the United States, as required by the Immigration Reform and Control Act of 1986. You may need to obtain a work visa in order to be eligible to work in the United States. If that is the case, your employment with the Company will be conditioned upon your obtaining a work visa in a timely manner as determined by the Company.

This Agreement shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at will, under which both you and the Company remain free to terminate the employment relationship, with or without cause, at any time, with or without notice. Although your job duties, title, compensation, and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at-will" nature of your employment may only be changed by a written agreement signed by you and the President of the Company, which expressly states the intention to modify the at-will nature of your employment. Similarly, nothing in this letter shall be construed as an agreement either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company.

In return for the compensation payments set forth in this Agreement, you agree to devote your full business time, best efforts, skill, knowledge, attention, and energies to the advancement of the Company's business and interests and to the performance of your duties and responsibilities as an employee of the Company and not to engage in any other business activities without prior approval from the Company.

The Company may obtain background reports both pre-employment and from time to time during your employment with the Company, as necessary.

As an employee of the Company, you will be required to comply with all Company policies and procedures. Violations of the Company's policies may lead to immediate termination of your employment. Further, the Company's premises, including all workspaces, furniture, documents, and other tangible materials, and all information technology resources of the Company (including computers, data and other electronic files, and all internet and email) are subject to oversight and inspection by the Company at any time. Company employees should have no expectation of privacy with regard to any Company premises, materials, resources, or information.

9. *Section 409A.* Notwithstanding anything else provided herein, to the extent any payments provided under this Agreement in connection with your termination of employment constitute deferred compensation as defined in Section 409A of the Code and the regulations thereunder ("**Section 409A**"), and you are deemed at the time of such termination of employment to be a "specified employee" under Section 409A. then such payment shall not be made or commence until the earlier of (i) the expiration of the six (6)-month period measured from your separation from service from the Company or (ii) the date of your death following such a separation from service; *provided, however*, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to you including, without limitation, the additional tax for which you would otherwise be liable under Section 409A(a)(l)(B) in the absence of such a deferral. The first payment thereof will include a catch-up payment covering the amount that would have otherwise been paid during the period between your termination of employment and the first payment date but for the application of this provision, and the balance of the installments (if any) will be payable in accordance with their original schedule. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A, the provision will be read in such a manner so that all payments hereunder comply with Section 409A. To the extent any payment under this offer letter may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this Agreement are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations. Any references to a Sale Event shall only constitute a change of control if they also satisfy the requirements of U.S. Treasury Regulation l.409A-3(i)(5)(v) or (vii). Notwithstanding anything contained herein to the contrary, you shall not be considered to have terminated employment with the Company unless you would be considered to have incurred a "separation from service" from the Company within the meaning of U.S. Treasury Regulation § 1.409A-1(h)(1)(ii).

This Agreement is your formal offer of employment and supersedes any and all prior or contemporaneous agreements, discussions and understandings, whether written or oral, relating to the subject matter of this Agreement or your employment with the Company. The resolution of any disputes under this Agreement will be governed by the laws of the State of California.

If you agree with the provisions of this letter, please sign the enclosed duplicate of this letter in the space provided below and return it to Kara Halvorsen by July 25, 2022. If you do not accept this offer by July 25, 2022 this offer will be revoked.

Very Truly Yours.

SYNCOPATION LIFE SCIENCES, INC.

By: /s/ Gina Chapman
Name: Gina Chapman
Title: Chief Executive Officer

The foregoing correctly sets forth the terms of my employment by Syncopation Life Sciences, Inc.

Date: 7/22/22

/s/ Anup Radhakrishnan

Name: Anup Radhakrishnan

EXHIBIT A

CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

SYNCOPATION LIFE SCIENCES, INC.

CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

This Confidentiality and Proprietary Rights Agreement (this "**Agreement**") is made effective as of the earlier of the date this agreement is signed and the date of the undersigned employee's or consultant's first day of employment with or service as a consultant to (the "**Effective Date**") Syncopation Life Sciences, Inc., a Delaware corporation (the "**Company**").

In consideration for the Company employing or engaging me or continuing to employ or engage me, as the case may be, as an employee or consultant and my receipt of the compensation now and hereafter paid to me by the Company, I agree as follows:

1. **Definition of Confidential Information**. I acknowledge that I may be, or have been, furnished and/or have access to confidential, proprietary and/or trade secret information relating to the Company's past, present or future (a) products, processes, formulas, patterns, compositions, compounds, projects, specifications, know how, research data, clinical data, personnel data, compilations, programs, devices, methods, techniques, inventions, software, and improvements thereto; (b) research and development activities; (c) designs and technical data; (d) marketing and business development activities, including without limitation prospective or actual bids or proposals, pricing information and financial information; (e) customers or suppliers; and/or (f) other administrative, management, planning, financial, marketing, purchasing or manufacturing activities. All of this type of information, whether it belongs to the Company or was provided to the Company by a third party with the understanding that it be kept confidential, and any documents, storage media (whether electronic or physical), or other materials or items containing this type of information, are proprietary, confidential and/or trade secrets to the Company ("**Confidential Information**").

2. **Obligations**. I will protect the confidentiality of Confidential Information both during and after my employment (or consultancy) with or by the Company. In addition, I will not, at any time during the term of this Agreement or thereafter, (a) disclose or disseminate Confidential Information to any third party, including, without limitation, employees or consultants of the Company without a legitimate business need to know such Confidential Information; (b) remove Confidential Information from the Company's premises or make copies of Confidential Information, except as required to perform my job; or (c) use Confidential Information for my own benefit or for the benefit of any third party. I also agree to take all actions necessary to avoid unauthorized disclosure and otherwise to maintain the confidential, proprietary or trade secret nature of such Confidential Information. If I am not certain whether or not information is confidential, proprietary and/or a trade secret, I will treat that information as Confidential Information until I have verification from an officer of the Company that the information is not Confidential Information.

3. **Exceptions**. The obligations in Section 2 do not apply to any information that I can establish through written records (a) has become publicly known without (i) a breach of this Agreement by me or (ii) a third party's breach of an agreement to maintain the confidentiality of the information; (b) was disclosed by me as permitted by the policies and procedures of the Company, or (c) was developed by me prior to the Effective Date, and prior to the date any earlier confidentiality agreement of the Company was signed by me (or any earlier effective date of such agreement), if the date of development can be established by documentary evidence. Notwithstanding anything in this Agreement, I may disclose, without violating the terms of this Agreement, Confidential Information that I am specifically required by court order, subpoena or law to disclose, but I agree to disclose only that portion of Confidential Information that is legally required to be disclosed and further agree, to the extent permitted under applicable law, that prior to disclosure when compelled by applicable law, I shall provide prior written notice to the Company. I further understand and acknowledge that nothing in this Agreement or any other agreement or policy prohibits me from reporting possible violations of federal or state law or regulation to any governmental agency or entity or self-regulatory organization (including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General), cooperating with any such governmental agency or entity or self-regulatory organization in connection with any such possible violation, or making other disclosures or taking other actions (including, without limitation, receiving any whistleblower award provided for under such laws or regulations) that are protected under the whistleblower provisions of federal or state law or regulation (collectively "**Protected Activity**"), in each case without any notice to or authorization from the Company. I further understand that "Protected Activity" does not include the disclosure of any Company attorney-client privileged communications. As required by the Defend Trade Secrets Act of 2016 ("**DTSA**"), 18 U.S.C. § 1833(b), I acknowledge that I will not be held criminally liable or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made under circumstances described therein, including: (1) in confidence to a government official or an attorney for the sole purpose of reporting or investigating a suspected violation of law; (2) in a complaint or other document filed in a legal proceeding, so long as such document is filed under seal; or (3) should I file a lawsuit against the Company for purported retaliation for reporting a suspected violation of law, then to my attorney, or in that court proceeding, so long as any document I file containing the trade secret is filed under seal and I do not disclose the trade secret except pursuant to court order. Unless expressly provided, the DTSA does not authorize, or limit liability for, an act that is otherwise prohibited by law, such as the unlawful access of material by unauthorized means.

4. **Former Employer Information**. I will not, during my employment (or consultancy) with or by the Company, improperly use or disclose any confidential information, proprietary information or trade secrets of any former or current employer or any other person or entity and that I will not bring onto the premises of the Company, or incorporate into my work for the Company, any unpublished document or confidential information, proprietary information or trade secret belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

5. **Inventions and Works Retained and Licensed**. I have attached hereto, as Exhibit A, a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were authored, created, conceived, reduced to practice or made by me, alone or jointly with others, prior to my employment (or consultancy) with or by the Company, which belong to me, which relate to the Company's business, products, or research and development (collectively referred to as "**Prior Works or Inventions**"), and which are not assigned to the Company hereunder, or, if no such list is attached, I represent that there are no such Prior Works or Inventions. If, in the course of my employment (or consultancy) with or by the

Company, I incorporate into a Company product, process or machine a Prior Work or Invention owned by me or in which I have an interest, the Company is hereby granted and shall have a nonexclusive, royalty-free, assignable, sublicensable, irrevocable, perpetual, worldwide license to make, have made, copy, distribute, modify, use, import, offer to sell and sell such Prior Work or Invention as part of or in connection with such product, process or machine.

6. **Ownership of Works**.

a. The Company owns all right, title and interest, including without limitation all trade secrets, patents and copyrights, in the following works that I create, make, conceive or reduce to practice, solely or jointly: (i) works that are created using the Company's facilities, supplies, information, trade secrets or time; (ii) works that relate directly or indirectly to or arise out of the actual or proposed business of the Company, including, without limitation the research and development activities of the Company; (iii) works that relate directly or indirectly to or arise out of any task assigned to me or work I perform for the Company and/or (iv) works that are based on Confidential Information (collectively "**Works**").

b. Because these Works will inevitably be based upon or somehow involve the Company's business, products, services or methodologies, I agree that the Works will belong to the Company even if I create, make, conceive or reduce them to practice on my own time, using my own equipment, on the Company's premises or elsewhere or after termination of my employment (or consultancy) with or by the Company. I will promptly provide full written disclosure to an officer of the Company of any Works I create, make, conceive or reduce to practice, solely or jointly. To the extent that the Works do not qualify as works made for hire under U.S. copyright law, I irrevocably assign to the Company the ownership of, and all rights of copyright in, the Works.

c. The Company will have the right to hold in its own name all rights in the Works, including without limitation all rights of copyright, trade secrets and trademark. I also waive all claims to moral rights in any Works. I acknowledge and agree that any and all patents, patent applications or other intellectual property rights relating to the Works are to be the exclusive property of the Company.

7. **Ownership of Inventions**.

a. I hereby irrevocably assign and agree to assign to the Company my entire right, title and interest in any idea, invention, modification, design, program code, software, documentation, formula, data, know how, technique, process, method, device, discovery, improvement, developments, or works of authorship, and all related patents, patent applications, copyrights and copyright applications, whether patentable or not, authored, created, made, conceived or reduced to practice, solely or jointly by me, whether or not during normal working hours or on my own time, whether or not using my own equipment, on the premises of the Company or elsewhere, or after termination of my employment (or consultancy) with or by the Company, that (i) is authored, created, made, conceived or reduced to practice using the Company's facilities, supplies, information, trade secrets or time; (ii) relates directly or indirectly to or arises out of the actual or proposed business, including without limitation the research and development activities, of the Company; (iii) relates directly or indirectly to or arises out of any

task assigned to me or work I perform for the Company and/or (iv) is based on Confidential Information (collectively "**Inventions**"), and all intellectual property rights therein. I will promptly make full written disclosure to an officer of the Company of any Inventions I create, make, conceive or reduce to practice, solely or jointly. I also waive all claims to moral rights in any Inventions. I acknowledge and agree that any and all patents, patent applications or other intellectual property rights relating to the Inventions are the exclusive property of the Company.

b. I agree to cooperate fully with the Company, both during and after my employment (or consultancy) with or by the Company, with respect to the procurement, maintenance and enforcement of copyrights, patents and other intellectual property rights (both in the United States and foreign countries) relating to Works and/or Inventions. I agree to execute and deliver all papers, including, without limitation, copyright applications, patent applications, declarations, oaths, formal assignments, assignments of priority rights, and powers of attorney, which the Company may deem necessary or desirable to protect its rights and interests in any Works and/or Inventions. I further agree that if the Company is unable, after reasonable effort, to secure my signature on any such papers, any executive officer of the Company shall be entitled to execute any such papers as my agent and attorney-in-fact, and I hereby irrevocably designate and appoint each officer of the Company as my agent and attorney-in-fact to execute any such papers on my behalf, and to take any and all actions as the Company may deem necessary or desirable to protect its rights and interests in any Works and/or Inventions, under the conditions described in this sentence.

c. I understand that the provisions of this Agreement requiring assignment of Inventions to the Company do not apply to any invention which qualifies fully under the provisions of California Labor Code Section 2870 (attached as Exhibit B). I will advise the Company promptly in writing of any inventions that I believe meet the criteria in California Labor Code Section 2870 and are not otherwise disclosed on Exhibit A and such disclosed inventions shall be received by the Company in confidence pursuant to Labor Code section 2871.

8. **Maintenance of Records**. I will keep and maintain adequate and current written records of all Works and Inventions made by me (solely or jointly with others) during the term of my employment (or consultancy) with or by the Company. The records will be in the form of notes, sketches, drawings, and any other format that may be specified by the Company. The records will be available to and remain the sole property of the Company at all times.

9. **Return of Confidential Information**. I will return to the Company all Confidential Information in my possession, custody or control immediately upon termination of my employment (or consultancy) with the Company, or earlier if the Company requests.

10. **Notification of New Employer**. If I leave the employ of the Company or cease to serve as a consultant to the Company, I hereby grant consent to notification by the Company to my new employer or any person or entity that engages my services as a consultant or otherwise about my rights and obligations under this Agreement.

11. **Non-Solicitation**. I acknowledge and agree that:

a. During my employment (or consultancy) and for one (1) year after termination of my employment (or consultancy) or engagement for any reason, I shall not, directly or indirectly solicit or recruit any employee of, or consultant to, the Company to work for a party other than the Company or engage in any activity that would cause any employee or consultant to violate any agreement with the Company.

b. During my employment (or consultancy), I shall not, directly or indirectly, solicit, divert or appropriate or attempt to solicit, divert or appropriate, for the purpose of competing with the Company, any customers, suppliers, licensees, licensors or other business partners of the Company, or any prospective customers suppliers, licensees, licensors or other business partners of the Company.

12. **Representations and Warranties**. I represent and warrant that (a) I am able to perform the duties of my position and that my ability to work for the Company is not limited or restricted by any agreements or understandings between me and other persons or companies; (b) I will not disclose to the Company, its employees, consultants, clients, partners or suppliers, or induce any of them to use or disclose, any confidential information or material belonging to others, except with the written permission of the owner of the information or material; and (c) any information, material or product I create or develop for, or any advice I provide to, the Company, its employees, consultants, clients, partners or suppliers, will not rely or be based on confidential information, proprietary information or trade secrets I obtained or derived from a source other than the Company. I agree to indemnify and hold the Company harmless from damages, claims, costs and expenses based on or arising from the breach of any agreement or understanding between me and another person or company or from my use or disclosure of any confidential information, proprietary information or trade secrets I obtained from sources other than the Company.

13. **Damages and Injunctive Relief**. I acknowledge and agree that:

a. My obligations under this Agreement have a unique and substantial value to the Company and I remain obligated even if I voluntarily or involuntarily leave the Company's employment (or consultancy). I understand that if I violate this Agreement during or after my employment (or consultancy) or engagement, the Company may be able to recover monetary damages from me and/or the other relief described below.

b. A violation or even a threatened violation of this Agreement is likely to result in irreparable harm to the Company and monetary damages alone would not completely compensate the Company for the harm. Accordingly, the Company may obtain an injunction prohibiting me from violating this Agreement, an order requiring me to render specific performance of the Agreement, and/or other appropriate equitable remedies, without the necessity of the Company obtaining a bond.

c. If a court determines that I have breached or attempted or threatened to breach this Agreement, I consent to the granting of an injunction restraining me from further breaches or attempted or threatened breaches of this Agreement, compelling me to comply with this Agreement, and/or prescribing other equitable remedies.

14. **At-Will Employment**. If I am an employee of the Company, (a) I understand that this Agreement does not create an obligation on the Company or any other person or entity to continue my employment; (b) I acknowledge that I am employed by the Company on an at- will basis and that either the Company or I may terminate my employment at any time and for any reason, and (c) while no written or oral commitments have been made to or by me to suggest other than at-will employment, I specifically acknowledge that this supersedes any prior representation or agreement to the contrary and that the at-will nature of my employment may not be amended, modified or waived except by a fully executed written agreement with the Company.

15. **Miscellaneous Provisions**.

a. *Applicability*. The provisions of this Agreement are applicable to Confidential Information, Works and Inventions disclosed, created, developed or proprietary before or after I sign this Agreement. I agree that if and to the extent that, during any period I was engaged by the Company to provide services prior to the date of this Agreement: (i) I received access to any information from or on behalf of the Company that would have been "Confidential Information" (as defined above) if I received access to such information during the period of my employment with Company under this Agreement; or (ii) I conceived, created, authored, invented, developed or reduced to practice any item, including any intellectual property rights with respect thereto, that would have been an "Invention" (as defined above) if conceived, created, authored, invented, developed or reduced to practice during the period of my employment with Company under this Agreement; then any such information shall be deemed "Confidential Information" hereunder and any such item shall be deemed an "Invention" hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.

b. *Notices*. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not during normal business hours of the recipient, then on the next business day; (iii) five (5) calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the other party to this Agreement at such party's address hereinafter set forth on the signature page hereof, or at such other address as such party may designate by ten (10) days' advance written notice to the other party hereto.

c. *Assignment*. Neither this Agreement nor any of my rights or obligations hereunder shall be assignable by me, and any assignment by me shall be null and void. The Company may assign this Agreement or any of its obligations hereunder to any subsidiary of the Company, or to any successor (whether by merger, purchase or otherwise) to all or substantially all of the equity, assets or business of the Company. This Agreement is intended to bind and inure to the benefit of and be enforceable by me and the Company and the Company's permitted successors and assigns.

d. *Governing Law; Venue*. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties agree that any action brought by either party to interpret or enforce any provision of this Agreement shall be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court in the county in which I last worked on a regular basis for the Company.

e. *Entire Agreement; Amendment.* This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each of the parties hereto. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

f. *Severability*. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

g. *Counterparts*. This Agreement may be executed in two 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, Uniform Electronic Transactions Act or other applicable law) 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.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

Signature: /s/ Anup Radhakrishnan
Name: Anup Radhakrishnan
Address: [****]
Date: 7/22/2022

SYNCOPATION LIFE SCIENCES, INC.

By: /s/ Gina Chapman
Name: Gina Chapman
Title: Chief Executive Officer
Date: 7/20/2022

SYNCOPATION LIFE SCIENCES, INC.
SIGNATURE PAGE TO CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

Exhibit 10.10

SYNCOPATION LIFE SCIENCES, INC.
628 MIDDLEFIELD ROAD
PALO ALTO, CA 94301

October 15, 2021

Shishir Gadam
[***]

Dear Shishir:

On behalf of Syncopation Life Sciences, Inc., a Delaware corporation (the "**Company**"), I am pleased to offer you employment with the Company. The purpose of this letter (the "**Agreement**") is to summarize the terms of your employment with the Company, should you accept our offer:

1. **Position and Duties**.

(a). Position and Term. You will be employed to serve on a full-time basis as Chief Technology Officer of the Company (CTO), effective as of 17 January 2022 or any other date mutually agreed upon between you and the Company (the "**Effective Date**").

(b). Duties and Responsibilities. As CTO, your principal duties will include, but are not limited to, helping to manage all manufacturing-related efforts of the Company and participating fully in all of the Company's undertakings related to CAR T development, whether internally or externally focused. You are expected to participate fully and collaboratively as a senior member of the management team of the Company, including participating in, among other things, matters relating to internal and external execution and strategy, investor and public relations, and the full range of responsibilities of a CTO. You will initially report to Abraham Bassan, President, and will work in coordination with the Company's Board of Directors (the "**Board**") to advance the Company's operational and strategic goals. Once a Chief Executive Officer of the Company (CEO) is hired, you will report to the CEO.

2. **Compensation and Related Matters**.

(a). Base Salary. Your base salary will be at an annual rate of $400,000, which will be paid per month in accordance with the Company's typical payroll schedule at a rate of $33,333.33 per pay period, subject to tax and other withholdings as required by law (the "**Base Salary**"). Such Base Salary shall be reviewed on an annual basis and the Company will determine, in its sole discretion, whether an upward adjustment to such compensation is warranted. Any upward adjustment shall be considered the new Base Salary for the purposes of this Agreement.

(b). Annual Bonus. You will be eligible to receive an annual cash bonus (the "**Bonus**"), based on your performance, with a target of up to 35% of your Base Salary, as determined in the sole discretion of the Company. The performance goals and criteria for the Bonus will be determined by the Board and the CEO or President of the Company with your input as part of the performance cycle. The Bonus may be prorated in the year of hire based on your period of employment during such year. Your Bonus, if earned, will be payable on or before March 15th following the calendar year in which the Bonus was measured. The Bonus will be earned for performance through the final day of the calendar year for which the Bonus applies, and you must be employed with the Company as of the last day of the year for which the Annual Bonus applies to be eligible to receive such payment.

(c). Signing Bonus. You will also receive a lump sum cash payment of $45,000 (subject to tax and other withholdings as required by law) payable in accordance with the Company's standard payroll practices within thirty (30) days of your Effective Date, a lump sum cash payment of $45,000 (subject to tax and other withholdings as required by law) payable in accordance with the Company's standard payroll practices within thirty (30) days of the 12-month anniversary of your Effective Date, and a lump sum cash payment of $70,000 (subject to tax and other withholdings as required by law) payable in accordance with the Company's standard payroll practices within thirty (30) days of the initiation of a registrational trial for the company's lead program, subject to your continued employment with the Company on each such payment date (the aggregate of such payments, the "**Signing Bonus**").

(d). Equity Grants. Subject to approval by the Board, as soon as practicable after the Effective Date, which such approval shall not be unreasonably withheld, you will be granted an award to purchase 400,000 shares of common stock of the Company (which is no less than approximately 1.57% of the Company's Fully-Diluted Capitalization assuming the completion of the first and second tranche closings contemplated in the Company's Series Seed Preferred Stock financing on the date of this Agreement) (the "**Restricted Shares**") pursuant to the terms and conditions of the Company's 2021 Stock Option and Grant Plan (as amended from time to time, the "**Plan**") and the applicable stock purchase agreement thereunder. The per share purchase price for the Restricted Shares shall be equal to the fair market value of a share of common stock of the Company on the date of grant as determined by the Company's then-current 409A valuation in effect. Upon the execution of the stock purchase agreement for the Restricted Shares and purchase thereof, you may file an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "**Code**"), for any unvested portion of the Restricted Shares, within 30 days after the transfer of such shares. As used herein, "**Fully-Diluted Capitalization**" means the Company's common stock outstanding (treating all directly or indirectly convertible or exercisable or exchangeable securities on an as-converted, as exercised, or as exchanged basis, as applicable), including all shares of Company's capital stock reserved and available for issuance under any equity incentive plan or similar arrangement. In addition, subject to approval by the Board, which approval shall not be unreasonably withheld, upon the completion of the Company's first preferred stock financing following completion of the last tranche of funding in the Company's Series Seed Preferred Stock financing, you will be granted such additional equity awards as necessary to ensure that your ownership represents no less than 1.1% of the Fully-Diluted Capitalization as of the initial closing of such preferred stock financing.

(i). The Restricted Shares will vest as follows: 25% will vest (and the Company's corresponding repurchase option shall lapse) on the first anniversary of the Effective Date and the remaining 75% will vest (and the Company's corresponding repurchase option shall lapse) monthly over the next 36 months, subject to your continued employment with the Company through each applicable vesting date such that the Restricted Shares will be fully vested (and shall no longer be subject to the Company's repurchase option) on the fourth anniversary of the Effective Date, subject to your continued employment with the Company through such date.

(e). PTO. Effective upon your Effective Date, you shall begin to accrue up to twenty (20) days of Paid Time Off ("**PTO**"), which includes sick and vacation time, subject to the terms of the Company's PTO policy. Any PTO not used in a given year will carry over into the following year; *provided, however,* that you will be allowed to accrue a PTO balance of no more than 1.5 times your annual PTO entitlement. Once this maximum is reached, all further accruals will cease, with accruals recommencing after you have taken PTO time and your accrued hours have dropped below the maximum.

(f). Employee Benefits. You shall be entitled to such other benefits, including the participation in the Company's health insurance, vision insurance and dental insurance under the Company's group health plan available to similarly situated employees in your position and for which you are eligible in accordance with any benefit plan or policy adopted by the Company during your employment. Your rights under any benefit policies or plans adopted by the Company shall be governed solely by the terms of such policies or plans. The Company reserves to itself or its designed administrator the exclusive authority and discretion to determine all issues of eligibility, interpretation and administration of each such benefit plan or policy. The Company or its designated administrator reserves the right to modify or terminate each benefit plan or program, and benefit plans or programs may be modified as required by the laws of the jurisdiction in which you reside.

(g). Work Location – Flexible Schedule. Your primary work location will be the Company's main office located in San Mateo; provided, that a flexible work arrangement including part-time remote work may be permitted in consultation with the CEO/President.

3. **Severance Benefits**. If the Company or you terminate your employment at any time as provided below, then you shall be entitled to receive severance benefits as follows:

(a). Resignation without Good Reason or Termination for Cause. If your employment with the Company terminates by reason of your voluntary resignation from the Company without Good Reason, or if you are terminated for Cause, then you shall not be entitled to receive severance or other benefits, other than (i) any Base Salary earned through the date of termination, unpaid expense reimbursements (subject to, and in accordance with, the Company's expense reimbursement policy, if any) and unused vacation that accrued through the date of termination on or before the time required by law and the Company's PTO policies; and (ii) any vested benefits you may have under any employee benefit plan of the Company through the date of termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "**Accrued Benefits**").

(b). Termination in Connection with a Sale Event. In the event your employment with the Company is terminated other than due to Cause, death or disability (the date of such termination, the "**Date of Termination**"), in either case within twelve (12) months after the effective date of a Sale Event (as defined in the Plan) (such period, the "**Corporate Transaction Period**"), subject to your execution and delivery of an effective and irrevocable Release (as defined below) within sixty (60) days of such Date of Termination, the following shall occur: the Company shall pay or provide to you: (i) any earned and unpaid Bonus for the prior year and your target Bonus for the year in which the termination occurs, (ii) 1x annual Base Salary, (iii) any unpaid portion of the Signing Bonus; and (iv) should you timely elect to continue health and dental insurance coverage following the Date of Termination in accordance with the provision of COBRA, the Company shall pay you a taxable monthly cash payment equal to the full monthly premium for such coverage for the period beginning on the Date of Termination and ending on the earlier to occur of (A) the date on which you obtain coverage under another health and dental insurance plan, (B) the end of your COBRA health continuation period, as required by law or (C) the date twelve months after the Date of Termination. You agree and represent that you will provide prompt written notice of the date on which you obtain coverage under another health and dental insurance plan following the Date of Termination; and (v) notwithstanding anything to the contrary in the Plan or any applicable option agreement or stock-based award agreement, (i) all outstanding stock options and other stock-based awards held by you at such time with time-based vesting (including, but not limited to, the Restricted Shares) will immediately accelerate (and shall be released from the Company's repurchase option) and become fully vested or nonforfeitable as of your Date of Termination, (ii) any outstanding stock options or other stock-based awards held by you with solely performance-based vesting shall be treated as specified in the applicable award agreement; and (iii) the time for exercising any options shall be extended until the earlier of (A) three (3) months following the Date of Termination or (B) the original expiration date applicable to such option. The amounts payable under Section 3(b)(i) – (iii) shall be paid out in a single lump sum within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the amounts shall be paid in the second calendar year by the last day of such 60-day period.

(c). Termination without Cause or Resignation for Good Reason. You understand that your employment will be "at will", which means that both you and the Company may terminate your employment at any time, for any reason with or without Cause or advanced notice; *provided, however,* you agree, if possible, to provide the Company with at least two (2) weeks' advance written notice of your intent to voluntarily resign from employment (other than for Good Reason). The Company may, in its sole discretion, waive the notice period upon your resignation of employment without Good Reason and your employment will immediately terminate at that time with no right to compensation (other than Accrued Benefits through the Date of Termination). In the event your employment is terminated by the Company other than due to Cause, death or disability or you resign from your employment with the Company for Good Reason, in either case other than during the Corporate Transaction Period, subject to your execution and delivery of an effective and irrevocable Release within sixty (60) days of such Date of Termination, the Company will: (1) continue to provide you with your then-current Base Salary for a period of nine (9) months following the Date of Termination, which shall be paid in accordance with the Company's normal payroll procedures; (2) accelerated vesting of all outstanding Company stock options and other stock-based awards held by you that would have vested within nine (9) months following the Date of Termination as if your employment with the Company had not terminated; (3) should you timely elect to continue health and dental insurance coverage following the Date of Termination in accordance with the provision of COBRA, the

Company shall pay you a taxable monthly cash payment equal to the full monthly premium for such coverage for the period beginning on the Date of Termination and ending on the earlier to occur of (A) the date on which you obtain coverage under another health and dental insurance plan, (B) the end of your COBRA health continuation period, as required by law or (C) the date nine months after the Date of Termination; (4) any earned and unpaid Bonus for the prior year; and (5) any unpaid portion of the Signing Bonus. The amounts payable under Sections 3(c)(4) and (5) shall be paid out in a single lump sum within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the amounts shall be paid in the second calendar year by the last day of such 60-day period.

Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).

Notwithstanding anything to the contrary herein, payment of the Severance Benefits set forth in 3(b) and 3(c) is subject to (i) your execution and non-revocation of a waiver and general release of claims related to your employment and separation from employment, and non-disparagement provision, substantially in the form attached hereto as Exhibit A ("***Release***") within sixty (60) days following the date of your termination of employment and (ii) your continued compliance in all material respects with your obligations under Section 4 of this Offer Letter (collectively, the "**Restrictive Covenants**"). The Release will not waive: (1) any rights to indemnification and/or contribution, advancement or payment of related expenses you may have pursuant to the Company's Bylaws or other organizing documents, under any written indemnification or other agreement between you and the Company, and/or under applicable law; and (2) any rights you may have to insurance coverage under any directors and officers liability insurance, other insurance policies of the Company, COBRA or any similar state law; (3) any claims for worker's compensation benefits, disability or unemployment insurance, or any other claims that cannot be released as a matter of applicable law; (4) your rights to any vested equity or vested benefits under any written agreement with the Company or Company benefit plan, subject to the terms and conditions of such plan and applicable law; and (5) any claims arising after the date you sign the Release. Subject to your execution, delivery and non-revocation of the Release and Sections 3(b) and (c), the Severance Benefits will commence being paid on the first payroll date after the effective date of the Release, with the first such installment to include and satisfy all installments that would have otherwise been made up to such date assuming for such purpose that the installments had commenced on the first payroll date following your termination of employment. In the event you fail to execute the Release in a timely manner so as to permit any revocation period to expire prior to the end of such sixty (60) day period (or you revoke acceptance of the Release following its execution) or your breach any of the Restrictive Covenants, you will not be entitled to receive any of the Severance Benefits, and you will be required to repay to the Company any previously paid Severance Benefits.

As used in this Agreement, "***Cause***" means any of the following, as determined in good faith by the Board: (a) your conviction of, or plea of guilty or *nolo contendere* with respect to, any (x) felony or (y) misdemeanor involving moral turpitude, fraud, misrepresentation, embezzlement or theft; (b) your willful act of misappropriation, embezzlement or fraud in the performance of your duties that is harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business

relationships of the Company or any of its affiliates); (c) your willful and continued refusal to perform your duties in any material respect that is not cured within thirty (30) days after receipt of specific written notice from the Board setting forth in detail the alleged refusal (if curable); (d) your willful misconduct or gross negligence in the performance of your duties and responsibilities to the Company that is, or could reasonably be expected to be, harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates); (e) your willful violation of any state or federal law relating to the workplace environment (including, without limitation, laws relating to sexual harassment or age, sex or other prohibited discrimination) or any Company policy related thereto; (f) your material breach of this Agreement (including your breach of any of the Restrictive Covenants), or any material Company policy that is not cured within thirty (30) days after receipt of specific written notice from the Board setting forth in detail the alleged breach (if curable); (g) your willfully engaging in any activity that is, or could reasonably be expected to be, harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates), that is not cured within thirty (30) days after receipt of specific written notice from the Board setting forth in detail the alleged harmful activity (if curable); or (h) your willful violation of any material law or regulation applicable to your work for the Company, that is not cured within thirty (30) after receipt of specific written notice from the Board setting forth in detail the alleged willful violation (if curable).

As used in this Agreement, "***Good Reason***" means any one or more of the following done without your consent: (i) a material diminution in your duties, authorities or responsibilities that is not commensurate with your position with the Company; (ii) a reduction in your Base Salary of more than five percent (5%), other than any such reduction that is consistent with reductions in base salary for all other senior executives of the Company (including, but not limited to, a reduction due to any economic downturn, market dislocation or volatility or other financial crisis); (iii) change in the primary business location of the Company at which you are required to perform your duties and responsibilities by more than thirty (30) miles; (iv) any directive given to you in conflict with your professional medical ethics or obligations or otherwise in violation of the law or regulation applicable to the Company's business; or (v) a material breach by the Company of this Agreement or any other written agreement between you and the Company; *provided, however,* that Good Reason shall not exist unless you provide the Company with written notice within ninety (90) days following initial existence of one or more of the conditions described in clauses (i) through (v), the Company fails to cure such event or condition, if curable, within thirty (30) days (the "***Cure Period***") following such written notice, and your employment terminates within thirty (30) days after expiration of the Company's applicable Cure Period.

4. **Restrictive Covenants**. You will be required to execute a Confidentiality and Proprietary Rights Agreement in the form attached as Exhibit B, as a condition of employment.

5. **Miscellaneous Provisions**.

You represent that other than as previously disclosed to the Company in writing, you are not bound by any employment contract, restrictive covenant or other restriction preventing (or that purports to prevent) you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this letter.

You agree to provide to the Company, within three (3) days of your hire date, documentation of your eligibility to work in the United States, as required by the Immigration Reform and Control Act of 1986. You may need to obtain a work visa in order to be eligible to work in the United States. If that is the case, your employment with the Company will be conditioned upon your obtaining a work visa in a timely manner as determined by the Company.

This Agreement shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at will, under which both you and the Company remain free to terminate the employment relationship, with or without cause, at any time, with or without notice subject to the Company's obligation to pay you severance benefits, if applicable. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at-will" nature of your employment may only be changed by a written agreement signed by you and the President of the Company or the CEO once hired, which expressly states the intention to modify the at-will nature of your employment.

In return for the compensation payments set forth in this Agreement, you agree to devote substantially all of your business time, reasonable best efforts, skill, knowledge, attention, and energies to the advancement of the Company's business and interests and to the performance of your duties and responsibilities as an employee of the Company and not to engage in any other business activities without prior approval from the Company, which shall not be unreasonably withheld. This paragraph shall not prevent you from engaging in professional, trade, charitable, civic or other activities provided they do not interfere with your duties to the Company, and are not a conflict of interest.

The Company may obtain background reports both pre-employment and from time to time during your employment with the Company, as necessary.

As an employee of the Company, you will be required to comply with all applicable Company policies and procedures. Violations of the Company's policies may lead to immediate termination of your employment. Further, the Company's premises, including all workspaces, furniture, documents, and other tangible materials, and all information technology resources of the Company (including computers, data and other electronic files, and all interne and email) are subject to oversight and inspection by the Company at any time. Company employees should have no expectation of privacy with regard to any Company premises, materials, resources, or information.

6. Indemnification. During the term of your employment and thereafter, the Company agrees that it shall indemnify you and provide you with Directors & Officers liability insurance coverage to the same extent that it indemnifies and/or provides such insurance coverage to other senior executive officers of the Company.

7. **Section 409A**. Notwithstanding anything else provided herein, to the extent any payments provided under this Agreement in connection with your termination of employment constitute deferred compensation as defined in Section 409A of the Code and the regulations thereunder ("***Section 409A***"), and you are deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six (6)-month period measured from your separation from service from the Company or (ii) the date of your death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to you including, without limitation, the additional tax for which you would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. The first payment thereof will include a catch-up payment covering the amount that would have otherwise been paid during the period between your termination of employment and the first payment date but for the application of this provision, and the balance of the installments (if any) will be payable in accordance with their original schedule. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A, the provision will be read in such a manner so that all payments hereunder comply with Section 409A. To the extent any payment under this offer letter may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this Agreement are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations. Any references to a Sale Event shall only constitute a change of control if they also satisfy the requirements of U.S. Treasury Regulation 1.409A-3(i)(5)(v) or (vii). Notwithstanding anything contained herein to the contrary, you shall not be considered to have terminated employment with the Company unless you would be considered to have incurred a "separation from service" from the Company within the meaning of U.S. Treasury Regulation §1.409A-1(h)(1)(ii).

This Agreement is your formal offer of employment and supersedes any and all prior or contemporaneous agreements, discussions and understandings, whether written or oral, relating to the subject matter of this letter or your employment with the Company. The resolution of any disputes under this letter will be governed by the laws of the State of California.

Very Truly Yours,

SYNCOPATION LIFE SCIENCES, INC.

By: /s/ Abraham Bassan
Name: Abraham Bassan
Title: President

The foregoing correctly sets forth the terms of my employment by Syncopation Life Sciences, Inc.

Date: 10/21/2021

/s/ Shishir Gadam
Name: Shishir Gadam

SYNCOPATION LIFE SCIENCES, INC.

CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

This Confidentiality and Proprietary Rights Agreement (this "**Agreement**") is made effective as of the earlier of the date this agreement is signed and the date of the undersigned employee's or consultant's first day of employment with or service as a consultant to (the "**Effective Date**") Syncopation Life Sciences, Inc., a Delaware corporation (the "**Company**").

In consideration for the Company employing or engaging me or continuing to employ or engage me, as the case may be, as an employee or consultant and my receipt of the compensation now and hereafter paid to me by the Company, I agree as follows:

1. **Definition of Confidential Information**. I acknowledge that I may be, or have been, furnished and/or have access to confidential, proprietary and/or trade secret information relating to the Company's past, present or future (a) products, processes, formulas, patterns, compositions, compounds, projects, specifications, know how, research data, clinical data, personnel data, compilations, programs, devices, methods, techniques, inventions, software, and improvements thereto; (b) research and development activities; (c) designs and technical data; (d) marketing and business development activities, including without limitation prospective or actual bids or proposals, pricing information and financial information; (e) customers or suppliers; and/or (f) other administrative, management, planning, financial, marketing, purchasing or manufacturing activities. All of this type of information, whether it belongs to the Company or was provided to the Company by a third party with the understanding that it be kept confidential, and any documents, storage media (whether electronic or physical), or other materials or items containing this type of information, are proprietary, confidential and/or trade secrets to the Company ("**Confidential Information**").

2. **Obligations**. I will protect the confidentiality of Confidential Information both during and after my employment (or consultancy) with or by the Company. In addition, I will not, at any time during the term of this Agreement or thereafter, (a) disclose or disseminate Confidential Information to any third party, including, without limitation, employees or consultants of the Company without a legitimate business need to know such Confidential Information; (b) remove Confidential Information from the Company's premises or make copies of Confidential Information, except as required to perform my job; or (c) use Confidential Information for my own benefit or for the benefit of any third party. I also agree to take all actions necessary to avoid unauthorized disclosure and otherwise to maintain the confidential, proprietary or trade secret nature of such Confidential Information. If I am not certain whether or not information is confidential, proprietary and/or a trade secret, I will treat that information as Confidential Information until I have verification from an officer of the Company that the information is not Confidential Information.

3. **Exceptions**. The obligations in Section 2 do not apply to any information that I can show by competent proof: (a) has become publicly known without (i) a breach of this Agreement by me or (ii) a third party's breach of an agreement to maintain the confidentiality of the information; (b) was disclosed by me as permitted by the policies and procedures of the Company, or (c) was developed or known by me, without any obligation to keep it confidential or any restriction on its use, prior to the Effective Date, and prior to the date any earlier confidentiality agreement of the Company was signed by me (or any earlier effective date of such agreement). Notwithstanding anything in this Agreement, I may disclose, without violating the terms of this Agreement, Confidential Information that I am specifically required by court order, subpoena or law to disclose, but I agree to disclose only that portion of Confidential Information that is legally required to be disclosed and further agree, to the extent permitted under applicable law, that prior to disclosure when compelled by applicable law, I shall provide prior written notice to the Company. I further understand and acknowledge that nothing in this Agreement or any other agreement or policy prohibits me from reporting possible violations of federal or state law or regulation to any governmental agency or entity or self-regulatory organization (including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General), cooperating with any such governmental agency or entity or self-regulatory organization in connection with any such possible violation, or making other disclosures or taking other actions (including, without limitation, receiving any whistleblower award provided for under such laws or regulations) that are protected under the whistleblower provisions of federal or state law or regulation (collectively "**Protected Activity**"), in each case without any notice to or authorization from the Company. I further understand that "Protected Activity" does not include the disclosure of any Company attorney-client privileged communications. As required by the Defend Trade Secrets Act of 2016 ("**DTSA**"), 18 U.S.C. § 1833(b), I acknowledge that I will not be held criminally liable or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made under circumstances described therein, including: (1) in confidence to a government official or an attorney for the sole purpose of reporting or investigating a suspected violation of law; (2) in a complaint or other document filed in a legal proceeding, so long as such document is filed under seal; or (3) should I file a lawsuit against the Company for purported retaliation for reporting a suspected violation of law, then to my attorney, or in that court proceeding, so long as any document I file containing the trade secret is filed under seal and I do not disclose the trade secret except pursuant to court order. Unless expressly provided, the DTSA does not authorize, or limit liability for, an act that is otherwise prohibited by law, such as the unlawful access of material by unauthorized means.

4. **Former Employer Information**. I will not, during my employment (or consultancy) with or by the Company, improperly use or disclose any confidential information, proprietary information or trade secrets of any former or current employer or any other person or entity and that I will not bring onto the premises of the Company, or incorporate into my work for the Company, any unpublished document or confidential information, proprietary information or trade secret belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

5. **Inventions and Works Retained and Licensed**. I have attached hereto, as Exhibit A, a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were authored, created, conceived, reduced to practice or made by me, alone or jointly with others, prior to my employment (or consultancy) with or by the Company, which belong to me, which relate to the Company's business, products, or research and development (collectively referred to as "**Prior Works or Inventions**"), and which are not assigned to the Company hereunder, or, if no such list is attached, I represent that there are no such Prior Works or Inventions. If, in the course of my employment (or consultancy) with or by the

Company, I incorporate into a Company product, process or machine a Prior Work or Invention owned by me or in which I have an interest, the Company is hereby granted and shall have a nonexclusive, royalty-free, assignable, sublicensable, irrevocable, perpetual, worldwide license to make, have made, copy, distribute, modify, use, import, offer to sell and sell such Prior Work or Invention as part of or in connection with such product, process or machine.

6. **Ownership of Works**.

a. The Company owns all right, title and interest, including without limitation all trade secrets, patents and copyrights, in the following works that I create, make, conceive or reduce to practice, solely or jointly during the term of my employment or consultancy with or by the Company: (i) works that are created using the Company's facilities, supplies, information, trade secrets or time; (ii) works that involve or arise out of the actual or proposed business of the Company, including, without limitation the research and development activities of the Company; (iii) works that involve or arise out of any task assigned to me or work I perform for the Company and/or (iv) works that are based on Confidential Information (collectively "**Works**").

b. Because these Works will inevitably be based upon or somehow involve the Company's business, products, services or methodologies, I agree that the Works will belong to the Company even if I create, make, conceive or reduce them to practice on my own time, using my own equipment, on the Company's premises or elsewhere. I will promptly provide full written disclosure to an officer of the Company of any Works I create, make, conceive or reduce to practice, solely or jointly. To the extent that the Works do not qualify as works made for hire under U.S. copyright law, I hereby irrevocably assign to the Company the ownership of, and all rights of copyright in, the Works.

c. The Company will have the right to hold in its own name all rights in the Works, including without limitation all rights of copyright, trade secrets and trademark. I also waive all claims to moral rights in any Works. I acknowledge and agree that any and all patents, patent applications or other intellectual property rights relating to the Works are to be the exclusive property of the Company.

7. **Ownership of Inventions**.

a. I hereby irrevocably assign and agree to assign to the Company my entire rights, title and interests in any idea, invention, modification, design, program code, software, documentation, formula, data, know how, technique, process, method, device, discovery, improvement, developments, or works of authorship, and all related patents, patent applications, copyrights and copyright applications, whether patentable or not, authored, created, made, conceived or reduced to practice during the term of my employment or consultancy with or by the Company, solely or jointly by me, whether or not during normal working hours or on my own time, whether or not using my own equipment, on the premises of the Company or elsewhere, that (i) is authored, created, made, conceived or reduced to practice using the Company's facilities, supplies, information, trade secrets or time; (ii) involves or arises out of the actual or proposed business, including without limitation the research and development activities, of the Company; (iii) involves or arises out of any task assigned to me or work I perform for the Company and/or (iv) is based on Confidential Information (collectively "**Inventions**"), and all intellectual property

rights therein. I will promptly make full written disclosure to an officer of the Company of any Inventions I create, make, conceive or reduce to practice, solely or jointly. I also waive all claims to moral rights in any Inventions. I acknowledge and agree that any and all patents, patent applications or other intellectual property rights relating to the Inventions are the exclusive property of the Company.

b. I agree to cooperate fully with the Company, both during and after my employment (or consultancy) with or by the Company, with respect to the procurement, maintenance and enforcement of copyrights, patents and other intellectual property rights (both in the United States and foreign countries) relating to Works and/or Inventions. I agree to execute and deliver all papers, including, without limitation, copyright applications, patent applications, declarations, oaths, formal assignments, assignments of priority rights, and powers of attorney, which the Company may deem necessary or desirable to protect its rights and interests in any Works and/or Inventions. I further agree that if the Company is unable, after reasonable effort, to secure my signature on any such papers, any executive officer of the Company shall be entitled to execute any such papers as my agent and attorney-in-fact, and I hereby irrevocably designate and appoint each officer of the Company as my agent and attorney-in-fact to execute any such papers on my behalf, and to take only those actions as the Company may deem necessary or desirable to protect its rights and interests in any Works and/or Inventions, under the conditions described in this sentence.

c. I understand that the provisions of this Agreement requiring assignment of Inventions to the Company do not apply to any invention which qualifies fully under the provisions of California Labor Code Section 2870 (attached as Exhibit B). I will advise the Company promptly in writing of any inventions that I believe meet the criteria in California Labor Code Section 2870 and are not otherwise disclosed on Exhibit A and such disclosed inventions shall be received by the Company in confidence pursuant to Labor Code section 2871.

8. **Maintenance of Records**. I will keep and maintain adequate and current written records of all Works and Inventions made by me (solely or jointly with others) during the term of my employment (or consultancy) with or by the Company. The records will be in the form of notes, sketches, drawings, and any other format that may be specified by the Company. The records will be available to and remain the sole property of the Company at all times.

9. **Return of Confidential Information**. I will return to the Company all Confidential Information in my possession, custody or control immediately upon termination of my employment (or consultancy) with the Company, or earlier if the Company requests.

10. **Notification of New Employer**. If I leave the employ of the Company or cease to serve as a consultant to the Company, I hereby grant consent to notification by the Company to my new employer or any person or entity that engages my services as a consultant or otherwise about my rights and obligations under this Agreement.

11. **Non-Solicitation**. I acknowledge and agree that:

a. During my employment (or consultancy) and for one (1) year after termination of my employment (or consultancy) or engagement for any reason, I shall not, directly or indirectly solicit or recruit any employee of, or consultant to, the Company to work for a party other than the Company or knowingly engage in any activity that would cause any employee or consultant to violate any agreement with the Company, provided I have actual knowledge of such agreement.

b. During my employment (or consultancy), I shall not, directly or indirectly, solicit, divert or appropriate, for the purpose of competing with the Company, any customers, suppliers, licensees, licensors or other business partners of the Company, or any prospective customers suppliers, licensees, licensors or other business partners of the Company.

12. **Representations and Warranties**. I represent and warrant that (a) except as already disclosed to the Company, I am able to perform the duties of my position and that my ability to work for the Company is not limited or restricted by any agreements or understandings between me and other persons or companies; (b) I will not disclose to the Company, its employees, consultants, clients, partners or suppliers, or induce any of them to use or disclose, any confidential information or material belonging to others, except with the written permission of the owner of the information or material; and (c) any information, material or product I create or develop for, or any advice I provide to, the Company, its employees, consultants, clients, partners or suppliers, will not rely or be based on confidential information, proprietary information or trade secrets I obtained or derived from a source other than the Company. I agree to indemnify and hold the Company harmless from damages, claims, costs and expenses based on or arising from the breach of any agreement or understanding between me and another person or company or from my use or disclosure of any confidential information, proprietary information or trade secrets I obtained from sources other than the Company.

13. **Damages and Injunctive Relief**. I acknowledge and agree that:

a. My obligations under this Agreement have a unique and substantial value to the Company and I remain obligated even if I voluntarily or involuntarily leave the Company's employment (or consultancy). I understand that if I violate this Agreement during or after my employment (or consultancy) or engagement, the Company may be able to recover monetary damages from me and/or the other relief described below.

b. A violation or even a threatened violation of this Agreement is likely to result in irreparable harm to the Company and monetary damages alone would not completely compensate the Company for the harm. Accordingly, the Company may obtain an injunction prohibiting me from violating this Agreement, an order requiring me to render specific performance of the Agreement, and/or other appropriate equitable remedies, without the necessity of the Company obtaining a bond.

14. **At-Will Employment**. If I am an employee of the Company, (a) I understand that this Agreement does not create an obligation on the Company or any other person or entity to continue my employment; (b) I acknowledge that I am employed by the Company on an at- will basis and that either the Company or I may terminate my employment at any time and for any reason, and (c) while no written or oral commitments have been made to or by me to suggest other than at-will employment, I specifically acknowledge that this supersedes any prior representation or agreement to the contrary and that the at-will nature of my employment may not be amended, modified or waived except by a fully executed written agreement with the Company.

15. **Miscellaneous Provisions**.

a. *Applicability*. The provisions of this Agreement are applicable to Confidential Information, Works and Inventions disclosed, created, developed or proprietary before or after I sign this Agreement. I agree that if and to the extent that, during any period I was engaged by the Company to provide services prior to the date of this Agreement: (i) I received access to any information from or on behalf of the Company that would have been "Confidential Information" (as defined above) if I received access to such information during the period of my employment with Company under this Agreement; or (ii) I conceived, created, authored, invented, developed or reduced to practice any item, including any intellectual property rights with respect thereto, that would have been an "Invention" (as defined above) if conceived, created, authored, invented, developed or reduced to practice during the period of my employment with Company under this Agreement; then any such information shall be deemed "Confidential Information" hereunder and any such item shall be deemed an "Invention" hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.

b. *Notices*. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not during normal business hours of the recipient, then on the next business day; (iii) five (5) calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the other party to this Agreement at such party's address hereinafter set forth on the signature page hereof, or at such other address as such party may designate by ten (10) days' advance written notice to the other party hereto.

c. *Assignment*. Neither this Agreement nor any of my rights or obligations hereunder shall be assignable by me, and any assignment by me shall be null and void. The Company may assign this Agreement or any of its obligations hereunder to any subsidiary of the Company, or to any successor (whether by merger, purchase or otherwise) to all or substantially all of the equity, assets or business of the Company. This Agreement is intended to bind and inure to the benefit of and be enforceable by me and the Company and the Company's permitted successors and assigns.

d. *Governing Law; Venue*. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties agree that any action brought by either party to interpret or enforce any provision of this Agreement shall be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court in the county in which I last worked on a regular basis for the Company.

e. *Entire Agreement; Amendment*. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each of the parties hereto. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

f. *Severability*. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

g. *Counterparts*. This Agreement may be executed in two 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, Uniform Electronic Transactions Act or other applicable law) 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.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

Signature: /s/ Shishir Gadam
Name: Shishir Gadam
Address: [****]
Date: 10/21/2021

SYNCOPATION LIFE SCIENCES, INC.

By: /s/ Abraham Bassan
Name: Abraham Bassan
Title: President
Date: 10/24/2021

SYNCOPATION LIFE SCIENCES, INC.
SIGNATURE PAGE TO CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

FORM OF INDEMNIFICATION AND ADVANCEMENT AGREEMENT

This Indemnification and Advancement Agreement ("**Agreement**") is made as of _____ __, 20__ by and between CARGO Therapeutics, Inc., a Delaware corporation (the "**Company**"), and _____, [a member of the Board of Directors/an officer/an employee/an agent] of the Company ("**Indemnitee**"). This Agreement supersedes and replaces any and all previous agreements between the Company and Indemnitee covering indemnification and advancement of expenses.

RECITALS

WHEREAS, the Board of Directors of the Company (the "**Board**") believes that highly competent persons have become more reluctant to serve publicly-held corporations as directors, officers, or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification and advancement of expenses against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Board has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers, and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself. The Bylaws and Certificate of Incorporation of the Company as now or hereafter in effect require indemnification of the officers and directors of the Company. Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (the "**DGCL**"). The Bylaws, the Certificate of Incorporation, and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of its board of directors, officers, and other persons with respect to indemnification and advancement of expenses;

WHEREAS, the uncertainties relating to such insurance, to indemnification, and to advancement of expenses may increase the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to, and in furtherance of, the Bylaws, the Certificate of Incorporation and any resolutions adopted pursuant thereto, as well as any rights of Indemnitee under any directors' and officers' liability insurance policy, and is not a substitute therefor, and does not diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, Indemnitee does not regard the protection available under the Bylaws, the Certificate of Incorporation, DGCL and available insurance as adequate in the present circumstances, and may not be willing to serve or continue to serve as [a/an] [officer/director/employee/agent] without adequate additional protection, and the Company desires Indemnitee to serve or continue to serve in such capacity. Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that Indemnitee be so indemnified and be advanced expenses.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to serve as [a/an] [director/officer/employee/agent] of the Company. Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by operation of law). This Agreement does not create any obligation on the Company to continue Indemnitee in such position and is not an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnitee.

Section 2. Definitions. As used in this Agreement:

(a) "**Agent**" means any person who is authorized by the Company or an Enterprise to act for or represent the interests of the Company or an Enterprise, respectively.

(b) A "**Change in Control**" occurs upon the earliest to occur after the date of this Agreement of any of the following events:

i. Acquisition of Stock by Third Party. Any Person (as defined below) is or becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company representing fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities unless the change in relative beneficial ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors;

ii. Change in Board of Directors. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 2(b)(i), 2(b)(iii) or 2(b)(iv) of this Agreement) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

iii. Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity;

iv. Liquidation. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; and

v. Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act (as defined below), whether or not the Company is then subject to such reporting requirement.

vi. For purposes of this Section 2(b), the following terms have the following meanings:

1 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time.

2 "**Person**" has the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person excludes (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

3 "**Beneficial Owner**" has the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner excludes any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

(c) "**Corporate Status**" describes the status of a person who is or was acting as a director, officer, employee, fiduciary, or Agent of the Company or an Enterprise.

(d) "**Disinterested Director**" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) "**Enterprise**" means any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other entity for which Indemnitee is or was serving at the request of the Company as a director, officer, employee, or Agent.

(f) "**Expenses**" includes all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts and other professionals, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent, and (ii) for purposes of Section 14(d) of this Agreement only, Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement, by litigation or otherwise. The parties agree that for the purposes of any advancement of Expenses for which Indemnitee has made written demand to the Company in accordance with this Agreement, all Expenses included in such demand that are certified by affidavit of Indemnitee's counsel as being reasonable in the good faith judgment of such counsel will be presumed conclusively to be reasonable. Expenses, however, do not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(g) "**Independent Counsel**" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements) or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" does not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(h) "**Potential Change in Control**" means the occurrence of any of the following events: (i) the Company enters into any written or oral agreement, undertaking or arrangement, the consummation of which would result in the occurrence of a Change in Control; (ii) any Person or the Company publicly announces an intention to take or consider taking actions which if consummated would constitute a Change in Control; (iii) any Person who becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 5% or more of the combined voting power of the Company's then outstanding securities entitled to vote generally in the election of directors increases his beneficial ownership of such securities by 5% or more over the percentage so owned by such Person on the date hereof; or (iv) the Board adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.

(i) "**Proceeding**" includes any threatened, pending or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative, legislative, regulatory, or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is, or will be involved as a party, potential party, non-party witness, or otherwise by reason of Indemnitee's Corporate Status or by reason of any action taken by Indemnitee (or a failure to take action by Indemnitee) or of any action (or failure to act) on Indemnitee's part while acting pursuant to Indemnitee's Corporate Status, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement, or advancement of Expenses can be provided under this Agreement. A Proceeding also includes a situation the Indemnitee believes in good faith may lead to, or culminate in, the institution of a Proceeding.

Section 3. Indemnity in Third-Party Proceedings. The Company will indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, the Company will indemnify Indemnitee to the fullest extent permitted by applicable law against all Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines and amounts paid in settlement) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal Proceeding had no reasonable cause to believe that Indemnitee's conduct was unlawful.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company will indemnify Indemnitee in accordance with the provisions of this Section 4 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, the Company will indemnify Indemnitee to the fullest extent permitted by applicable law against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. The Company will not indemnify Indemnitee for Expenses under this Section 4 related to any claim, issue or matter in a Proceeding for which Indemnitee has been finally adjudged by a court to be liable to the Company, unless, and only to the extent that, the Court of Chancery for the state of Delaware (the "Delaware Court") or any court in which the Proceeding was brought determines upon application by Indemnitee that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement, to the fullest extent permitted by applicable law, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection with any Proceeding to the extent that Indemnitee is successful, on the merits or otherwise. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues, or matters in such Proceeding, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law. For purposes of this Section 5 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, will be deemed to be a successful result as to such claim, issue or matter.

Section 6. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement and to the fullest extent permitted by applicable law, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any Proceeding to which Indemnitee is not a party but to which Indemnitee is a witness, deponent, interviewee, or otherwise asked to participate or provide information.

Section 7. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Expenses, but not, however, for the total amount thereof, the Company will indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

Section 8. Additional Indemnification. Notwithstanding any limitation in Sections 3, 4, or 5 of this Agreement, the Company will indemnify Indemnitee to the fullest extent permitted by applicable law (including but not limited to, the DGCL and any amendments to or replacements of the DGCL adopted after the date of this Agreement that expand the Company's ability to indemnify its officers, directors, employees, or Agents) if Indemnitee is a party to or threatened to be made a party to any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor).

Section 9. Exclusions. Notwithstanding any provision in this Agreement, the Company is not obligated under this Agreement to make any indemnification payment to Indemnitee in connection with any Proceeding:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except to the extent provided in Section 16(b) of the Exchange Act (as defined in Section 2(b) hereof) and except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision eligible for;

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law, (ii) any reimbursement of the Company by the Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act), or (iii) any reimbursement of the Company by Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act; or

(c) any Proceeding initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Proceeding or part of any Proceeding is to enforce Indemnitee's rights to indemnification or advancement, of Expenses, including a Proceeding (or any part of any Proceeding) initiated pursuant to Section 14 of this Agreement, (ii) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation or (iii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

Section 10. Advances of Expenses.

(a) The Company will advance, to the extent not prohibited by law, the Expenses incurred by Indemnitee in connection with any Proceeding (or any part of any Proceeding) not initiated by Indemnitee or any Proceeding (or any part of any Proceeding) initiated by Indemnitee if (i) the Proceeding or part of any Proceeding is to enforce Indemnitee's rights to obtain indemnification or advancement of Expenses from the Company or Enterprise, including a proceeding initiated pursuant to Section 14 or (ii) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation. The Company will advance the Expenses within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding eligible for advancement of expenses.

(b) Advances will be unsecured and interest free. Indemnitee undertakes to repay the amounts advanced (without interest) to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company, thus Indemnitee qualifies for advances upon the execution of this Agreement and delivery to the Company. No other form of undertaking is required other than the execution of this Agreement. The Company will make advances without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement.

Section 11. Procedure for Notification of Claim for Indemnification or Advancement.

(a) Indemnitee will notify the Company in writing of any Proceeding with respect to which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of written notice thereof. Indemnitee will include in the written notification to the Company a description of the nature of the Proceeding and the facts underlying the Proceeding and provide such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of such Proceeding. Indemnitee's failure to notify the Company will not relieve the Company from any obligation it may have to Indemnitee under this Agreement, and any delay in so notifying the Company will not constitute a waiver by Indemnitee of any rights under this Agreement. The Secretary of the Company will, promptly upon receipt of such a request for indemnification or advancement, advise the Board in writing that Indemnitee has requested indemnification or advancement.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

Section 12. Procedure Upon Application for Indemnification.

(a) Unless a Change of Control has occurred, the determination of Indemnitee's entitlement to indemnification will be made:

i. by a majority vote of the Disinterested Directors, even though less than a quorum of the Board;

ii. by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum of the Board;

iii. if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by written opinion provided by Independent Counsel selected by the Board; or

iv. if so directed by the Board, by the stockholders of the Company.

(b) If a Change in Control has occurred, the determination of Indemnitee's entitlement to indemnification will be made by written opinion provided by Independent Counsel selected by Indemnitee (unless Indemnitee requests such selection be made by the Board).

(c) The party selecting Independent Counsel pursuant to subsection (a)(iii) or (b) of this Section 12 will provide written notice of the selection to the other party. The notified party may, within ten (10) days after receiving written notice of the selection of Independent Counsel, deliver to the selecting party a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection will set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected will act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court has determined that such objection is without merit. If, within thirty (30) days after the later of (i) submission by Indemnitee of a written request for indemnification pursuant to Section 11(a) of this Agreement and (ii) the final disposition of the Proceeding, Independent Counsel has not been

selected or, if selected, any objection to such selection has not been resolved, either the Company or Indemnitee may petition the Delaware Court for the appointment as Independent Counsel of a person selected by such court or by such other person as such court designates. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 14(a) of this Agreement, Independent Counsel will be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(d) Indemnitee will cooperate with the person, persons or entity making the determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. The Company will advance and pay any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making the indemnification determination irrespective of the determination as to Indemnitee's entitlement to indemnification and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom. The Company promptly will advise Indemnitee in writing of the determination that Indemnitee is or is not entitled to indemnification, including a description of any reason or basis for which indemnification has been denied and providing a copy of any written opinion provided to the Board by Independent Counsel.

(e) If it is determined that Indemnitee is entitled to indemnification, the Company will make payment to Indemnitee within thirty (30) days after such determination.

Section 13. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification under this Agreement, the person, persons, or entity making such determination will, to the fullest extent not prohibited by law, presume Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 11(a) of this Agreement, and the Company will, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption. Neither the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper under the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, will be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) If the determination of the Indemnitee's entitlement to indemnification has not been made pursuant to Section 12 of this Agreement within sixty (60) days after the later of (i) receipt by the Company of Indemnitee's request for indemnification pursuant to Section 11(a) of this Agreement and (ii) the final disposition of the Proceeding for which Indemnitee requested Indemnification (the "**Determination Period**"), the requisite determination of entitlement to indemnification will, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee will be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not

materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law. The Determination Period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, the Determination Period may be extended an additional fifteen (15) days if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 12(a)(iv) of this Agreement.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, will not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee will be deemed to have acted in good faith if Indemnitee acted based on the records or books of account of the Company, its subsidiaries, or an Enterprise, including financial statements, or on information supplied to Indemnitee by the directors or officers of the Company, its subsidiaries, or an Enterprise in the course of their duties, or on the advice of legal counsel for the Company, its subsidiaries, or an Enterprise or on information or records given or reports made to the Company or an Enterprise by an independent certified public accountant or by an appraiser, financial advisor or other expert selected with reasonable care by or on behalf of the Company, its subsidiaries, or an Enterprise. Further, Indemnitee will be deemed to have acted in a manner "not opposed to the best interests of the Company," as referred to in this Agreement if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan. The provisions of this Section 13(d) is not exclusive and does not limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(e) The knowledge and/or actions, or failure to act, of any other person affiliated with the Company or an Enterprise (including, but not limited to, a director, officer, trustee, partner, managing member, Agent or employee) may not be imputed to Indemnitee for purposes of determining Indemnitee's right to indemnification under this Agreement.

Section 14. Remedies of Indemnitee.

(a) Indemnitee may commence litigation against the Company in the Delaware Court to obtain indemnification or advancement of Expenses provided by this Agreement in the event that (i) a determination is made pursuant to Section 12 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) the Company does not advance Expenses pursuant to Section 10 of this Agreement, (iii) the determination of entitlement to indemnification is not made pursuant to Section 12 of this Agreement within the Determination Period, (iv) the Company does not indemnify Indemnitee pursuant to Section 5 or 6 or the second to last sentence

of Section 12(d) of this Agreement within thirty (30) days after receipt by the Company of a written request therefor, (v) the Company does not indemnify Indemnitee pursuant to Section 3, 4, 7, or 8 of this Agreement within thirty (30) days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder. Alternatively, Indemnitee, at Indemnitee's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee must commence such Proceeding seeking an adjudication or an award in arbitration within one hundred eighty (180) days following the date on which Indemnitee first has the right to commence such Proceeding pursuant to this Section 14(a); provided, however, that the foregoing clause does not apply in respect of a Proceeding brought by Indemnitee to enforce Indemnitee's rights under Section 5 of this Agreement. The Company will not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) If a determination is made pursuant to Section 12 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 14 will be conducted in all respects as a *de novo* trial, or arbitration, on the merits and Indemnitee may not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 14 the Company will have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be and will not introduce evidence of the determination made pursuant to Section 12 of this Agreement.

(c) If a determination is made pursuant to Section 12 of this Agreement that Indemnitee is entitled to indemnification, the Company will be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 14 unless (i) a misstatement by Indemnitee is made of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with Indemnitees' request for indemnification, or (ii) the Company is prohibited from indemnifying Indemnitee under applicable law.

(d) The Company is, to the fullest extent not prohibited by law, precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 14 that the procedures and presumptions of this Agreement are not valid, binding, or enforceable and will stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) It is the intent of the Company that, to the fullest extent permitted by law, the Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee under this Agreement. The Company, to the fullest extent permitted by law, will (within thirty (30) days after receipt by the Company of a written request therefor) advance to Indemnitee such Expenses which are incurred by Indemnitee in

connection with a Proceeding concerning this Agreement, Indemnitee's other rights to indemnification or advancement of Expenses from the Company, or concerning any directors' and officers' liability insurance policies maintained by the Company, and will indemnify Indemnitee against any and all such Expenses unless the court determines that each of the Indemnitee's claims in such Proceeding were made in bad faith or frivolous, or that the Company is prohibited by law from indemnifying Indemnitee for such Expenses.

Section 15. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The indemnification and advancement of Expenses provided by this Agreement are not exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, the Bylaws, any agreement, a vote of stockholders or a resolution of the board of directors, or otherwise. The indemnification and advancement of Expenses provided by this Agreement may not be limited or restricted by any amendment, alteration or repeal of this Agreement in any way with respect to any action taken or omitted by Indemnitee in Indemnitee's Corporate Status occurring prior to any amendment, alteration or repeal of this Agreement. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Bylaws, Certificate of Incorporation, or this Agreement, it is the intent of the parties hereto that Indemnitee enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy is cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, will not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Company hereby acknowledges that Indemnitee may have certain rights to indemnification, advancement of Expenses and/or insurance provided by one or more Persons with whom or which Indemnitee may be associated [(including, without limitation, [Fund] and certain of its affiliates, collectively, the "Fund Indemnitors")].

i. The Company hereby acknowledges and agrees:

1) the Company is the indemnitor of first resort with respect to any request for indemnification or advancement of Expenses made pursuant to this Agreement concerning any Proceeding arising from or related to Indemnitee's Corporate Status with the Company;

2) the Company is primarily liable for all indemnification or advancement of Expenses obligations for any Proceeding arising from or related to Indemnitee's Corporate Status, whether created by law, organizational or constituent documents, contract (including this Agreement) or otherwise;

3) any obligation of any other Persons with whom or which Indemnitee may be associated [(including, without limitation, any Fund Indemnitor)] to indemnify Indemnitee and/or advance Expenses to Indemnitee in respect of any proceeding are secondary to the Company's obligations;

4) the Company will indemnify Indemnitee and advance Expenses to Indemnitee hereunder to the fullest extent provided herein without regard to any rights Indemnitee may have against any other Person with whom or which Indemnitee may be associated [(including any Fund Indemnitor)] or an insurer of any such Person; and

ii. the Company irrevocably waives, relinquishes and releases [(A)] any other Person with whom or which Indemnitee may be associated [(including, without limitation, any Fund Indemnitor)] from any claim of contribution, subrogation, reimbursement, exoneration or indemnification, or any other recovery of any kind in respect of amounts paid by the Company to Indemnitee pursuant to this Agreement [and (B) any right to participate in any claim or remedy of Indemnitee against any Fund Indemnitor (or former Fund Indemnitor)], whether or not such claim, remedy or right arises in equity or under contract, statute or common law[, including, without limitation, the right to take or receive from any Fund Indemnitor (or former Fund Indemnitor), directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right].

iii. In the event any other Person with whom or which Indemnitee may be associated [(including, without limitation, any Fund Indemnitor)] or their insurers advances or extinguishes any liability or loss for Indemnitee, the payor has a right of subrogation against the Company or its insurers for all amounts so paid which would otherwise be payable by the Company or its insurers under this Agreement. In no event will payment by any other Person with whom or which Indemnitee may be associated [(including, without limitation, any Fund Indemnitor)] or their insurers affect the obligations of the Company hereunder or shift primary liability for the Company's obligation to indemnify or advance of Expenses to any other Person with whom or which Indemnitee may be associated [(including, without limitation, any Fund Indemnitor)].

iv. Any indemnification or advancement of Expenses provided by any other Person with whom or which Indemnitee may be associated [(including, without limitation, any Fund Indemnitor)] is specifically in excess over the Company's obligation to indemnify and advance Expenses or any valid and collectible insurance (including but not limited to any malpractice insurance or professional errors and omissions insurance) provided by the Company.

(c) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or Agents of the Enterprise, the Company will obtain a policy or policies covering Indemnitee to the maximum extent of the coverage available for any such director, officer, employee or Agent under such policy or policies, including coverage in the event the Company does not or cannot, for any reason, indemnify or advance Expenses to Indemnitee as required by this Agreement. If, at the time of the receipt of a notice of a claim pursuant to this Agreement, the Company has director and officer liability insurance in effect, the Company will give prompt notice of such claim or of the commencement of a Proceeding, as the case may be, to the insurers in accordance with the procedures set forth in the respective policies. The Company will thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies. Indemnitee agrees to assist the Company's efforts to cause the insurers to pay such amounts and will comply with the terms of such policies, including selection of approved panel counsel, if required.

(d) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee for any Proceeding concerning Indemnitee's Corporate Status with an Enterprise will be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such Enterprise. The Company and Indemnitee intend that any such Enterprise (and its insurers) be the indemnitor of first resort with respect to indemnification and advancement of Expenses for any Proceeding related to or arising from Indemnitee's Corporate Status with such Enterprise. The Company's obligation to indemnify and advance Expenses to Indemnitee is secondary to the obligations the Enterprise or its insurers owe to Indemnitee. Indemnitee agrees to take all reasonably necessary and desirable action to obtain from an Enterprise indemnification and advancement of Expenses for any Proceeding related to or arising from Indemnitee's Corporate Status with such Enterprise.

(e) In the event of any payment made by the Company under this Agreement, the Company will be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee from any Enterprise or insurance carrier. Indemnitee will execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 16. Duration of Agreement. This Agreement continues until and terminates upon the later of: (a) ten (10) years after the date that Indemnitee ceases to serve as a [director /officer/employee] of the Company or (b) one (1) year after the final termination of any Proceeding then pending in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any Proceeding commenced by Indemnitee pursuant to Section 14 of this Agreement relating thereto. The indemnification and advancement of Expenses rights provided by or granted pursuant to this Agreement are (i) binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), (ii) continue as to an Indemnitee who has ceased to be a director, officer, employee or Agent of the Company or of any other Enterprise, and (iii) inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

Section 17. Severability. If any provision or provisions of this Agreement is held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) will not in any way be affected or impaired thereby and will remain enforceable to the fullest extent permitted by law; (b) such provision or provisions will be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) will be construed so as to give effect to the intent manifested thereby.

Section 18. Interpretation. Any ambiguity in the terms of this Agreement will be resolved in favor of Indemnitee and in a manner to provide the maximum indemnification and advancement of Expenses permitted by law. The Company and Indemnitee intend that this Agreement provide to the fullest extent permitted by law for indemnification and advancement of Expenses in excess of that expressly provided, without limitation, by the Certificate of Incorporation, the Bylaws, vote of the Company's stockholders or disinterested directors, or applicable law.

Section 19. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director, officer, employee, or Agent of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving or continuing to serve as a director, officer, employee, or Agent of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, the Bylaws, any directors' and officers' insurance maintained by the Company, and applicable law, is not a substitute therefor, and does not diminish or abrogate any rights of Indemnitee thereunder.

Section 20. Modification and Waiver. No supplement, modification or amendment of this Agreement is binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement will be deemed to constitute a waiver of any other provision of this Agreement nor will any waiver constitute a continuing waiver.

Section 21. Notice by Indemnitee. Indemnitee agrees to promptly notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The failure of Indemnitee to so notify the Company does not relieve the Company of any obligation which it may have to the Indemnitee under this Agreement or otherwise.

Section 22. Notices. All notices, requests, demands and other communications under this Agreement will be in writing and will be deemed to have been duly given if (a) delivered by hand to the other party, (b) sent by reputable overnight courier to the other party or (c) sent by facsimile transmission or electronic mail, with receipt of oral confirmation that such communication has been received:

(a) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee provides to the Company.

(b) If to the Company to:

Name: CARGO Therapeutics, Inc.
Address: 1900 Alameda De Las Pulgas, Suite 350
San Mateo, California 94403
Attention: [__]
Email: [__]

or to any other address as may have been furnished to Indemnitee by the Company.

Section 23. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, will contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and Agents) and Indemnitee in connection with such event(s) and/or transaction(s).

Section 24. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties are governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 14(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or Proceeding arising out of or in connection with this Agreement may be brought only in the Delaware Court and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or Proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or Proceeding in the Delaware Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or Proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 25. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which will for all purposes be deemed to be an original but all of which together constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 26. Headings. The headings of this Agreement are inserted for convenience only and do not constitute part of this Agreement or affect the construction thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

CARGO THERAPEUTICS, INC.

By: _____
Name:
Office:

INDEMNITEE

_____
Name:
Address: _____

_____

_____

[*Signature Page to Indemnification Agreement*]

SUBLEASE

THIS SUBLEASE (this "Sublease") is dated for reference purposes as of November 4, 2021, and is made by and between BigHat Biosciences, Inc., a Delaware corporation ("Sublessor"), and Syncopation Life Sciences, Inc., a Delaware corporation ("Sublessee"). Sublessor and Sublessee hereby agree as follows:

1. Recitals: This Sublease is made with reference to the fact that BP3-SF6 1900 ADLP LLC, as landlord ("Master Lessor"), and Sublessor, as tenant, entered into that certain lease, dated as of September 3, 2021 (the "Master Lease"), with respect to premises consisting of approximately 31,117 rentable square feet of space (the "Premises") located on the third floor of the building whose address is 1900 Alameda de las Pulgas, San Mateo, California (the "Building"). A copy of the Master Lease is attached hereto as Exhibit A.

2. Premises: Sublessor hereby subleases to Sublessee, and Sublessee hereby subleases from Sublessor, a portion of the Premises consisting of approximately 15,400 rentable square feet of space (hereinafter, the "Subleased Premises"). The Subleased Premises are more particularly described on Exhibit B attached hereto. In connection with its use of the Subleased Premises, Sublessee shall also have the non-exclusive right to use, subject to Sublessor's reasonable rules and regulations, the shared outdoor deck area, bathrooms and hallway on the third floor (the "Shared Areas"), and, subject to Master Lessor's rules and regulations, the shared glasswash and autoclave and all other amenities of the Building, including, but not limited to, the gym. Sublessee shall have no right to enter, and shall prevent its employees, agents, contractors, licensees and invitees from entering, portions of the Premises other than the Subleased Premises and Shared Areas. Sublessee shall use commercially reasonable efforts to prevent its agents, employees or contractors from discovering or otherwise coming into contact with confidential information of the Sublessor, and Sublessor shall use commercially reasonable efforts to prevent its agents, employees or contractors from discovering or otherwise coming into contact with confidential information of the Sublessee. If, despite such efforts, any such confidential information is discovered by the other, the discovering party shall promptly inform the other of such discovery, and shall hold, and use reasonable efforts to cause its employees, agents, contractors, invitees and licensees to hold, such information confidential.

3. Term:

A. Term. The term (the "Term") of this Sublease shall be for the period commencing on the later of November 1, 2021 and the date that Master Lessor consents to this Sublease (the "Commencement Date") and expiring upon the date which is three years after the Commencement Date (the "Expiration Date"), unless this Sublease is sooner terminated pursuant to its terms or the Master Lease sooner expires pursuant to its terms.

B. Right of First Offer to Extend. If (i) Sublessee is not then and has not been in default under any of the terms of this Sublease and (ii) Sublessee has not Transferred this Sublease or any of the Subleased Premises or agreed to do so in the future (other than pursuant to Section 14.7 of the Master Lease incorporated herein), Sublessee shall have one (1) conditional option (the "Extension Option") to extend the Term with respect to the entirety of the Subleased Premises for an additional period of one (1) year commencing when the initial Term expires (the "Extension Period"), solely in accordance with the terms of this section, and subject to the following conditions: (a) the Extension Option shall be exercised, if at all, by written notice of exercise delivered to Sublessor by Sublessee not less than nine (9) months nor more than twelve (12) months prior to the expiration of the initial Term; (b) Sublessor shall have the right, within fifteen (15) business days after receipt of such notice, to deliver written notice to Sublessee that it has determined to use the space for Sublessor's needs (which include for use by it or its partners, affiliates, or other entities with whom Sublessor has a business relationship), in which case the option exercise shall

be void and this Sublease shall expire at the expiration of the initial Term; (c) if Sublessor does not void Sublessee's exercise of the option, Sublessee shall accept the Subleased Premises on an "AS-IS" basis; and (d) the extension shall be on the same terms and conditions as this Sublease, except as to the amount of Base Rent and that there shall be no further Extension Options. If this Extension Option is properly exercised and not voided or terminated as set forth above, the Term shall be extended for the term of the Extension Period upon all of the terms and conditions of this Sublease, except that there shall be no further Extension Options and the Base Rent for the Subleased Premises during the Extension Period shall be 103.5% of the last month's Base Rent for the initial Term.

C. Early Possession. To the extent permitted under the Master Lease and so long as such access does not interfere with Sublessor's performance of the Demising Work in the Premises, Sublessor shall permit Sublessee to enter the Subleased Premises promptly following the date that Master Lessor consents to this Sublease solely for the purpose of preparing the Subleased Premises for occupancy and not for the purpose of conducting business therein. Such occupancy shall be subject to all of the provisions of this Sublease, except for the obligation to pay Base Rent, Operating Expenses, Tax Expenses or Utilities Costs (as defined below); and (ii) shall not advance the Expiration Date of this Sublease.

4. Rent:

A.Base Rent. Sublessee shall pay to Sublessor as base rent for the Subleased Premises for each month during the Term the following amounts per month ("Base Rent"):

Months	Monthly Base Rent
1 - 12	$ 103,950.00
13 - 24	$ 107,588.25
25 - Expiration Date	$ 111,353.84

Base Rent and Additional Rent, as defined in Paragraph 4.B below, shall be paid on or before the first (1st) day of each month. Base Rent and Additional Rent for any period during the Term hereof which is for less than one (1) month of the Term shall be a pro rata portion of the monthly installment based on the number of days in such month. If an increase in Base Rent becomes effective on a date other than the first day of a calendar month, the Base Rent for that month shall be the sum of the two applicable rates, each prorated for the portion of the month during which the rate is in effect. Base Rent and Additional Rent shall be payable without notice or demand and without any deduction, offset, or abatement, in lawful money of the United States of America. Base Rent and Additional Rent shall be paid directly to Sublessor by ACH pursuant to instructions provided by Sublessor or at the Premises, Attention: Accounting, or such other address as may be designated in writing by Sublessor.

B. Additional Rent. All monies other than Base Rent required to be paid by Sublessor under the Master Lease as to the Subleased Premises, including, without limitation, any amounts payable by Sublessor to Master Lessor as "Operating Expenses", "Tax Expenses" and "Utilities Costs" (as defined in Section 4.2 of the Master Lease), shall be paid by Sublessee hereunder as and when such amounts are due under the Master Lease, as incorporated herein. Sublessee shall also pay to Sublessor any gross receipts or rent tax payable with respect to this Sublease and all costs directly incurred by or at the request of Sublessee, and Sublessor's reasonable expenses reasonably allocable to the Subleased Premises, in maintaining the systems serving the Premises and the Subleased Premises in common and providing utility service to the Premises and Subleased Premises in common to the extent not included in Operating

Expenses (excluding any capital improvements or expenditures except to the extent amortized over their useful lives as reasonably determined by Sublessor). All such amounts shall be deemed additional rent ("Additional Rent"). Base Rent and Additional Rent hereinafter collectively shall be referred to as "Rent". Notwithstanding anything to the contrary in the Sublease, (i) Sublessee shall not be required to pay any Rent or perform any obligation that is required as a result of a default by Sublessor of any of its obligations under the Master Lease (except to the extent such default was due to the negligence, willful misconduct or violation of this Sublease by Sublessee) or the misuse, negligence or willful misconduct of or by Sublessor or its agents, contractors or invitees or the violation of law by Sublessor, in each case not caused by Sublessee, and (ii) Sublessee shall not be required to pay any cost to construct the Tenant Improvements (or any other improvements constructed by or for Sublessor), the Additional Allowance or the Amortization Rent under the Master Lease or Hazardous Materials brought onto the Premises, Building or Project by Sublessor.

C. Payment of First Month's Rent. Upon execution hereof by Sublessee, Sublessee shall pay to Sublessor the sum of One Hundred Three Thousand Nine Hundred Fifty Dollars ($103,950) which shall constitute Base Rent for the first month of the Term.

5. Security Deposit: Upon execution hereof by Sublessee, Sublessee shall deposit with Sublessor the sum of Two Hundred Twenty-Two Thousand Seven Hundred Seven and 68/100 Dollars ($222,707.68) (the "Security Deposit"), in cash, as security for the performance by Sublessee of the terms and conditions of this Sublease. If Sublessee fails to pay Rent or other charges due hereunder or otherwise defaults with respect to any provision of this Sublease, then Sublessor may draw upon, use, apply or retain all or any portion of the Security Deposit for the payment of any Rent or other charge in default, for the payment of any other sum which Sublessor has become obligated to pay by reason of Sublessee's default, or to compensate Sublessor for any loss or damage which Sublessor has suffered thereby, including future rent damages under California Civil Code Section 1951.2, without prejudice to any other remedy provided herein or by law. Sublessee hereby waives the provisions of any law, now or hereafter in force, including, without limitation, California Civil Code Section 1950.7, that provides that Sublessor may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of Rent, to repair damage caused by Sublessee, or to clean the Subleased Premises, it being agreed that Sublessor, in addition, may claim those sums reasonably necessary to compensate Sublessor for any other loss or damage, foreseeable or unforeseeable, caused by the act or omission of Sublessee, including future rent damages following the termination of this Sublease. If Sublessor so uses or applies all or any portion of the Security Deposit, then Sublessee, within ten (10) days after demand therefor, shall deposit cash with Sublessor in the amount required to restore the Security Deposit to the full amount stated above. Upon the expiration of this Sublease, Sublessor shall return to Sublessee so much of the Security Deposit as has not been applied by Sublessor pursuant to this paragraph, or which is not otherwise required to cure Sublessee's defaults.

6. Holdover: In the event that Sublessee does not surrender the Subleased Premises by the expiration of this Sublease in accordance with the terms of this Sublease, Sublessee shall indemnify, defend, protect and hold harmless Sublessor from and against all loss and liability resulting from Sublessee's delay in surrendering the Subleased Premises and pay Sublessor holdover rent as provided in Article 16 of the Master Lease, as incorporated herein.

7. Repairs: Sublessor shall, at its cost, install a wall to demise the Subleased Premises as shown on Exhibit B hereto (the "Demising Work"). Sublessor shall perform the Demising Work in a good and workmanlike manner. Except as set forth in this paragraph above, the parties acknowledge and agree that Sublessee is subleasing the Subleased Premises on an "as is" basis, and that Sublessor has made no representations or warranties with respect to the condition of the Subleased Premises. Except as set forth in this paragraph above, Sublessor shall have no obligation whatsoever to make or pay the cost of any alterations, improvements or repairs to the Subleased Premises, including, without limitation, any

improvement or repair required to comply with any law. Master Lessor shall be solely responsible for performance of any repairs required to be performed by Master Lessor under the terms of the Master Lease. Sublessor shall, however, use Sublessor's reasonable efforts (without requiring Sublessor to spend more than a nominal sum) to obtain Master Lessor's performance following Sublessee's written request. Except to the extent located within and exclusively serving the Subleased Premises, Sublessor shall repair and maintain in good condition and working order the systems to the extent serving both the Premises and the Subleased Premises in common (except for obligations of the Master Lessor under the Master Lease).

8. Assignment and Subletting: Sublessee may not assign this Sublease, sublet the Subleased Premises, transfer any interest of Sublessee therein or permit any use of the Subleased Premises by another party (collectively, "Transfer"), without the prior written consent of Sublessor and Master Lessor (to the extent required under the Master Lease); provided, however, Sublessor's consent is not required for an assignment or subletting as described in clauses (i) through (v) of Section 14.7 of the Master Lease, with references therein to "Tenant" to mean "Sublessee". Any Transfer shall be subject to the terms of Article 14 of the Master Lease.

9. Use: Sublessee may use the Subleased Premises only for the uses identified in Section 5.1 of the Master Lease. Sublessee shall not use, store, transport or dispose of any hazardous material in or about the Subleased Premises, except as expressly permitted by the Master Lease, as incorporated herein, and pursuant to the terms of the Master Lease, as incorporated herein, and the requirements of all applicable laws. For such purpose, references to Hazardous Materials List shall be deemed a reference to the list attached hereto as Exhibit C as the same may be updated by Sublessee from time to time as permitted in Section 5.2.3 of the Master Lease.

10. Delivery and Acceptance: Sublessor shall deliver the Subleased Premises to Subtenant upon the date that Master Lessor consents to this Sublease. By taking possession of the Subleased Premises, Sublessee conclusively shall be deemed to have accepted the Subleased Premises in their as-is, then-existing condition, without any warranty whatsoever of Sublessor with respect thereto. For the avoidance of doubt, the Subleased Premises shall be deemed delivered when Sublessor vacates the Subleased Premises and provides Sublessee keys or other means of access thereto.

11. Improvements: No alterations or improvements shall be made to the Subleased Premises, except in accordance with the Master Lease, and with the prior written consent of both Master Lessor and Sublessor.

12. Insurance: Sublessee shall obtain and keep in full force and effect, at Sublessee's sole cost and expense, during the Term the insurance required under Section 10.3 of the Master Lease. Sublessee shall name Master Lessor and Sublessor as additional insureds under its liability insurance policy. The release and waiver of subrogation set forth in Section 10.4 of the Master Lease, as incorporated herein, shall be binding on the parties.

13. Default: Sublessee shall be in default under this Sublease upon the occurrence of any of the events set forth in Section 19.1 of the Master Lease, as incorporated herein. In the event of any default by Sublessee beyond any applicable notice and cure period, Sublessor shall have all remedies provided pursuant to Section 19.2 of the Master Lease and by applicable law, including damages that include the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the lessee proves could be reasonably avoided, and the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations).

14. Surrender: Prior to expiration of this Sublease, Sublessee shall remove all of its trade fixtures and shall surrender the Subleased Premises to Sublessor in the condition required under Article 15 of the Master Lease, as incorporated herein. If the Subleased Premises are not so surrendered, then Sublessee shall be liable to Sublessor for all liabilities Sublessor incurs as a result thereof, including costs incurred by Sublessor in returning the Subleased Premises to the required condition, plus interest thereon at the Interest Rate. Notwithstanding the foregoing, in no event shall Sublessee be required to remove or restore the Demising Work or any other alterations or improvements existing in the Subleased Premises as of the Commencement Date or otherwise not constructed by Sublessee or its agents, employees, contractors, invitees or licensees.

15. Broker: Sublessor and Sublessee each represents to the other that it has dealt with no real estate brokers, finders, agents or salesmen other than Jones Lang LaSalle Brokerage, Inc., representing Sublessee and Sublessor, in connection with this transaction. Each party agrees to hold the other party harmless from and against all claims for brokerage commissions, finder's fees or other compensation made by any other agent, broker, salesman or finder as a consequence of such party's actions or dealings with such agent, broker, salesman, or finder.

16. Notices: Unless at least five (5) days' prior written notice is given in the manner set forth in this paragraph, the address of each party for all purposes connected with this Sublease shall be that address set forth below its signature at the end of this Sublease. All notices, demands or communications in connection with this Sublease shall be (a) personally delivered; or (b) properly addressed and (i) submitted to an overnight courier service, charges prepaid, or (ii) deposited in the mail (certified, return receipt requested, and postage prepaid). Notices shall be deemed delivered upon receipt, if personally delivered, one (1) business day after being submitted to an overnight courier service and three (3) business days after mailing, if mailed as set forth above. All notices given to Master Lessor under the Master Lease shall be considered received only when delivered in accordance with the Master Lease.

17. Miscellaneous: This Sublease may be executed in any number of counterparts, by each of which shall be deemed to be an original, and all of such counterparts shall constitute one document. To facilitate execution of this Sublease, the parties may execute and exchange, by electronic mail PDF, counterparts of the signature pages. Signature pages may be detached from the counterparts and attached to a single copy of this Sublease to physically form one document. In addition, the parties hereto consent and agree that this Sublease may be signed using electronic signature technology (e.g., via DocuSign or similar electronic signature technology), and that such signed electronic record shall be valid and as effective to bind the party so signing as a paper copy bearing such party's handwritten signature. Sublessor has not had an inspection of the Premises performed by a Certified Access Specialist as described in California Civil Code § 1938. A Certified Access Specialist (CASp) can inspect the Subleased Premises and determine whether the Subleased Premises complies with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Subleased Premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the Subleased Premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Subleased Premises. Capitalized terms used but not defined in this Sublease shall have the meanings ascribed to such terms in the Master Lease.

18. Other Sublease Terms:

A. Incorporation by Reference. Except as set forth below, the terms and conditions of this Sublease shall include all of the terms of the Master Lease and such terms are incorporated into this Sublease as if fully set forth herein, except that: (i) each reference in such incorporated sections to "Lease" shall be deemed a reference to "Sublease"; (ii) each reference to the "Premises" and "Lease Term" shall be deemed a reference to the "Subleased Premises" and the "Term" of this Sublease, respectively; (iii) each reference to "Landlord" and "Tenant" shall be deemed a reference to "Sublessor" and "Sublessee", respectively, except as otherwise expressly set forth herein; (iv) each reference to "Base Rent" and "Additional Rent" shall mean the Base Rent and Additional Rent payable under this Sublease, respectively; (v) the terms "Tenant's Share" shall mean the Tenant's Share designated by Master Lessor under the Master Lease, adjusted to reflect that the Subleased Premises are only 49.49% of the Premises and 13.59% of the Building, subject to any adjustments of the square footage of the Premises, Subleased Premises or the Building; (vi) the number of parking spaces in Section 12 of the Summary of Basic Lease Information (as referenced in Article 23 of the Master Lease) shall be 39; (vii) with respect to work, services, repairs, restoration, insurance, indemnities, representations, warranties or the performance of any other obligation of Master Lessor under the Master Lease, the sole obligation of Sublessor shall be to request the same in writing from Master Lessor as and when requested to do so by Sublessee, and to use Sublessor's reasonable efforts (without requiring Sublessor to spend more than a nominal sum) to obtain Master Lessor's performance; (viii) with respect to any obligation of Sublessee to be performed under this Sublease, wherever the Master Lease grants to Sublessor a specified number of days to perform its obligations under the Master Lease, except as otherwise provided herein, Sublessee shall have three (3) fewer days to perform the obligation, including, without limitation, curing any defaults (provided if Sublessor has five (5) days or fewer, such period shall be shortened by only one (1) day); (ix) with respect to any approval required to be obtained from the "Landlord" under the Master Lease, such consent must be obtained from both Master Lessor and Sublessor, and the approval of Sublessor may be withheld if Master Lessor's consent is not obtained; (x) in any case where the "Landlord" reserves or is granted the right to manage, supervise, control, repair, alter, regulate the use of, enter or use the Premises or any areas beneath, above or adjacent thereto, perform any actions or cure any failures, such reservation or right shall be deemed to be for the benefit of both Master Lessor and Sublessor; (xi) in any case where "Tenant" is to indemnify, release or waive claims against "Landlord", such indemnity, release or waiver shall be deemed to cover, and run from Sublessee to, both Master Lessor and Sublessor; (xii) in any case where "Tenant" is to execute and/or deliver certain documents or notices to "Landlord", such obligation shall be deemed to run from Sublessee to both Master Lessor and Sublessor; (xiii) all payments shall be made to Sublessor; (xiv) Sublessee shall pay all consent and review fees set forth in the Master Lease to each of Master Lessor and Sublessor (with respect to a further subsubleasing of the Subleased Premises, an assignment of the Sublease by Sublessee or alterations constructed by Sublessee and other actions under the Master Lease by Sublessee as to which consent or review fees are payable); (xv) Sublessee shall not have the right to terminate this Sublease due to casualty or condemnation unless Sublessor has such right under the Master Lease; (xvi) in Section 14.3 of the Master Lease, Sublessee shall pay Sublessor the entire Transfer Premium payable to Master Lessor under the Master Lease, plus fifty percent (50%) of any remaining Transfer Premium; (xvii) Sublessor's obligations under Section 4.3 of the Master Lease are limited to forwarding statements and refunds provided by Master Lessor, and upon Sublessee's written request and at Sublessee's sole cost, Sublessor shall exercise its rights under Section 4.6 of the Master Lease and, to the extent permitted under the Master Lease, shall share the results of such inspection with Sublessee; (xviii) Sublessor makes no representations regarding the measurement method or the measurement of the Premises, Building or Project, and neither Sublessor nor Sublessee shall have any right of remeasurement; (xix) any tenant rights that are expressly limited to the named Sublessor under the Master Lease are excluded from this Sublease; (xx) all references to the Tenant Work Letter and Tenant Improvements shall be deleted; and (xxi) Sublessee may use only the portion of the hazardous material control area described in Section 5.2.10 and beginning January 1, 2022, the Hazardous Materials Storage Area (on the first floor) described in Section 5.2.11(ii) consisting of its proportionate share thereof (and in connection therewith, Sublessee shall at their cost be entitled to install a fence or cage to separate Sublessee's portion that is within the prorationate share) and shall only have the right to use one (1) General Storage Area described in Section 5.2.11(i). Under no circumstances shall rent abate under this Sublease except to the extent that rent correspondingly abates under the Master Lease as

to the Subleased Premises. For clarification purposes, Sublessor at its sole cost shall be responsible for any Transfer Premium, if any, payable under the Master Lease for the subleasing of the Subleased Premises to Sublessee hereunder, and Sublessor shall pay all consent and review fees set forth in the Master Lease in connection with this Sublease.

Notwithstanding the foregoing, the following provisions of the Master Lease shall not be incorporated herein: Summary of Basic Lease Information (except reference to "Building"), Preamble, Sections 1.1.1 (except the last sentence), 1.1.3 (the last three sentences), 1.2 (the first sentence), 1.3 (the first sentence) and 1.5 (the last two sentences), Articles 2 and 3, Sections 4.1 (first clause of the first sentence and the second sentence only), 4.3.2 (the last sentence), 4.6, 8.1 (the second sentence), 14.4 (the reference to 60%), and 14.7, Articles 18 (the first sentence after the semicolon and the last sentence) and 20, Sections 24.8 (except Section 24.8.1 (after the first sentence), 24.8.4, 24.8.6 (other than the fourth sentence)), 24.19, 24.25, 24.28, and 24.32 (first sentence), Exhibits A, B, E and F and Rider. In addition, notwithstanding subpart (iii) above, (a) references in the following provisions to "Landlord" shall mean Master Lessor only: Sections 1.1.3, 1.2, 1.4.1, 1.5, 4.2.3, 4.2.5, 4.2.7, 4.3.4, 5.2.9, 5.3.2 (the first sentence), 6.1, 6.2(ii), 6.3 (last sentence), 6.5 (before "provided, that"), 6.8, 6.9, 7.1 (the first clause of the first sentence), 7.2 (the first two sentences) and 8.4 (the first, third and fourth instance in the penultimate sentence), Articles 11, 12, 21 (except the last sentence) and 23, Sections 24.5 (except the last two sentences), 24.14, 24.30 (except the first sentence) 24.35.2; and (b) references in the following provisions to "Landlord" shall mean Master Lessor and Sublessor: Sections 5.2.5, 5.3.5, 6.6, 9 (the last sentence), 10.3.7 and 24.7.

B. Assumption of Obligations. This Sublease is and at all times shall be subject and subordinate to the Master Lease and the rights of Master Lessor thereunder. Sublessee hereby expressly assumes and agrees: (i) to comply with all provisions of the Master Lease which are incorporated hereunder; and (ii) to perform all the obligations on the part of the "Tenant" to be performed under the terms of the Master Lease during the Term of this Sublease that are incorporated hereunder. In the event the Master Lease is terminated for any reason whatsoever, this Sublease shall terminate simultaneously with such termination (unless Master Lessor or a successor tenant agrees to permit Sublessee to continue to occupy the Subleased Premises on the terms of this Sublease for the remainder of the Term), without any liability of Sublessor to Sublessee. Notwithstanding the foregoing, Sublessor shall not, without Sublessee's prior written consent, terminate the Master Lease (except as set forth in Paragraph 20 below or if Master Lessor or a successor tenant agrees to allow Sublessee to continue to occupy the Subleased Premises for the remaining Term on the terms of this Sublease), or amend or waive any provisions of the Master Lease or make any elections, exercise any right or remedy or give any consent or approval under the Master Lease in each case that would adversely affect Sublessee's use or occupancy of the Subleased Premises or increase Sublessee's liability hereunder. In the event of a conflict between the provisions of this Sublease and the Master Lease, as between Sublessor and Sublessee, the provisions of this Sublease shall control. In the event of a conflict between the express provisions of this Sublease and the provisions of the Master Lease, as incorporated herein, the express provisions of this Sublease shall prevail.

19. Conditions Precedent: This Sublease and Sublessor's and Sublessee's obligations hereunder are conditioned upon the written consent of Master Lessor. Unless waived by Sublessee (which waiver shall be deemed to have been made upon Sublessee's and Sublessor's execution of Master Lessor's consent form), such consent shall provide that (i) Sublessee shall be permitted to use the Hazardous Materials specifically listed on the Hazardous Materials List attached hereto as Exhibit C (as the same may be updated from time to time as permitted in Section 5.2.3 of the Master Lease), (ii) the terms of Section 10.4 of the Master Lease (Mutual Waiver of Subrogation) shall also apply as between Master Lessor and Sublessee, (iii) the terms of Section 14.7 of the Master Lease shall also apply to Sublessee such that an assignment or subletting of the Subleased Premises to an Affiliate of Sublessee or in connection with any deemed Transfer due to a transfer of shares or membership interests of Sublessee under Section 14.6 of the

Master Lease shall not be deemed a Transfer under the Master Lease so long as the conditions set forth in Section 14.7 of the Master Lease are satisfied, (iv) Sublessee shall have the signage rights described in Paragraph 21 of this Sublease, (v) Master Lessor agrees that Syncopation Life Sciences is not an "Objectionable Name", and (vi) Master Lessor approves of the installation by Sublessee of a security system serving the Sublease Premises (including, without limitation, the option to integrate the same with the base Building access control and visitor management systems) subject to Master Lessor's reasonable approval of the design and specifications thereof. Each party shall use commercially reasonable efforts to obtain such consent. If Sublessor fails to obtain Master Lessor's consent within thirty (30) days after execution of this Sublease by Sublessor, then Sublessor or Sublessee may terminate this Sublease by giving the other party written notice thereof prior to the date such consent is received, and Sublessor shall return to Sublessee its payment of the first month's Rent paid by Sublessee pursuant to Paragraph 4 hereof and the Security Deposit.

20. Termination; Recapture: Notwithstanding anything to the contrary herein, Sublessee acknowledges that, under the Master Lease, both Master Lessor and Sublessor have certain termination and recapture rights, including, without limitation, in Sections 11.2, 11.4, 12 and 14.4. Nothing herein shall prohibit Master Lessor or Sublessor from exercising any such rights and neither Master Lessor nor Sublessor shall have any liability to Sublessee as a result thereof. In the event Master Lessor or Sublessor exercise any such termination or recapture rights, this Sublease shall terminate without any liability to Master Lessor or Sublessor.

21. Parking and Signage: Sublessee shall have the right to park in thirty-nine (39) of the parking spaces in the on-site parking lot that serves the Building available to Sublessor as provided in Article 23 of the Master Lease, as incorporated herein. Sublessee shall have no right to install signage without the prior written consent of Sublessor and Master Lessor, and any such signs installed by or for Sublessee shall be removed by Sublessee at the expiration or earlier termination of this Sublease. Notwithstanding the foregoing, subject to Master Lessor's and Sublessor's consent as to the specifications thereof, Sublessee shall be entitled to place Building standard signage with Sublessee's name and logo on the entry door to the Subleased Premises and in the elevator lobby, and Sublessee shall also be entitled to signage in the lobby directory of the Building consistent with other tenants in the Building. Sublessor agrees that Syncopation Life Sciences is not an "Objectionable Name".

22. Sublessor Representations: Sublessor represents and warrants that (a) the Master Lease is in full force and effect, and there exists under the Master Lease no default beyond applicable notice and cure periods by either Sublessor, or to Sublessor's knowledge, Master Lessor, nor, to Sublessor's knowledge, has there occurred any event which, with the giving of notice or passage of time or both, could constitute such a default, and (b) the copy of the Master Lease attached hereto as Exhibit A is a true, correct and complete copy of the Master Lease.

23. Access: Sublessee shall have access to the Subleased Premises twenty-four (24) hours a day, seven (7) days a week to the extent Sublessor is permitted such access under the Master Lease to the Premises.

24. Security System: Sublessee shall have the right to install its own security system serving the Subleased Premises (including, without limitation, the option to integrate the same with the base Building access control and visitor management systems) subject to the approval of Sublessor and Master Lessor of the design and specifications thereof.

25. Wall Removal: Subject to Master Lessor's consent thereto, Sublessee shall have the right to remove the wall identified on Exhibit D to this Sublease. Sublessee shall not be required to remove or restore the same upon the expiration or earlier termination of the Sublease unless restoration of such wall is required by Master Lessor.

26. Furniture: Promptly following the Commencement Date, Sublessor shall, at Sublessor's cost, order the following furniture and cause the same to be installed in the Subleased Premises: 36 workstations (the "Furniture"). The Furniture shall be consistent with the furniture procured by Sublessor in the remainder of the Premises. Sublessee shall pay to Sublessor as Additional Rent within thirty (30) days of invoice fifty (50%) of the cost incurred by Sublessor to purchase and install the Furniture including the cost to add electric feeds to the workstations (which electrical costs Sublessor understands to be $5,000-$10,000). Sublessee shall have the right to use during the Term following installation thereof, the Furniture at no additional cost. The Furniture is provided in its "AS IS, WHERE IS" condition, without representation or warranty whatsoever. Sublessee shall insure the Furniture under the property insurance policy required under the Master Lease, as incorporated herein, and pay all taxes with respect to the Furniture. Sublessee shall maintain the Furniture in good condition and repair, reasonable wear and tear excepted, and shall be responsible for any loss or damage to the same occurring during the Term. Sublessee shall surrender the Furniture to Sublessor upon the termination of this Sublease in the same condition as exists as of the date the Furniture is installed, reasonable wear and tear excepted. Sublessee shall not remove any of the Furniture from the Subleased Premises.

IN WITNESS WHEREOF, the parties have executed this Sublease as of the day and year first above written.

SUBLESSOR:

BIGHAT BIOSCIENCES, INC.,
a Delaware corporation

By: /s/ Mark DePristo
Name: Mark DePristo
Its: CEO

Address: 1900 Alameda de las Pulgas
Suite 300
San Mateo, CA 94403
Attn: Business Operations

SUBLESSEE:

SYNCOPATION LIFE SCIENCES, INC.,
a Delaware corporation

By: /s/ Abraham Bassan
Name: Abraham Bassan
Its: President

Address: 1900 Alameda de las Pulgas
Suite 350
San Mateo, CA 94403
Attn: Chief Operating Officer

GENESIS 1900 ALAMEDA

LEASE

BP3-SF6 1900 ADLP LLC,
a Delaware limited liability company,

as Landlord,

and

BIGHAT BIOSCIENCES, INC.,
a Delaware corporation,

as Tenant

SUMMARY OF BASIC LEASE INFORMATION

This Summary of Basic Lease Information ("**Summary**") is hereby incorporated into and made a part of the attached Lease. Each reference in the Lease to any term of this Summary shall have the meaning as set forth in this Summary for such term. In the event of a conflict between the terms of this Summary and the Lease, the terms of the Lease shall prevail. Any capitalized terms used herein and not otherwise defined herein shall have the meaning as set forth in the Lease.

TERMS OF LEASE (References are to the Lease)		**DESCRIPTION**
1.	Date:	September 3 , 2021
2.	Landlord:	BP3-SF6 1900 ADLP LLC a Delaware limited liability company
3.	Address of Landlord (Section 24.19):	For notices to Landlord: BP3-SF6 1900 ADLP LLC 4380 La Jolla Village Drive, Suite 230 San Diego, CA 92122 Attention: W. Neil Fox, CEO with a copy to: Allen Matkins Leck Gamble Mallory & Natsis LLP 600 West Broadway, 27th Floor San Diego, CA 92101 Attention: Martin L. Togni, Esq. For payment of Rent only: BP3-SF6 1900 ADLP LLC PO Box 515756 Los Angeles, CA 90051-5156
4.	Tenant:	BIGHAT BIOSCIENCES, INC. a Delaware corporation
5.	Address of Tenant (Section 24.19):	733 Industrial Road San Carlos, California 94070 Attention: Business Operations (Prior to Lease Commencement Date) and 1900 Alameda de las Pulgas, Suite 300 San Mateo, CA 94403 Attention: Business Operations (After Lease Commencement Date)

TERMS OF LEASE
(References are to the Lease) **DESCRIPTION**

6. Premises (Article 1):

6.1 Premises: 31,117 rentable square feet of space located on the third (3rd) floor of the Building (as defined below), as depicted on **Exhibit A** attached hereto.

6.2 Building: The Premises are located in the building whose address is 1900 Alameda de las Pulgas, San Mateo, California 94403 (the "**Building**").

7. Term (Article 2):

7.1 Lease Term: Eight (8) years and two (2) months.

7.2 Lease Commencement Date: October 1, 2021.

7.3 Lease Expiration Date: November 30, 2029.

8. Base Rent (Article 3):

Months of Lease Term	Annual Base Rent	Monthly Installment of Base Rent*	Monthly Rental Rate per Rentable Square Foot**
10/01/21 09/30/22***	$2,464,466.40	$205,372.20	$6.60
10/01/22 09/30/23	$2,550,722.76	$212,560.23	$6.83
10/01/23 09/30/24	$2,639,998.08	$219,999.84	$7.07
10/01/24 09/30/25	$2,732,397.96	$227,699.83	$7.32
10/01/25 09/30/26	$2,828,031.84	$235,669.32	$7.57
10/01/26 09/30/27	$2,927,013.00	$243,917.75	$7.84
10/01/27 09/30/28	$3,029,458.44	$252,454.87	$8.11
10/01/28 09/30/29	$3,135,489.48	$261,290.79	$8.40
10/01/29 11/30/29	$3,245,231.64	$270,435.97	$8.69

* The initial monthly installment of Base Rent amount was calculated by multiplying the initial monthly Base Rent per rentable square foot amount by the number of rentable square feet of space in the Premises, and the Annual Base Rent amount was calculated by multiplying the initial monthly installment of Base Rent amount by twelve (12). In all subsequent Base Rent payment periods during the Lease Term commencing on the first (1st) day of the full calendar month that is Lease Month 13, the calculation of each monthly installment of Base Rent amount reflects an annual increase of three and one-half percent (3.5%) and each Annual Base Rent amount was calculated by multiplying the corresponding monthly installment of Base Rent amount by twelve (12).

TERMS OF LEASE (References are to the Lease)		**DESCRIPTION**
**	The amounts identified in the column entitled “Monthly Rental Rate per Rentable Square Foot” are rounded amounts provided for information purposes only.	
***	Subject to abatement as provided in Article 3.	
9.	Tenant’s Share of Operating Expenses, Tax Expenses and Utilities Costs (Section 4.2.6):	27.46% (31,117 rentable square feet within the Premises/113,284 rentable square feet within the Building).
10.	Letter of Credit (Article 20):	$540,871.94.
11.	Brokers (Section 24.25):	CBRE, Inc. representing Landlord, and Jones Lang LaSalle representing Tenant.
12.	Parking (Article 23):	Total of seventy-eight (78) unreserved parking spaces (2.5 unreserved parking spaces for every 1,000 rentable square feet of the Premises).

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EXHIBITS:

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LEASE

This Lease, which includes the preceding Summary and the exhibits attached hereto and incorporated herein by this reference (the Lease, the Summary and the exhibits to be known sometimes collectively hereafter as the "**Lease**"), dated as of the date set forth in Section 1 of the Summary, is made by and between BP3-SF6 1900 ADLP LLC, a Delaware limited liability company ("**Landlord**"), and BIGHAT BIOSCIENCES, INC., a Delaware corporation ("**Tenant**").

ARTICLE 1

PROJECT, BUILDING AND PREMISES

1.1 Project, Building and Premises.

1.1.1 Premises. Upon and subject to the terms, covenants and conditions hereinafter set forth in this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises described in Section 6.1 of the Summary (the "**Premises**"), which Premises are located in the Building (as defined in Section 6.2 of the Summary) and located within the Project (as defined below). The floor plan of the Premises is attached hereto as **Exhibit A**. Tenant has the right, throughout the Lease Term, to use the iLab benches existing in the Premises as of the date hereof.

1.1.2 Building and Project. The Building consists of four (4) floors with a total of 113,284 rentable square feet and is part of the commercial project known as "Genesis 1900 Alameda", located on 4.585 acres of land in the City of San Mateo. The term "**Project**" as used in this Lease, shall mean, collectively: (i) the Building; (ii) any outside plaza areas, walkways, driveways, courtyards, public and private streets, transportation facilitation areas and other improvements and facilities now or hereafter constructed surrounding and/or servicing the Building, which are designated from time to time by Landlord as common areas appurtenant to or servicing the Building, and any such other improvements; (iii) any additional buildings, improvements, facilities and common areas which Landlord (any common area association formed by Landlord, Landlord's predecessor-in-interest and/or Landlord's assignee for the Project) may add thereto from time to time within or as part of the Project; and (iv) the land upon which any of the foregoing are situated. The site plan depicting the current configuration of the Project is attached hereto as **Exhibit A-1**. The Building contains a parking area ("**Parking Area**"). Notwithstanding the foregoing or anything contained in this Lease to the contrary, (1) Landlord has no obligation to expand or otherwise make any improvements within the Project, including, without limitation, any of the outside plaza areas, walkways, driveways, courtyards, public and private streets, transportation facilitation areas and other improvements and facilities which may be depicted on **Exhibit A-1** attached hereto (as the same may be modified by Landlord from time to time without notice to Tenant), other than Landlord's obligations (if any) specifically set forth in the Tenant Work Letter attached hereto as **Exhibit B**, and (2) Landlord (and/or any other owners of the Project) shall have the right from time to time to include or exclude any improvements or facilities within the Project, at such party's sole election, as more particularly set forth in Section 1.1.3 below.

1.1.3 Tenant's and Landlord's Rights. Tenant shall have the right to the nonexclusive use of the common corridors and hallways, stairwells, elevators (if any), restrooms and other public or common areas located within the Building, and the non-exclusive use of those areas located on the Project that are designated by Landlord (and/or any other owners of the Project) from time to time as common areas for the Building; provided, however, that (i) Tenant's use thereof shall be subject to (A) the provisions of any covenants, conditions and restrictions regarding the use thereof now or hereafter recorded against the Project, and (B) such reasonable, non-discriminatory rules and regulations as Landlord may make from

time to time (which shall be provided in writing to Tenant), and (ii) Tenant may not go on the roof of Building without Landlord's prior consent (which may be withheld in Landlord's sole and absolute (but good faith) discretion) and without otherwise being accompanied by a representative of Landlord. Landlord (and/or any other owners of the Project) reserve the right from time to time to use any of the common areas of the Project, and the roof, risers and conduits of the Building for telecommunications and/or any other purposes, and to do any of the following, so long as the same does not unreasonably interfere with Tenant's use of or access to the Premises or Tenant's parking rights and does not materially increase the obligations or materially decrease the rights of Tenant under this Lease: (1) make any changes, additions, improvements, repairs and/or replacements in or to the Project or any portion or elements thereof, including, without limitation, (x) changes in the location, size, shape and number of driveways, entrances, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways, public and private streets, plazas, courtyards, transportation facilitation areas and common areas, and (y) expanding or decreasing the size of the Project and any common areas and other elements thereof, including adding, deleting and/or excluding buildings thereon and therefrom; (2) close temporarily any of the common areas while engaged in making repairs, improvements or alterations to the Project; (3) retain and/or form a common area association or associations under covenants, conditions and restrictions to own, manage, operate, maintain, repair and/or replace all or any portion of the landscaping, driveways, walkways, public and private streets, plazas, courtyards, transportation facilitation areas and/or other common areas located outside of the Building and, subject to Article 4 below, include the common area assessments, fees and taxes charged by the association(s) and the cost of maintaining, managing, administering and operating the association(s), in Operating Expenses or Tax Expenses; and (4) perform such other acts and make such other changes with respect to the Project as Landlord may, in the exercise of good faith business judgment, deem to be appropriate. On or before December 31, 2021, Landlord shall install, at Landlord's sole expense, bicycle racks for use by the Building tenants. Notwithstanding the foregoing, Tenant shall have the right to use the training room, game room, glasswash and autoclave, bike racks and patio areas with tables and benches, throughout the Lease Term. Subject to Force Majeure events and any required repairs, Landlord shall continuously maintain the training room, game room, glasswash, autoclave, bike racks and patio areas with tables and benches throughout the Lease Term.

1.2 Condition of Premises. Except as expressly set forth in this Lease and in the Tenant Work Letter, Landlord shall not be obligated to provide or pay for any improvement, remodeling or refurbishment work or services related to the improvement, remodeling or refurbishment of the Premises, and Tenant shall accept the Premises in its "As Is" condition on the Lease Commencement Date; provided, however, that in the event that, in the first twelve (12) months of the Lease Term only, a repair is required for the Base, Shell and Core or the Premises (which is Tenant's responsibility pursuant to Section 7.1 of the Lease), and if any such repair is covered by a warranty held by Landlord, then Landlord shall use commercially reasonable efforts to cause the repair of such repair items. Pursuant to Civil Code Section 1938, Landlord states that, as of the date hereof, the Premises has not undergone inspection by a Certified Access Specialist ("**CASp**") to determine whether the Premises meet all applicable construction-related accessibility standards under California Civil Code Section 55.53. Tenant also acknowledges that, except as otherwise expressly set forth in this Lease, neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the Premises, the Building, or the Project or their condition, or with respect to the suitability thereof for the conduct of Tenant's business (including, but not limited to, any zoning/conditional use permit requirements which shall be Tenant's responsibility and Tenant's failure to obtain any such zoning/use permits (if any are required) shall not affect Tenant's obligations under this Lease). Subject to Landlord's delivery obligations hereunder, the taking of possession of the Premises by Tenant shall conclusively establish that the Premises (including the Tenant Improvements therein), the Building and the Project were at such time complete and in good, sanitary and satisfactory condition and without any obligation on Landlord's part to make any alterations, upgrades or improvements thereto. For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Premises have not undergone inspection by a Certified Access Specialist (CASp). In addition, the following notice is hereby provided pursuant to Section 1938(e) of the California Civil Code:

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

In furtherance of and in connection with such notice: (i) Tenant, having read such notice and understanding Tenant's right to request and obtain a CASp inspection and with advice of counsel, hereby elects not to obtain such CASp inspection and waives its rights to obtain a CASp inspection with respect to the Premises, Building and/or Project to the extent permitted by applicable laws now or hereafter in effect; and (ii) if the waiver set forth in clause (i) hereinabove is not enforceable pursuant to applicable laws, then Landlord and Tenant hereby agree as follows (which constitute the mutual agreement of the parties as to the matters described in the last sentence of the foregoing notice): (A) Tenant shall have the one-time right to request for and obtain a CASp inspection, which request must be made, if at all, in a written notice delivered by Tenant to Landlord on or before that date which is ten (10) days after the date hereof; (B) any CASp inspection timely requested by Tenant shall be conducted (1) between the hours of 9:00 a.m. and 5:00 p.m. on any business day, (2) only after ten (10) days' prior written notice to Landlord of the date of such CASp inspection, (3) in a professional manner by a CASp designated by Landlord and without any testing that would damage the Premises, Building or Project in any way, and (4) at Tenant's sole cost and expense, including, without limitation, Tenant's payment of the fee for such CASp inspection, the fee for any reports prepared by the CASp in connection with such CASp inspection (collectively, the "**CASp Reports**") and all other costs and expenses in connection therewith; (C) Tenant shall deliver a copy of any CASp Reports to Landlord within three (3) business days after Tenant's receipt thereof; (D) Tenant, at its sole cost and expense, shall be responsible for making any legally required improvements, alterations, modifications and/or repairs to or within the Premises to correct violations of construction-related accessibility standards including, without limitation, any violations disclosed by such CASp inspection ordered by Tenant; and (E) if such CASp inspection ordered by Tenant identifies any improvements, alterations, modifications and/or repairs necessary to correct violations of construction-related accessibility standards relating to those items of the Building and Project located outside the Premises that are Landlord's obligation to repair under the Lease (as amended hereby), then Landlord shall perform such improvements, alterations, modifications and/or repairs as and to the extent required by applicable laws to correct such violations, and Tenant shall reimburse Landlord for the cost of such improvements, alterations, modifications and/or repairs within ten (10) business days after Tenant's receipt of an invoice therefor from Landlord.

1.3 Rentable Square Feet. The rentable square feet of the Premises is approximately as set forth in Section 6.1 of the Summary. Such square footage figure shall be binding on Landlord and Tenant for the entire Lease Term absent a casualty or condemnation that affects the actual size of the Premises or an actual change in the size of the Building or the Project. In any such event, the rentable square feet of the Premises and the Building shall be calculated by Landlord using a commercially reasonable measurement method that is substantially consistent with then industry custom and practice.

1.4 Fitness Center.

1.4.1 Fitness Center. Provided Tenant's employees execute landlord's standard waiver of liability form, during the term of this Lease Tenant's employees (the "**Fitness Center Users**") shall be entitled to use the fitness center (the "**Fitness Center**") in the Building at no additional charge. The use of the Fitness Center shall be subject to the rules and regulations (including rules regarding hours of use) established from time to time by landlord for the Fitness Center. Landlord and Tenant acknowledge that the use of the Fitness Center by the Fitness Center Users shall be at their own risk and that for purposes of Section 10.1, the use of the Fitness Center by Tenant's employees shall constitute a use of the Project by Tenant. The costs of operating, maintaining and repairing the Fitness Center may be included in Operating Expenses. Landlord shall continuously maintain the Fitness Center (or any other fitness facility) throughout the term of this Lease except in the event of Force Majeure events, Landlord's repairs/alterations and/or Landlord's relocating of the same within the Project.

1.4.2 Release. Subject to the foregoing, Tenant hereby unconditionally releases Landlord and its property manager and their respective officers, directors, employees, representatives and agents (collectively, "**Landlord Parties**"), from all fines, suits, losses, liabilities, expenses, claims, costs (including attorneys' fees and court costs) demands, actions, or causes of actions, of any kind without regard to the cause or causes thereof, or the negligence of one or more of the Landlord Parties, for damage to property, or injury or death to any person arising from, growing out of, or in any way related to the use of the Fitness Center by Tenant, its officers, directors, shareholders, partners, members, managers, employees, agents, invitees, visitors, licensees and customers, in addition, Tenant waives any claims it may have against the Landlord Parties arising out of or related to loss (by theft or otherwise) or damage to any property brought to the Fitness Center by Tenant or its officers, directors, shareholders, partners, members, managers, employees, agents, invitees, visitors, licensees and customers. Tenant expressly waives all rights under the provisions of Section 1542 of the California Civil Code, Section 1542 of the California Civil Code provides that "A general release does not extend to claims which the creditor does not know or expect to exist in his favor at the time of executing the release which, if known by him, must have materially affected his settlement with the debtor."

1.5 Charging Stations. In the event Landlord, after the date hereof, elects to install electric vehicle charging stations for use in common for all tenants of the Building, then Tenant shall not be responsible to pay for Tenant's Share of any capital costs associated with the same but Tenant shall pay Tenant's Share of the cost to operate, maintain and repair the same as part of Operating Expenses. Tenant shall have the right to use any such Landlord installed charging stations. Tenant shall have the right, at Tenant's sole cost and expense, subject to all of the terms and conditions of Article 8, to install up to three (3) electric vehicle charging stations in the Parking Area in a location to be mutually approved by Landlord and Tenant. Tenant's parking spaces shall be reduced by the parking spaces utilized for such electric vehicle charging stations.

ARTICLE 2

LEASE TERM

The terms and provisions of this Lease shall be effective as of the date of this Lease except for the provisions of this Lease relating to the payment of Rent and Tenant's obligations under Articles 7 and 21 and Section 10.1 (or any other performance obligations that tenants typically perform only after the Lease Commencement Date). The term of this Lease (the "**Lease Term**") shall be as set forth in Section 7.1 of the Summary and shall commence on the date (the "**Lease Commencement Date**") set forth in Section 7.2 of the Summary (subject, however, to the terms of the Tenant Work Letter), and shall terminate on the date (the "**Lease Expiration Date**") set forth in Section 7.3 of the Summary, unless this Lease is sooner terminated as hereinafter provided. For purposes of this Lease, the term "Lease Year" shall mean each consecutive twelve (12) month period during the Lease Term, provided that the last Lease Year shall end on the Lease Expiration Date. If the Lease Commencement Date is a date which is other than the date set forth in Section 7.2(i) of the Summary, then, following the Lease Commencement Date, Landlord shall deliver to Tenant an amendment in the form as set forth in **Exhibit C**, attached hereto, setting forth, among other things, the Lease Commencement Date and the Lease Expiration Date, which amendment Tenant shall execute and return to Landlord within ten (10) business days after Tenant's receipt thereof. If Tenant fails to execute and return the amendment within such 10-business day period, Tenant shall be deemed to have approved and confirmed the dates set forth therein, provided that such deemed approval shall not relieve Tenant of its obligation to execute and return the amendment (and such failure shall constitute a default by Tenant hereunder (after the expiration of all applicable notice and cure periods)).

ARTICLE 3

BASE RENT

Tenant shall pay, without notice or demand, by ACH or to Landlord at the address set forth in Section 3 of the Summary, or at such other place as Landlord may from time to time designate in writing, in currency or a check for currency which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent ("**Base Rent**") as set forth in Section 8 of the Summary, payable in equal monthly installments as set forth in Section 8 of the Summary in advance on or before the first day of each and every month during the Lease Term, without any setoff or deduction whatsoever. Concurrently with Tenant's execution of this Lease, Tenant shall deliver to Landlord an amount equal to $255,470.57, which amount shall be comprised of the following: (i) the Base Rent payable by Tenant for the Premises for the third (3rd) full month of the Lease Term (i.e., $205,372.20); and (ii) the Estimated Expenses (as defined below) payable by Tenant for the Premises for the first (1st) full month of the Lease Term (i.e., $50,098.37). If any rental payment date (including the Lease Commencement Date) falls on a day of the month other than the first day of such month or if any rental payment is for a period which is shorter than one month, then the rental for any such fractional month shall be a proportionate amount of a full calendar month's rental based on the proportion that the number of days in such fractional month bears to the number of days in the calendar month during which such fractional month occurs. All other payments or adjustments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the same basis.

Notwithstanding anything to the contrary contained herein and so long as Tenant is not then in default under this Lease (beyond the expiration of all applicable notice and cure periods), Landlord hereby agrees to abate Tenant's obligation to pay one hundred percent (100%) of Tenant's monthly Base Rent during the period which is the first (1st) and second (2nd) full calendar months of the initial Lease Term (the "**Abated Rent**"). During such abatement period, Tenant shall still be responsible for the payment of all of its other monetary obligations under this Lease. In the event of a default by Tenant under the terms of this Lease that results in early termination pursuant to the provisions of Article 19 of this Lease, then as part of the recovery set forth in Article 19 of this Lease, Landlord shall be entitled to the recovery of the unamortized portion of the Abated Rent that was abated under the provisions of this Article 3.

ARTICLE 4

ADDITIONAL RENT

4.1 Additional Rent. In addition to paying the Base Rent specified in Article 3 above, Tenant shall pay as additional rent the sum of the following: (i) Tenant's Share (as such term is defined below) of the annual Operating Expenses allocated to the Building (pursuant to Section 4.3.4 below); plus (ii) Tenant's Share of the annual Tax Expenses allocated to the Building (pursuant to Section 4.3.4 below); plus (iii) Tenant's Share of the annual Utilities Costs allocated to the Building (pursuant to Section 4.3.4 below). Landlord currently estimates that such amounts will be $1.61 per rentable square foot per month in 2021, excluding utilities to the Premises; provided, however, that such estimate shall not be binding on Landlord whatsoever (nor affect Tenant's obligations under this Lease) in the event that the actual amounts are in excess of such estimate. Such additional rent, together with any and all other amounts payable by Tenant to Landlord pursuant to the terms of this Lease (including, without limitation, pursuant to Article 6), shall be hereinafter collectively referred to as the "**Additional Rent**." The Base Rent and Additional Rent are herein collectively referred to as the "**Rent**." All amounts due under this Article 4 as Additional Rent shall be payable for the same periods and in the same manner, time and place as the Base Rent. Without limitation on other obligations of Tenant which shall survive the expiration of the Lease Term, the obligations of Tenant to pay the Additional Rent provided for in this Article 4 shall survive the expiration of the Lease Term.

4.2 Definitions. As used in this Article 4, the following terms shall have the meanings hereinafter set forth:

4.2.1 "**Calendar Year**" shall mean each calendar year in which any portion of the Lease Term falls, through and including the calendar year in which the Lease Term expires.

4.2.2 "**Expense Year**" shall mean each Calendar Year.

4.2.3 "**Operating Expenses**" shall mean all expenses, costs and amounts of every kind and nature which Landlord shall pay during any Expense Year because of or in connection with the ownership, management, maintenance, repair, restoration or operation of the Project, including, without limitation, any amounts paid for: (i) the cost of operating, maintaining, repairing, renovating and managing the utility systems, lab systems, central plant, mechanical systems, sanitary and storm drainage systems, any elevator systems (if applicable) and all other "Systems and Equipment" (as defined in Section 4.2.4 of this Lease), and the cost of supplies and equipment and maintenance and service contracts in connection therewith; (ii) the cost of licenses, certificates, permits and inspections, and the cost of contesting the validity or applicability of any governmental enactments which may affect Operating Expenses, and the costs incurred in connection with implementation and operation (by Landlord or any common area association(s) formed for the Project) of any transportation system management program or similar program; (iii) the cost of insurance carried by Landlord, in such amounts as Landlord may reasonably determine or as may be required by any mortgagees of any mortgage or the lessor of any ground lease affecting the Project; (iv) the cost of landscaping, relamping, supplies, tools, equipment and materials, and all fees, charges and other costs (including consulting fees, legal fees and accounting fees) incurred in connection with the management, operation, repair and maintenance of the Project; (v) any equipment rental agreements or management agreements (including the cost of any management fee (to be equal to three percent (3%) of Tenant's then annual Base Rent) but excluding the rental of any office space provided thereunder); (vi) costs of operating amenities in the Project and the wages, salaries and other compensation and benefits of all persons to the extent they are engaged in the operation, management, maintenance or security of the Project, and employer's Social Security taxes, unemployment taxes or insurance, and any

other taxes which may be levied on such wages, salaries, compensation and benefits; (vii) payments under any easement, license, operating agreement, declaration, restrictive covenant, underlying or ground lease (excluding rent), or instrument pertaining to the sharing of costs by the Project (including but not limited to, the REA described in Article 5 hereof); (viii) the cost of janitorial service, trash removal (provided, however, Operating Expenses shall not include the cost of janitorial services and trash removal services provided to the Premises or the premises of other tenants of the Building and/or the Project or the cost of replacing light bulbs, lamps, starters and ballasts for lighting fixtures in the Premises and the premises of other tenants in the Building and/or the Project to the extent such services are directly provided and paid for by Tenant pursuant to Section 6.6 below), alarm and security service, if any, window cleaning, replacement of wall and floor coverings, ceiling tiles and fixtures in lobbies, corridors, restrooms and other common or public areas or facilities, maintenance and replacement of curbs and walkways, repair to roofs and re-roofing; (ix) amortization (including interest on the unamortized cost) over the useful life of the item of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project; (x) the cost of any capital improvements or other costs (I) which are intended as a labor-saving device or to effect other economies in the operation or maintenance of the Project or which are otherwise permitted hereunder, (II) made to the Project or any portion thereof after the Lease Commencement Date that are required under any governmental law or regulation, or (III) which are Conservation Costs (as defined below) and/or which are reasonably determined by Landlord to be in the best interests of the Project; provided, however, that if any such cost described in (I), (II) or (III) above, is a capital expenditure, such cost shall be amortized (including interest on the unamortized cost) over the useful life of the item as Landlord shall reasonably determine; and (xi) the costs and expenses of complying with, or participating in, conservation, recycling, sustainability, energy efficiency, waste reduction or other programs or practices implemented or enacted from time to time at the Building and/or Project, including, without limitation, in connection with any LEED (Leadership in Energy and Environmental Design) rating or compliance system or program, including that currently coordinated through the U.S. Green Building Council or Energy Star rating and/or compliance system or program (collectively, "**Conservation Costs**"). If Landlord is not furnishing any particular work or service (the cost of which, if performed by Landlord, would be included in Operating Expenses) to a tenant who has undertaken to perform such work or service in lieu of the performance thereof by Landlord, Operating Expenses shall be deemed to be increased by an amount equal to the additional Operating Expenses which would reasonably have been incurred during such period by Landlord if it had at its own expense furnished such work or service to such tenant. If any of (x) the Building and (y) any additional buildings are added to the Project pursuant to Section 1.1.3 above (but only during the period of time after such additional buildings have been fully constructed and ready for occupancy and are included by Landlord within the Project) are less than ninety-five percent (95%) occupied during all or a portion of any Expense Year, Landlord shall make an appropriate adjustment to the variable components of Operating Expenses for such year or applicable portion thereof, employing sound accounting and management principles, to determine the amount of Operating Expenses that would have been paid had the Building and such additional buildings (if any) been ninety-five percent (95%) occupied; and the amount so determined shall be deemed to have been the amount of Operating Expenses for such year, or applicable portion thereof.

Subject to the provisions of Section 4.3.4 below, Landlord shall have the right, from time to time, to equitably allocate some or all of the Operating Expenses (and/or Tax Expenses and Utilities Costs) between the Building and among different tenants of the Project and/or among the Other Buildings (as defined in Section 4.3.4 below, if any), as and when such different buildings are constructed and added to (and/or excluded from) the Project or otherwise (the "**Cost Pools**"). Such Cost Pools may also include an allocation of certain Operating Expenses (and/or Tax Expenses and Utilities Costs) within or under covenants, conditions and restrictions affecting the Project. In addition, subject to the provisions of Section 4.3.4 below, Landlord shall have the right from time to time, in its reasonable discretion, to include future buildings in the Project for purposes of determining Operating Expenses, Tax Expenses and Utilities Costs and/or the provision of various services and amenities thereto, including allocation of Operating Expenses, Tax Expenses and Utilities Costs in any such Cost Pools.

Notwithstanding the foregoing, Operating Expenses shall not, however, include: (A) costs of leasing commissions, attorneys' fees and other costs and expenses incurred in connection with negotiations or disputes with present or prospective tenants or other occupants of the Project; (B) costs (including permit, license and inspection costs) incurred in renovating or otherwise improving, decorating or redecorating rentable space for other tenants or vacant rentable space; (C) costs incurred due to the violation by Landlord of the terms and conditions of any lease of space in the Project; (D) costs of overhead or profit increment paid to Landlord or to subsidiaries or affiliates of Landlord for services in or in connection with the Project to the extent the same exceeds the costs of overhead and profit increment included in the costs of such services which could be obtained from third parties on a competitive basis; (E) costs of interest on debt or amortization on any mortgages, and rent payable under any ground lease of the Project; (F) Utilities Costs; (G) Tax Expenses; (H) costs occasioned by casualties or condemnation; (I) costs to correct violation of law applicable to the Premises or the Project on the Lease Commencement Date: (J) costs incurred in connection with the presence of any Hazardous Materials, except to the extent caused by the release or emission of the Hazardous Material in question by Tenant or any of Tenant's Parties; (K) expense reserves; (L) costs which could properly be capitalized under generally accepted accounting principles, except as specifically provided in 4.2.3(x), above, and only to the extent amortized over the useful life of the capital item in question; (M) costs for services not provided to Tenant under this Lease or are of a nature that are paid directly by Tenant; (N) profit by Landlord for managing or administering the Project except as set forth in Section 4.2.3(v) above; and (O) any costs related to construction of any other buildings or completion of the work described in Sections 1.1.3 or 24.30 or **Exhibit B**.

4.2.4 "**Systems and Equipment**" shall mean any plant (including any central plant), machinery, transformers, duct work, cable, wires, and other equipment, facilities, and systems designed to supply heat, ventilation, air conditioning and humidity or any other services or utilities, or comprising or serving as any component or portion of the electrical, gas, steam, plumbing, sprinkler, communications, alarm, lab, security, or fire/life safety systems or equipment, or any other mechanical, electrical, electronic, computer or other systems or equipment which serve the Building and/or any other building in the Project in whole or in part.

4.2.5 "**Tax Expenses**" shall mean all federal, state, county, or local governmental or municipal taxes, fees, assessments, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary, (including, without limitation, real estate taxes, general and special assessments, transit assessments, fees and taxes, child care subsidies, fees and/or assessments, job training subsidies, fees and/or assessments, open space fees and/or assessments, housing subsidies and/or housing fund fees or assessments, public art fees and/or assessments, leasehold taxes or taxes based upon the receipt of rent, including gross receipts or sales taxes applicable to the receipt of rent, personal property taxes imposed upon the fixtures, machinery, equipment, apparatus, systems and equipment, appurtenances, furniture and other personal property used in connection with the Project), which Landlord shall pay during any Expense Year because of or in connection with the ownership, leasing and operation of the Project or Landlord's interest therein. For purposes of this Lease, Tax Expenses shall be calculated as if (i) the tenant improvements in the Building and any additional buildings added to the Project pursuant to Section 1.1.3 above (but only during the period of time that such additional buildings are included by Landlord within the Project) were fully constructed, and (ii) the Project, the Building and such additional buildings (if any) and all tenant improvements therein were fully assessed for real estate tax purposes.

4.2.5.1 Tax Expenses shall include, without limitation:

(i) Any tax on Landlord's rent, right to rent or other income from the Project or as against Landlord's business of leasing any of the Project;

(ii) Any assessment, tax, fee, levy or charge in addition to, or in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax, it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the State of California in the June 1978 election ("**Proposition 13**") and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants. It is the intention of Tenant and Landlord that all such new and increased assessments, taxes, fees, levies, and charges and all similar assessments, taxes, fees, levies and charges be included within the definition of Tax Expenses for purposes of this Lease;

(iii) Any assessment, tax, fee, levy, or charge allocable to or measured by the area of the Premises or the rent payable hereunder, including, without limitation, any gross income tax upon or with respect to the possession, leasing, operating, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises, or any portion thereof;

(iv) Any assessment, tax, fee, levy or charge, upon this transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises; and

(v) Any reasonable expenses incurred by Landlord in attempting to protest, reduce or minimize Tax Expenses.

4.2.5.2 Notwithstanding anything to the contrary contained in this Section 4.2.5, there shall be excluded from Tax Expenses (i) all excess profits taxes, franchise taxes, documentary transfer taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state net income taxes, and other taxes to the extent applicable to Landlord's net income (as opposed to rents, receipts or income attributable to operations at the Project), (ii) any items included as Operating Expenses, (iii) any items paid by Tenant under Section 4.4 below, and (iv) any assessments in excess of the amount which would be payable if such assessments were paid in installments over the longest permitted term but only to the extent the payment of such assessments is allowed under applicable laws to be paid in installments without any additional costs other than normal interest.

4.2.6 "**Tenant's Share**" shall mean the percentage set forth in Section 9 of the Summary. Tenant's Share was calculated by dividing the number of rentable square feet of the Premises by the total rentable square feet in the Building (as set forth in Section 9 of the Summary), and stating such amount as a percentage. Subject to the terms of Section 9 of the Summary and Section 1.3 above, Tenant's Share shall be binding on the parties for the entire Term. If Tenant's Share is adjusted pursuant to Section 1.3 above then, as to the Expense Year in which such adjustment occurs, Tenant's Share for such year shall be determined on the basis of the number of days during such Expense Year that each such Tenant's Share was in effect.

4.2.7 "**Utilities Costs**" shall mean all actual charges for utilities for the Building and the Project (including utilities for the additional buildings, if any, added to the Project during the period of time the same are included by Landlord within the Project) which Landlord shall pay during any Expense Year, including, but not limited to, the costs of water, sewer, gas and electricity, and the costs of HVAC and other utilities, including any lab utilities and central plant utilities (but excluding those charges for

which tenants directly reimburse Landlord or otherwise pay directly to the utility company) as well as related fees, assessments, measurement meters and devices and surcharges. Utilities Costs shall be calculated assuming the Building (and, during the period of time when such buildings are included by Landlord within the Project and any additional buildings, if any, added to the Project) are at least ninety-five percent (95%) occupied. If, during all or any part of any Expense Year, Landlord shall not provide any utilities (the cost of which, if provided by Landlord, would be included in Utilities Costs) to a tenant (including Tenant) who has undertaken to provide the same instead of Landlord, Utilities Costs shall be deemed to be increased by an amount equal to the additional Utilities Costs which would reasonably have been incurred during such period by Landlord if Landlord had at its own expense provided such utilities to such tenant. Utilities Costs shall include any costs of utilities which are allocated to the Project under any declaration, restrictive covenant, or other instrument pertaining to the sharing of costs by the Project or any portion thereof, including any covenants, conditions or restrictions now or hereafter recorded against or affecting the Project. Notwithstanding the foregoing, Utilities Costs shall not include: (A) any costs that would be considered a capital expenditure (with such costs treated, instead, as Operating Expenses, as allowed under Section 4.2.3 above), (B) any connection fees, tap-in fees, or other fees for service to the Project not in existence as of the Lease Commencement Date or (C) costs for services or utilities not provided to Tenant under this Lease or of a nature that are paid directly by Tenant.

4.3 Calculation and Payment of Additional Rent.

4.3.1 Payment of Operating Expenses, Tax Expenses and Utilities Costs. For each Expense Year ending or commencing within the Lease Term, Tenant shall pay to Landlord, as Additional Rent, the following, which payment shall be made in the manner set forth in Section 4.3.2 below: (i) Tenant's Share of Operating Expenses allocated to the Building pursuant to Section 4.3.4 below; plus (ii) Tenant's Share of Tax Expenses allocated to the Building pursuant to Section 4.3.4 below; plus (iii) Tenant's Share of Utilities Costs allocated to the Building pursuant to Section 4.3.4 below.

4.3.2 Statement of Actual Operating Expenses, Tax Expenses and Utilities Costs and Payment by Tenant. Landlord shall endeavor to give to Tenant on or before the first (1st) day of June following the end of each Expense Year, a statement (the "**Statement**") which shall state the Operating Expenses, Tax Expenses and Utilities Costs incurred or accrued for such preceding Expense Year that are allocated to the Building pursuant to Section 4.3.4 below, and which shall indicate therein Tenant's Share thereof. Within thirty (30) days after Tenant's receipt of the Statement for each Expense Year ending during the Lease Term, Tenant shall pay to Landlord the full amount of the Tenant's Share of Operating Expenses, Tax Expenses and Utilities Costs for such Expense Year, less the amounts, if any, paid during such Expense Year as the Estimated Expenses as defined in and pursuant to Section 4.3.3 below. If any Statement reflects that Tenant has overpaid Tenant's Share of Operating Expenses and/or Tenant's Share of Tax Expenses and/or Tenant's Share of Utilities Costs for such Expense Year, then Landlord shall, at Landlord's option, either (i) remit such overpayment to Tenant within thirty (30) days after such applicable Statement is delivered to Tenant, or (ii) credit such overpayment toward the Rent next due and payable by Tenant under this Lease. The failure of Landlord to timely furnish the Statement for any Expense Year shall not prejudice Landlord from enforcing its rights under this Article 4; provided, however, Tenant shall not be required to pay for any Operating Expenses, Tax Expenses or Utilities Costs until thirty (30) days after receipt of such Statement as provided in the second sentence of this Section 4.3.2 (and Estimated Expenses as provided in Section 4.3.3). Even though the Lease Term has expired and Tenant has vacated the Premises, if the Statement for the Expense Year in which this Lease terminates reflects that Tenant has overpaid and/or underpaid Tenant's Share of the Operating Expenses and/or Tenant's Share of Tax Expenses and/or Tenant's Share of Utilities Costs for such Expense Year, then within thirty (30) days after Landlord's delivery of such Statement to Tenant, Landlord shall refund to Tenant any such overpayment, or Tenant shall pay to Landlord any such underpayment, as the case may be. Tenant's failure to object any Statement

within six (6) months after Tenant's receipt thereof shall constitute Tenant's irrevocable waiver to object to the same. The provisions of this Section 4.3.2 shall survive the expiration or earlier termination of the Lease Term. Notwithstanding the foregoing to the contrary, Tenant shall not be responsible for Tenant's Share of any Operating Expenses, Utilities Costs or Tax Expenses attributable to any calendar year which was first billed to Tenant more than twenty-four (24) months after the date (the "**Cutoff Date**") which is the earlier of (i) the expiration of the applicable calendar year or (i) the Lease Expiration Date, except that Tenant shall be responsible for Tenant's Share of any Operating Expenses, Utilities Costs and Tax Expenses levied by any governmental authority or by any public utility company at any time following the applicable Cutoff Date which are attributable to any calendar year occurring prior to such Cutoff Date, so long as Landlord delivers to tenant a bill and supplemental statement for such amounts within ninety (90) days following Landlord's receipt of the applicable bill therefor.

4.3.3 Statement of Estimated Operating Expenses, Tax Expenses and Utilities Costs. Landlord shall endeavor to give Tenant a yearly expense estimate statement (the "**Estimate Statement**") which shall set forth Landlord's reasonable estimate (the "**Estimate**") of the total amount of Tenant's Share of the Operating Expenses, Tax Expenses and Utilities Costs allocated to the Building pursuant to Section 4.3.4 below for the then-current Expense Year shall be, and which shall indicate therein Tenant's Share thereof (the "**Estimated Expenses**"). The failure of Landlord to timely furnish the Estimate Statement for any Expense Year shall not preclude Landlord from enforcing its rights to collect any Estimated Expenses under this Article 4. Following Landlord's delivery of the Estimate Statement for the then-current Expense Year, Tenant shall pay, within thirty (30) days thereafter, a fraction of the Estimated Expenses for the then-current Expense Year (reduced by any amounts paid pursuant to the last sentence of this Section 4.3.3). Such fraction shall have as its numerator the number of months which have elapsed in such current Expense Year to the month of such payment, both months inclusive, and shall have twelve (12) as its denominator. Until a new Estimate Statement is furnished, Tenant shall pay monthly, with the monthly Base Rent installments, an amount equal to one-twelfth (1/12) of the total Estimated Expenses set forth in the previous Estimate Statement delivered by Landlord to Tenant.

4.3.4 Allocation of Operating Expenses, Tax Expenses and Utilities Costs to Building. The parties acknowledge that the Building is part of a multi-building commercial project consisting of the Building, and such other buildings as Landlord may elect to construct and include as part of the Project from time to time (any such other buildings are sometimes referred to herein, collectively, as the "**Other Buildings**"), and that certain of the costs and expenses incurred in connection with the Project (i.e. the Operating Expenses, Tax Expenses and Utilities Costs) shall be shared among the Building and/or such Other Buildings (if any), while certain other costs and expenses which are solely attributable to the Building and such Other Buildings, as applicable, shall be allocated directly to the Building and the Other Buildings, respectively. Accordingly, as set forth in Sections 4.1 and 4.2 above, Operating Expenses, Tax Expenses and Utilities Costs are determined annually for the Project as a whole, and a portion of the Operating Expenses, Tax Expenses and Utilities Costs, which portion shall be determined by Landlord on an equitable basis, shall be allocated to the Building (as opposed to the tenants of the Other Buildings), and such portion so allocated shall be the amount of Operating Expenses, Tax Expenses and Utilities Costs payable with respect to the Building upon which Tenant's Share shall be calculated. Such portion of the Operating Expenses, Tax Expenses and Utilities Costs allocated to the Building shall include all Operating Expenses, Tax Expenses and Utilities Costs which are attributable solely to the Building, and an equitable portion of the Operating Expenses, Tax Expenses and Utilities Costs attributable to the Project as a whole and shall not include Operating Expenses, Tax Expenses or Utilities Costs related solely to Other Buildings. As an example of such allocation with respect to Tax Expenses and Utilities Costs, it is anticipated that Landlord (and/or any other owners of the Project) may receive separate tax bills which separately assess the improvements component of Tax Expenses for each building in the Project and/or Landlord may receive separate utilities bills from the utilities companies identifying the Utilities Costs for certain of the utilities

costs directly incurred by each such building (as measured by separate meters installed for each such building), and such separately assessed Tax Expenses and separately metered Utilities Costs shall be calculated for and allocated separately to each such applicable building. In addition, in the event Landlord (and/or any other owners of the Project) elect to subdivide certain common area portions of the Project such as landscaping, public and private streets, driveways, walkways, courtyards, plazas, transportation facilitation areas and/or accessways into a separate parcel or parcels of land (and/or separately convey all or any of such parcels to a common area association to own, operate and/or maintain same), the Operating Expenses, Tax Expenses and Utilities Costs for such common area parcels of land may be aggregated and then reasonably allocated by Landlord to the Building and such Other Buildings on an equitable basis as Landlord (and/or any applicable covenants, conditions and restrictions for any such common area association) shall provide from time to time.

4.4 Taxes and Other Charges for Which Tenant Is Directly Responsible. Tenant shall reimburse Landlord upon demand for all taxes or assessments required to be paid by Landlord (except to the extent included in Tax Expenses by Landlord), excluding state, local and federal personal or corporate income taxes measured by the net income of Landlord from all sources and estate and inheritance taxes, whether or not now customary or within the contemplation of the parties hereto, when:

4.4.1 said taxes are measured by or reasonably attributable to the cost or value of Tenant's equipment, furniture, fixtures and other personal property located in the Premises;

4.4.2 said taxes are assessed upon or due to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion of the Project; or

4.4.3 said taxes are assessed upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises.

4.5 Late Charges. If any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days of the due date therefor, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of the amount due plus any reasonable attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder, at law and/or in equity and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid by the date that they are due shall thereafter bear interest until paid at a rate (the "**Interest Rate**") equal to the lesser of (i) the "Prime Rate" or "Reference Rate" announced from time to time by the Bank of America (or such reasonable comparable national banking institution as selected by Landlord in the event Bank of America ceases to exist or publish a Prime Rate or Reference Rate), plus four percent (4%), or (ii) the highest rate permitted by applicable law. Notwithstanding the foregoing, before assessing a late charge or interest the first time in any one (1) year period, Landlord shall provide Tenant written notice of the delinquency, and shall waive such late charge if Tenant pays such delinquency within five (5) days thereafter.

4.6 Audit Rights. Tenant shall have the right, at Tenant's cost, after reasonable notice to Landlord, to have Tenant's authorized employees or agents inspect, at Landlord's main corporate office during normal business hours, Landlord's books, records and supporting documents concerning the Operating Expenses, Tax Expenses and Utilities Costs set forth in any Statement delivered by Landlord to Tenant for a particular Expense Year pursuant to Section 4.3.2 above; provided, however, Tenant shall have no right to conduct such inspection or object to or otherwise dispute the amount of the Operating Expenses,

Tax Expenses and Utilities Costs set forth in any such Statement, unless Tenant notifies Landlord of such inspection objection and dispute, completes such inspection within six (6) months immediately following Landlord's delivery of a Statement (the "**Review Period**"); provided, further, that notwithstanding any such timely inspection, objection, dispute, and/or audit, and as a condition precedent to Tenant exercise of its right of inspection, objection, dispute, and/or audit as set forth in this Section 4.6, Tenant shall not be permitted to withhold payment of, and Tenant shall timely pay to Landlord, the full amounts as required by the provisions of this Article 4 in accordance with such Statement. However, such payment may be made under protest pending the outcome of any audit. In connection with any such inspection by Tenant, Landlord and Tenant shall reasonably cooperate with each other so that such inspection can be performed pursuant to a mutually acceptable schedule, in an expeditious manner and without undue interference with Landlord's operation and management of the Project. If after such inspection and/or request for documentation, Tenant disputes the amount of the Operating Expenses, Tax Expenses and Utilities Costs set forth in the Statement, Tenant shall have the right, but not the obligation, within the Review Period, to cause an independent certified public accountant which is not paid on a contingency basis and which is mutually approved by Landlord and Tenant (the "**Accountant**") to complete an audit of Landlord's books and records to determine the proper amount of the Operating Expenses, Tax Expenses and Utilities Costs incurred and amounts payable by Tenant for the Expense Year which is the subject of such Statement. Such audit by the Accountant shall be final and binding upon Landlord and Tenant. If Landlord and Tenant cannot mutually agree as to the identity of the Accountant within thirty (30) days after Tenant notifies Landlord that Tenant desires an audit to be performed, then the Accountant shall be one of the "Big 4" accounting firms selected by Landlord, which is not paid on a contingency basis and is not, and has not been, otherwise employed or retained by Landlord. If such audit reveals that Landlord has over-charged Tenant, then within thirty (30) days after the results of such audit are made available to Landlord, Landlord shall reimburse to Tenant the amount of such over-charge. If the audit reveals that the Tenant was under-charged, then within thirty (30) days after the results of such audit are made available to Tenant, Tenant shall reimburse to Landlord the amount of such under-charge. Tenant agrees to pay the cost of such audit unless it is subsequently determined that Landlord's original Statement which was the subject of such audit was in error to Tenant's disadvantage by five percent (5%) or more of the total Operating Expenses, Tax Expenses and Utilities Costs which was the subject of the audit (in which case Landlord shall pay the cost of such audit). The payment by Tenant of any amounts pursuant to this Article 4 shall not preclude Tenant from questioning the correctness of any Statement provided by Landlord at any time during the Review Period, but the failure of Tenant to object thereto, conduct and complete its inspection and have the Accountant conduct and complete the audit as described above prior to the expiration of the Review Period shall be conclusively deemed Tenant's approval of the Statement in question and the amount of Operating Expenses, Tax Expenses and Utilities Costs shown thereon, subject to Tenant's right to review Statements for the prior twelve (12) months. In connection with any inspection and/or audit conducted by Tenant pursuant to this Section 4.6, Tenant agrees to keep, and to cause all of Tenant's employees and consultants and the Accountant to keep, all of Landlord's books and records and the audit, and all information pertaining thereto and the results thereof, strictly confidential, and in connection therewith, Tenant shall cause such employees, consultants and the Accountant to execute such reasonable confidentiality agreements as Landlord may require prior to conducting any such inspections and/or audits.

ARTICLE 5

USE OF PREMISES; HAZARDOUS MATERIALS; ODORS AND EXHAUST

5.1 Use. Tenant shall use the Premises solely for general office, laboratory, research and development, manufacturing, all other life science uses and all other legally-permitted uses associated with Tenant's business to the extent consistent with the current zoning for the Premises, all applicable laws and the first-class nature of the Project as a first-class biotechnology project, and Tenant shall not use or permit the Premises to be used for any other purpose or purposes whatsoever without Landlord's consent. Tenant shall not use, or suffer or permit any person or persons to use, the Premises or any part thereof for any use or purpose contrary to the provisions of **Exhibit D**, attached hereto, or in violation of the laws of the United States of America, the state in which the Project is located, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Project. Tenant shall comply with the Rules and Regulations and all recorded covenants, conditions, and restrictions, and the provisions of all ground or underlying leases, now or hereafter affecting the Project, including but not limited to, that certain Declaration of Covenants, Conditions and Restrictions (as amended, modified or supplemented from time to time, the "**Declaration**"), dated June 6, 1984, by California Casualty Management Company, a California corporation, which was recorded as document #84061165 in the official records of San Mateo County, California, and the Parcel 1 and Parcel 2 Owners; as amended by that certain Amendment to Declaration of Covenants, Conditions and Restrictions dated and recorded on January 16, 2020 as Instrument 2020-004242 (collectively, the existing "**CC&Rs**"), as the same may be amended, amended and restated, supplemented or otherwise modified from time to time; provided that any such amendments, restatements, supplements or modifications do not materially modify Tenant's rights or obligations hereunder.

5.2 Hazardous Materials.

5.2.1 Definitions: As used in this Lease, the following terms have the following meanings:

(a) "**Environmental Law**" means any past, present or future federal, state or local statutory or common law, or any regulation, ordinance, code, plan, order, permit, grant, franchise, concession, restriction or agreement issued, entered, promulgated or approved thereunder, relating to (a) the environment, human health or safety, including, without limitation, emissions, discharges, releases or threatened releases of Hazardous Materials (as defined below) into the environment (including, without limitation, air, surface water, groundwater or land), or (b) the manufacture, generation, refining, processing, distribution, use, sale, treatment, receipt, storage, disposal, transport, arranging for transport, or handling of Hazardous Materials.

(b) "**Environmental Permits**" mean collectively, any and all permits, consents, licenses, approvals and registrations of any nature at any time required pursuant to, or in order to comply with, any Environmental Law including, but not limited to, any Spill Control Countermeasure Plan and any Hazardous Materials Management Plan.

(c) "**Hazardous Materials**" shall mean and include any hazardous or toxic materials, substances or wastes as now or hereafter designated or regulated under any Environmental Law, including, without limitation, asbestos, petroleum, petroleum hydrocarbons and petroleum based products, urea formaldehyde foam insulation, polychlorinated biphenyls ("PCBs"), freon and other chlorofluorocarbons, "biohazardous waste," "medical waste," "infectious agent", "mixed waste" or other waste under California Health and Safety Code §§ 117600 et, seq.

(d) "**Release**" shall mean with respect to any Hazardous Materials, any release, deposit, discharge, emission, leaking, pumping, leaching, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing or other movement of Hazardous Materials in violation of Environmental Law or this Lease.

5.2.2 Tenant's Obligations Environmental Permits. Tenant will (i) obtain and maintain in full force and effect all Environmental Permits that may be required from time to time under any Environmental Laws applicable to Tenant or Tenant's use of Hazardous Materials in the Premises and (ii) be and remain in compliance with all terms and conditions of all such Environmental Permits and with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in all Environmental Laws applicable to Tenant or the Premises.

5.2.3 Tenant's Obligations Hazardous Materials. Except as expressly permitted herein (including with respect to Hazardous Materials on the Hazardous Materials List, as to which no consent is required), Tenant agrees not to cause or permit any Hazardous Materials to be brought upon, stored, used, handled, generated, released or disposed of on, in, under or about the Premises, or any other portion of the Property by Tenant, its agents, employees, subtenants, assignees, licensees, contractors or invitees (collectively, "**Tenant's Parties**"), without the prior written consent of Landlord, which consent must be provided or withheld within seven (7) days of Tenant's request and which Landlord may withhold in its reasonable discretion. Landlord acknowledges that it is not the intent of this Section 5.2 to prohibit Tenant from operating its business for the uses permitted hereunder, and Landlord hereby consents to Tenant's storage, use, generation or release in compliance with applicable Environmental Laws of those Hazardous Materials that are on the Landlord approved Hazardous Materials List or reasonably required for Tenant's business. Tenant may operate its business according to the custom of Tenant's industry so long as the use or presence of Hazardous Materials is strictly and properly monitored in accordance with applicable Environmental Laws. As a material inducement to Landlord to allow Tenant to use Hazardous Materials in connection with its business, Tenant agrees to deliver to Landlord prior to the Lease Commencement Date a list identifying each type of Hazardous Material to be present at the Premises and setting forth any and all governmental approvals or permits required in connection with the presence of such Hazardous Material at the Premises (the "**Hazardous Materials List**"). Tenant shall deliver to Landlord an updated Hazardous Materials List on or prior to each annual anniversary of the Lease Commencement Date. Tenant shall deliver to Landlord true and correct copies of the following documents (hereinafter referred to as the "**Documents**") relating to the handling, storage, disposal and emission of Hazardous Materials prior to the Lease Commencement Date or, if unavailable at that time, concurrently with the receipt from or submission to any Governmental Authority: permits; approvals; reports and correspondence; storage and management plans; notices of violations of applicable Environmental Laws; plans relating to the installation of any storage tanks to be installed in, on, under or about the Premises (provided that installation of storage tanks shall only be permitted after Landlord has given Tenant its written consent to do so, which consent Landlord may withhold in its sole and absolute (but good faith) discretion); and all closure plans or any other documents required by any and all governmental authorities for any storage tanks installed in, on, under or about the Premises for the closure of any such storage tanks. For each type of Hazardous Material listed, the Documents shall include (t) the chemical name, (u) the material state (e.g., solid, liquid, gas or cryogen), (v) the concentration, (w) the storage amount and storage condition (e.g., in cabinets or not in cabinets), (x) the use amount and use condition (e.g., open use or closed use), (y) the location (e.g., room number or other identification) and (z) if known, the chemical abstract service number. Tenant shall not be required, however, to provide Landlord with any portion of the Documents containing information of a proprietary nature, which Documents, in and of themselves, do not contain a reference to any Hazardous Materials or activities related to Hazardous Materials. Upon the expiration or earlier termination of this Lease, Tenant agrees to promptly remove from the Premises, the Building and the Project, at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials which are installed, brought upon, stored, used, generated or released (to the extent clean-up of any release is required by Environmental Laws) upon, in, under or about the Premises, the Building and/or the Project or any portion thereof by Tenant or any of Tenant's Parties during the Term of this Lease.

5.2.4 Landlord's Right to Conduct Environmental Assessment. At any time during the Lease Term, Landlord shall have the right to conduct an environmental assessment of the Premises as well as any other areas in, on or about the Project that Landlord reasonably believes may have been affected adversely by Tenant's use of the Premises (collectively, the "**Affected Areas**") in order to confirm that the Premises and the Affected Areas do not contain any Hazardous Materials in violation of applicable Environmental Laws or under conditions constituting or likely to constitute a Release of Hazardous Materials. Such environmental assessment shall be a so-called "Phase I" assessment or such other level of investigation which shall be the standard of diligence in the purchase or lease of similar property at the time, together with any additional investigation and report which would customarily follow any discovery contained in such initial Phase I assessment (including, but not limited to, any so-called "Phase II" report). Such right to conduct such environmental assessment shall not be exercised more than once per calendar year unless Tenant is in default under this Section 5.2. Such environmental assessments or inspections shall be subject to Article 22 and be at Landlord's sole cost and expense unless it is discovered that Tenant has violated the terms of this Lease pertaining to Hazardous Materials.

5.2.5 Tenant's Obligations to perform Corrective Action. If the data from any environmental assessment authorized and undertaken by Landlord pursuant to Section 5.2.4 indicates there has been a Release, threatened Release or other conditions with respect to Hazardous Materials on, under or emanating from the Premises and the Affected Areas by Tenant or Tenant's Parties that may require any investigation and/or active response action, including without limitation active or passive remediation and monitoring or any combination of these activities ("**Corrective Action**"), Tenant shall immediately undertake Corrective Action with respect to such contamination if, and to the extent, required by the governmental authority exercising jurisdiction over the matter. Any Corrective Action performed by Tenant will be performed with Landlord's prior written approval and in accordance with applicable Environmental Laws, at Tenant's sole cost and expense and by an environmental consulting firm (reasonably acceptable to Landlord). Tenant may perform the Corrective Action before or after the expiration or earlier termination of this Lease, to the extent permitted by governmental agencies with jurisdiction over the Premises, the Building and the Project (provided, however, that any Corrective Action performed after the expiration or earlier termination of this Lease shall be subject to the access fee provisions set forth below). If Tenant undertakes or continues Corrective Action after the expiration or earlier termination of this Lease, Landlord, upon being given forty-eight (48) hours' advance notice, may, in Landlord's sole discretion, elect (without limiting any of the Landlord's other rights and remedies under this Lease, at law and/or in equity), to provide, at an "access fee" equal to one hundred fifty percent (150%) of the Monthly Rent in effect for the last month immediately preceding the expiration or earlier termination of this Lease, plus all other sums due under this Lease (prorated for partial months based on days of actual access and only if the Premises cannot be used by a third party during such period), access to the Premises, the Building and the Project as may be requested by Tenant and its consultant to accomplish the Corrective Action. Tenant or its consultant may install, inspect, maintain, replace and operate remediation equipment and conduct the Corrective Action as it considers necessary, subject to Landlord's approval. Tenant and Landlord shall, in good faith, cooperate with each other with respect to any Corrective Action after the expiration or earlier termination of this Lease so as not to interfere unreasonably with the conduct of Landlord's or any third party's business on the Premises, the Building and the Project. Landlord may, in its sole discretion, provide access until Tenant delivers evidence reasonably satisfactory to Landlord that Tenant's Corrective Action activities on the Premises and the Affected Areas satisfy applicable Environmental Laws. It shall be reasonable for Landlord to require Tenant to deliver a "no further action" letter or substantially similar document from the applicable governmental agency. Tenant shall pay the access fee for each day that Landlord is not able to use the Premises and the Affected Areas for such purposes as Landlord reasonably desires. Landlord's "reasonableness" as used in the immediately preceding sentence shall be based on (i) the zoning of the Premises as of the date in question, and (ii) the logical uses of the Premises as of the date in question. If Landlord desires to situate a tenant in the Premises, the Building or the Project and is unable to do so due to the presence of Hazardous Materials in violation of Environmental Laws and caused by Tenant or Tenant Parties, and remediation of the Premises and the Affected Areas is ongoing, Landlord shall be deemed to be unable to use the Premises, the Building and the Project in the way Landlord reasonably desires and

Tenant shall be obligated to continue paying the access fee until such time as Landlord is able to situate said tenant in the Premises, the Building and/or the Project. Tenant agrees to install, at Tenant's sole cost and expense, screening around its remediation equipment so as to protect the aesthetic appeal of the Premises, the Building and the Project. Tenant also agrees to use reasonable efforts to locate its remediation and/or monitoring equipment, if any (subject to the requirements of Tenant's consultant and governmental agencies with jurisdiction over the Premises, the Building and the Project) in a location which will allow Landlord, to the extent reasonably practicable, the ability to lease the Premises, the Building and the Project to a subsequent user. Notwithstanding anything above to the contrary, if any clean-up or monitoring procedure is required by any applicable governmental authorities in, on, under or about the Premises and the Affected Areas during the Lease Term as a consequence of any Hazardous Materials contamination caused by Tenant or Tenant's Parties and the procedure for clean-up is not completed (to the satisfaction of Landlord and/or the governmental authorities) prior to the expiration or earlier termination of this Lease then, at Landlord's election, (i) this Lease shall be deemed renewed for a term commencing on the expiration or earlier termination of this Lease and ending on the date the clean-up procedure is anticipated to be completed; or (ii) Tenant shall be deemed to have impermissibly held over (and Article 16 of this Lease shall apply with full force and effect) and Landlord shall be entitled to all damages directly or indirectly incurred, including, without limitation, damages occasioned by the inability to relet the Premises and/or any other portion of the Building or a reduction of the fair market or rental value of the Premises and/or the Building.

5.2.6 Tenant's Duty to Notify Landlord Regarding Releases. Tenant agrees to promptly notify Landlord of any Release of Hazardous Materials in the Premises, the Building or any other portion of the Project which Tenant becomes aware of during the Term of this Lease, whether caused by Tenant or any other persons or entities. In the event of any release of Hazardous Materials caused by Tenant or any of Tenant's Parties, Landlord shall have the right, but not the obligation, to cause Tenant, at Tenant's sole cost and expense, to immediately take all reasonable steps Landlord deems necessary or appropriate to remediate such Release and prevent any similar future release as required by Environmental Law to the satisfaction of Landlord and Landlord's mortgagee(s). Tenant will, upon the request of Landlord at any time during which Landlord has reason to believe that Tenant is not in compliance with this Section 5.2 (and in any event no earlier than sixty (60) days and no later than thirty (30) days prior to the expiration of this Lease), cause to be performed an environmental audit of the Premises at Tenant's expense by an established environmental consulting firm reasonably acceptable to Landlord. In the event the audit provides that Corrective Action is required then Tenant shall immediately perform the same at its sole cost and expense.

5.2.7 Tenant's Environmental Indemnity. To the fullest extent permitted by law, Tenant agrees to promptly indemnify, protect, defend and hold harmless Landlord and Landlord's members, partners, subpartners, independent contractors, officers, directors, shareholders, employees, agents, successors and assigns (collectively, "**Landlord Parties**") from and against any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs (including, without limitation, clean-up, removal, remediation and restoration costs, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees and court costs) which arise or result from the Release of Hazardous Materials on, in, under or about the Premises, the Building or any other portion of the Project and which are caused by Tenant or any of Tenant's Parties during the Term of this Lease, including arising from or caused in whole or in part, directly or indirectly, by (i) Tenant's or other Tenant Party's actual, proposed or threatened use, treatment, storage, transportation, holding, existence, disposition, manufacturing, control, management, abatement, removal, handling, transfer, generation or Release (past, present or threatened) of Hazardous Materials to, in, on, under, about or from the Premises and the Affected Areas in violation of Environmental Laws or this Lease; (ii) any past, present or threatened non-compliance or violations of any Environmental Laws in connection with Tenant and/or Tenant's particular use of the

Premises and/or the Affected Areas; (iii) personal injury claims; (iv) the payment of any environmental liens, or the disposition, recording, or filing or threatened disposition, recording or filing of any environmental lien encumbering or otherwise affecting the Premises and/or the Affected Areas; (v) diminution in the value of the Premises and/or the Project; (vi) damages for the loss or restriction of use of the Premises and/or the Project, including prospective rent, lost profits and business opportunities; (vii) sums paid in settlement of claims; (viii) reasonable attorneys' fees, consulting fees and expert fees; (ix) the cost of any investigation of site conditions; and (x) the cost of any repair, clean-up or remediation ordered by any governmental or quasi-governmental agency or body. Tenant's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, cleanup or detoxification or decontamination of the Premises, the Building and/or the Project, or the preparation and implementation of any closure, remedial action or other required plans in connection therewith. For purposes of the indemnity provisions in this Section 5.2, any acts of Tenant and/or Tenant's Parties or others acting for or on behalf of Tenant (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to Tenant. The provisions of this Section 5.2.7 will survive the expiration or earlier termination of this Lease.

5.2.8 Limitations on Tenant's Obligations. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have no liability in connection with any Hazardous Materials (i) in existence on the Premises, Building or Project prior to the Lease Commencement Date or brought onto the Premises, Building or Project after the Lease Commencement Date by any third party other than a Tenant Party or (ii) which may migrate into the Premises through air, water or soil, through no fault of Tenant or any of Tenant's Parties.

5.2.9 Landlord's Termination Option for Certain Environmental Problems. If Hazardous Materials are present at the Premises that are required by Environmental Law to be remediated and Tenant is not responsible therefor pursuant to Section 5.2, Landlord shall remediate such Hazardous Materials, in which event this Lease shall continue in full force and effect, Landlord shall provide Tenant with abatement of Rent as provided in, but subject to, Section 6.8 below, to the extent such work materially interferes with Tenant's conduct of its business in the Premises and Tenant does not occupy all or any material portion of the Premises on account of such work.

5.2.10 Control Areas. Tenant shall be allowed to utilize up to its pro rata share of the Hazardous Materials inventory within any control area or zone (located within the Premises), as designated by the applicable building code, for chemical use or storage. As used in the preceding sentence, Tenant's pro rata share of any control areas or zones located within the Premises shall be determined based on the rentable square footage that Tenant leases within the applicable control area or zone. For purposes of example only, if a control area or zone contains 10,000 rentable square feet and 2,000 rentable square feet of a tenant's premises are located within such control area or zone (while such premises as a whole contains 5,000 rentable square feet), the applicable tenant's pro rata share of such control area would be 20%.

5.2.11 Storage Areas. Tenant shall, during the Lease Term, have the right to use (i) two (2) dedicated general storage areas (the "**General Storage Areas**") and (ii) one (1) dedicated hazardous materials storage area (the "**Hazardous Materials Storage Area**") in the locations depicted on Exhibit G (collectively, the "**Storage Areas**"). Tenant shall take such Storage Areas in their "as-is" condition and Landlord shall not be obligated to make any improvements or repairs to the same; such improvement/repair responsibility shall be Tenant's responsibility at Tenant's sole cost and expense. The Storage Areas shall be considered part of the Premises under this Lease except that no Rent shall be payable by Tenant for such Storage Areas.

5.3 Odors and Exhaust. Tenant acknowledges that Landlord would not enter into this Lease with Tenant unless Tenant assured Landlord that under no circumstances will the Premises be damaged by any exhaust from Tenant's operations. Landlord and Tenant therefore agree as follows:

5.3.1 Tenant shall not cause or permit (or conduct any activities that would cause) any release of any odors or fumes of any kind from the Premises in violation of Environmental Laws.

5.3.2 Landlord has installed a ventilation system that, in Landlord's reasonable judgment, is adequate, suitable, and appropriate to reasonably vent the Premises for a typical lab use in a manner that does not release odors detectable by a typical person and not unreasonably affecting any indoor or outdoor part of the Premises, and Tenant shall vent the Premises through such system. The placement and configuration of all ventilation exhaust pipes, louvers and other equipment shall be subject to Landlord's reasonable approval. Tenant acknowledges Landlord's legitimate desire to maintain the Premises (indoor and outdoor areas) in an odor-free manner, and Landlord may require Tenant to abate and remove all odors in a manner that goes beyond the requirements of applicable laws.

5.3.3 Tenant shall, at Tenant's sole cost and expense, provide odor eliminators and other devices (such as filters, air cleaners, scrubbers and whatever other equipment may in Landlord's judgment be necessary or appropriate from time to time) to completely remove, eliminate and abate any odors, fumes or other substances in Tenant's exhaust stream that, in Landlord's judgment, emanate from the Premises. Any work Tenant performs under this Section 5.3 shall constitute Alterations.

5.3.4 Tenant's responsibility to remove, eliminate and abate odors, fumes and exhaust shall continue throughout the Term.

5.3.5 If Tenant fails to install satisfactory odor control equipment within ten (10) business days after Landlord's demand made at any time, then Landlord may, without limiting Landlord's other rights and remedies, require Tenant to cease and suspend any operations in the Premises that, in Landlord's determination, cause odors, fumes or exhaust.

ARTICLE 6

SERVICES AND UTILITIES

6.1 Standard Tenant Services. Landlord shall provide the following services on all days during the Lease Term, unless otherwise stated below.

6.1.1 Subject to reasonable changes implemented by Landlord and to all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide heating, ventilation and air conditioning ("**HVAC**") to the office portions of the Premises for normal office use in the Premises from Monday through Friday, during the period from 8:00 a.m. to 6:00 p.m., except for the date of observation of New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and other locally or nationally recognized holidays as designated by Landlord (collectively, the "**Holidays**"). Landlord shall provide HVAC to the lab portions of the Premises on a 24/7 basis.

6.1.2 Landlord shall provide adequate electrical wiring and facilities for power for the Premises. Landlord shall designate the electricity utility provider from time to time.

6.1.3 Landlord shall provide nonexclusive automatic passenger elevator service at all times.

6.1.4 Landlord shall provide water in the Common Areas and Premises for lavatory, drinking, laboratory and landscaping purposes. Such cost shall be paid by Tenant as Additional Rent.

6.1.5 Landlord shall provide gas and sewer services to the Premises and the Project and trash pick-up from the Project as are reasonable and customary for a biotechnology project.

6.1.6 Landlord shall provide house vacuum and compressed air to the existing lab benches and compressed air capacity to the lab portion of the Premises at all times.

6.2 Overstandard Tenant Use. Tenant shall not overload the Systems and Equipment serving the Building. If Tenant desires to use HVAC for the office portions of the Premises during hours other than those for which Landlord is obligated to supply such utilities pursuant to the terms of Section 6.1 of this Lease, (i) Tenant shall give Landlord such prior notice, as Landlord shall from time to time establish as appropriate, of Tenant's desired use, (ii) Landlord shall supply such HVAC to Tenant at such hourly cost to Tenant as Landlord shall from time to time establish, and (iii) Tenant shall pay such cost to Landlord within thirty (30) days after billing, as additional rent. The hourly after-hours HVAC cost shall be equal to (A) the actual cost incurred by Landlord to supply such after-hours HVAC on an hourly basis (but based on a one (1) hour minimum provision of such after-hours HVAC), (B) increased wear and tear and depreciation of equipment to provide such after-hours HVAC, and (C) the pro rata maintenance costs related to such after-hours HVAC.

6.3 Utilities. Tenant shall pay for all water (including the cost to service, repair and replace reverse osmosis, de-ionized and other treated water), gas, heat, light, power, telephone, internet service, cable television, other telecommunications and other utilities supplied to the Premises, together with any fees, surcharges and taxes thereon. If any such utility is not separately metered or submetered to Tenant, Tenant shall pay Tenant's Share of all charges of such utility jointly metered with other premises as Additional Rent (provided, however, if any occupants of the Building are, in Landlord's good faith business judgment, using a disproportionate amount of utilities, Landlord shall exclude such disproportionate use before calculating Tenant's Share) or, in the alternative, Landlord may, at its option, monitor the usage of such utilities by Tenant and charge Tenant with the actual, documented cost of such utilities, and the cost of purchasing, installing and monitoring such metering equipment shall be paid by Landlord; provided, however, that monitoring equipment for any server room HVAC or any other special equipment installed by Tenant shall be Tenant's responsibility at Tenant's sole cost and expense. To the extent that Tenant uses more than Tenant's Share of any utilities, then Tenant shall pay Landlord Tenant's Share of Operating Expenses to reflect such excess. Notwithstanding the foregoing, Landlord represents that electricity to the Premises is separately submetered.

6.4 Interruption of Use. Tenant agrees that Landlord shall not be liable for damages, by abatement of Rent or otherwise (subject to Section 6.8), for failure to furnish or delay in furnishing any service (including, but not limited to, any central plant or other lab system, telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by required repairs, replacements, or improvements (in each case scheduled at reasonable times with Tenant, except in cases of emergency), by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building or Project after reasonable effort to do so, by any accident or casualty beyond Landlord's reasonable control, by act or default of Tenant or other parties, or by any other cause beyond Landlord's reasonable control; and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or, subject to Section 6.8 below, relieve Tenant from paying Rent or performing any of its obligations under this Lease. Furthermore, subject to Section 6.8 below, Landlord shall not be liable under any circumstances for a loss of, or injury to, property (including scientific research and any intellectual property) or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6.

6.5 Additional Services. Landlord shall also have the right, but not the obligation, at Tenant's request, to provide any additional services which may be required by Tenant, including, without limitation, locksmithing and additional repairs and maintenance, provided that Tenant shall pay to Landlord within thirty (30) days after billing and as Additional Rent hereunder, the sum of all costs to Landlord of such additional services plus a five percent (5%) administration fee.

6.6 Janitorial Service. Landlord shall not be obligated to provide any janitorial services to the Premises or replace any light bulbs, lamps, starters and ballasts for lighting fixtures within the Premises. Tenant shall be solely responsible, at Tenant's sole cost and expense, for (i) performing all janitorial services, trash removal and other cleaning of the Premises, and (ii) replacement of all light bulbs, lamps, starters and ballasts for lighting fixtures within the Premises, all as appropriate to maintain the Premises in a first-class manner consistent with the first-class nature of the Building and Project. Such services to be provided by Tenant shall be performed by contractors and pursuant to service contracts approved by Landlord. Tenant shall deposit trash as reasonably required in the area designated by Landlord from time to time. All trash containers must be covered and stored in a manner to prevent the emanation of odors into the Premises or the Project. Landlord shall have the right to inspect the Premises upon reasonable notice to Tenant and to require Tenant to provide additional cleaning, if necessary. In the event Tenant shall fail to provide any of the services described in this Section 6.6 to be performed by Tenant within five (5) days after notice from Landlord, which notice shall not be required in the event of an emergency, Landlord shall have the right to provide such services and any charge or cost incurred by Landlord in connection therewith shall be deemed Additional Rent due and payable by Tenant upon receipt by Tenant of a written statement of cost from Landlord.

6.7 Energy Statements. For any utilities serving the Premises for which Tenant is billed directly by such utility provider, Tenant agrees to furnish to Landlord (a) any invoices or statements for such utilities within thirty (30) days after Tenant's receipt thereof, (b) within thirty (30) days after Landlord's request, any other utility usage information reasonably requested by Landlord, and (c) within thirty (30) days after each calendar year during the Term, an ENERGY STAR® Statement of Performance (or similar comprehensive utility usage report if requested by Landlord) and any other information reasonably requested by Landlord for the immediately preceding year. Tenant shall retain records of utility usage at the Premises, including invoices and statements from the utility provider, for at least sixty (60) months, or such other period of time as may be requested by Landlord. Tenant acknowledges that any utility information for the Premises may be shared with third parties, including Landlord's consultants and governmental authorities. In the event that Tenant fails to comply with this Section, Tenant hereby authorizes Landlord to collect utility usage information directly from the applicable utility providers and agree to pay Landlord a fee of One Hundred Dollars ($100) per month to collect such utility usage information.

6.8 Abatement of Rent When Tenant is Prevented From Using Premises. In the event that Tenant is prevented from using, and does not use, the Premises or any portion thereof, for five (5) consecutive business days (the "**Eligibility Period**") as a result of (i) any repair, maintenance or alteration performed by Landlord after the applicable Lease Commencement Date and required to be performed by Landlord under this Lease or permitted pursuant to Section 5.2.9 above or Section 24.30 below, or (ii) any failure by Landlord to provide to the Premises any of the facilities for essential utilities and services required to be provided in Section 6.1 above, or (iii) any failure by Landlord to provide access to the Premises, then Tenant's obligation to pay Base Rent and Tenant's Share of Operating Expenses, Tax Expenses and Utilities

Costs shall be abated or reduced, as the case may be, from and after the first (1st) day following the Eligibility Period and continuing until such time that Tenant continues to be so prevented from using, and does not use, the Premises or a portion thereof, in the proportion that the rentable square feet of the portion of the Premises that Tenant is prevented from using, and does not use, bears to the total rentable square feet of the Premises; provided, however, that Tenant shall only be entitled to such abatement of rent if the matter described in clauses (i), (ii) or (iii) of this sentence is within Landlord's reasonable control or caused by Landlord's negligence or willful misconduct or violation of this Lease. To the extent Tenant shall be entitled to abatement of rent because of a damage or destruction pursuant to Article 11 or a taking pursuant to Article 12, then the Eligibility Period shall not be applicable.

6.9 Landlord's Emergency Generator. Tenant shall have the right to draw Tenant's Share of power from the emergency generator serving the Building ("**Generator**") at all times when the emergency generator is in emergency operation; provided, however, that (a) Tenant may only draw Tenant's Share of available power for Tenant's critical power requirements (i.e., certain portions of Tenant's labs in the Premises) and (b) in the event the Generator is replaced, Landlord shall use commercially reasonable efforts to cause any replacement emergency generator to provide at least the same electrical capacity to the Premises (as the Generator provides to the Premises) at all times when the power is out, subject to Force Majeure. Until such Generator is replaced, Landlord will use commercially reasonable efforts to cause the same to be operational at all times when power is out, subject to Force Majeure.

ARTICLE 7

REPAIRS

7.1 Tenant's Repairs. Subject to Landlord's repair obligations in Sections 7.2 and 11.1 below, Tenant shall, at Tenant's own expense, keep the Premises, including all improvements, fixtures and furnishings therein, in good order, repair and condition at all times during the Lease Term, which repair obligations shall include, without limitation, the obligation to promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances, together with all portions of the HVAC, electrical, mechanical plumbing, life safety and lab systems from the point that such systems are located in and solely serve the Premises and all portions of all fume hoods and other exhaust systems that are located in and exclusively serve the Premises (all such systems collectively being referred to as the "**Premises Systems**"), in the condition received. Tenant's obligations shall include restorations, replacements or renewals, including capital expenditures for restorations, replacements or renewals which will have an expected life beyond the Term, when necessary to keep the Premises and all improvements thereon or a part thereof and the Premises Systems in the order, condition and repair received and in compliance with all applicable laws. Except as expressly set forth in this Lease, it is intended by the parties hereto that Landlord shall have no obligation, in any manner whatsoever, to repair or maintain the Premises, the improvements located therein or the equipment therein, or the Premises Systems, all of which obligations are intended to be the expense of Tenant (whether or not such repairs, maintenance or restoration shall have an expected life extending beyond the Term). Tenant's maintenance of the Premises Systems shall comply with the manufacturers' recommended operating and maintenance procedures. Tenant shall enter into and pay for maintenance contracts (in forms satisfactory to Landlord in its reasonable discretion, which may require, without limitation, that any third party contractor provide Landlord with evidence of insurance as required by Landlord) for the Premises Systems in accordance with the manufacturers' recommended operating and maintenance procedures. Such maintenance contracts shall be with reputable contractors, satisfactory to Landlord in its reasonable discretion, who shall have not less than ten (10) years of experience in maintaining such systems in biotechnical facilities. Upon Landlord's request, Tenant shall provide maintenance reports from any such contractors. Tenant shall be solely responsible for the cost of all improvements or alterations to the Premises or the Premises Systems required by law to the extent

required under Article 21. Notwithstanding the foregoing, if Tenant fails to make such repairs, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the cost thereof, including a percentage of the cost thereof (to be uniformly established for the Building) sufficient to reimburse Landlord for all overhead, general conditions, fees and other costs or expenses arising from Landlord's involvement with such repairs and replacements forthwith upon being billed for same. In addition, Landlord reserves the right, upon notice to Tenant, to procure and maintain any or all of such service contracts, and if Landlord so elects, Tenant shall reimburse Landlord, upon demand, for the costs thereof.

7.2 Landlord's Repairs. Anything contained in Section 7.1 above to the contrary notwithstanding, and subject to Articles 11 and 12 below, Landlord shall repair and maintain the structural portions of the Building, including the plumbing, HVAC and electrical systems serving the Building and not located in and exclusively serving the Premises; provided, however, to the extent such maintenance and repairs are caused by the act, neglect, fault of or omission of any duty by Tenant, its agents, servants, employees or invitees, Tenant shall pay to Landlord as Additional Rent, the reasonable cost of such maintenance and repairs. Moreover, Landlord shall perform and construct, and Tenant shall have no responsibility to perform or construct, any repair, maintenance or improvements (a) necessitated by the acts of Landlord, (b) for which Landlord has a right of reimbursement from others, and (c) to any portion of the Building outside of the demising walls of the Premises, and the common areas of the Project. Landlord shall not be liable for any failure to make any such repairs, or to perform any maintenance. There shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Project, Building or the Premises or in or to fixtures, appurtenances and equipment therein. Tenant hereby waives and releases its right to make repairs at Landlord's expense under Sections 1941 and 1942 of the California Civil Code; or under any similar law, statute, or ordinance now or hereafter in effect.

ARTICLE 8

ADDITIONS AND ALTERATIONS

8.1 Landlord's Consent to Alterations. Tenant may not make any improvements, alterations, additions or changes to the Premises (collectively, the "**Alterations**") without first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than thirty (30) days prior to the commencement thereof, and which consent shall not be unreasonably withheld or delayed by Landlord; provided, however, Landlord may withhold its consent in its sole and absolute discretion with respect to any Alterations which may materially or adversely affect the structural components of the Building or the Systems and Equipment or which can be seen from outside the Premises ("**Prohibited Alterations**"). Notwithstanding the foregoing to the contrary, prior consent shall not be required with respect to any interior Alterations to the premises which (i) are not Prohibited Alterations, (ii) cost less than Fifty Thousand Dollars ($50,000.00) for any one (1) job and, other than minor electrical, cabling and lighting work (such as adding an outlet or light switch), do not require a building permit, and (iii) are not visible from outside the Premises, so long as the other conditions of this Article 8 are satisfied including, without limitation, conforming to Landlord's rules, regulations and insurance requirements which govern contractors. Tenant shall pay for all overhead, general conditions, fees and other costs and expenses of the Alterations, and shall pay to Landlord a Landlord supervision fee of two percent (2%) of the cost of the Alterations for which Landlord's consent is required. The construction of the initial improvements to the Premises shall be governed by the terms of the Tenant Work Letter and not the terms of this Article 8.

8.2 Manner of Construction. Landlord may impose, as a condition of its consent to all Alterations or repairs of the Premises, such requirements as Landlord in its reasonable discretion may deem desirable, including, but not limited to, the requirement that Tenant utilize for such purposes only contractors, materials, mechanics and materialmen approved by Landlord; provided, however, Landlord may impose such requirements as Landlord may determine, in its sole and absolute discretion, with respect to any work materially and adversely affecting the structural components of the Building or Systems and Equipment (including designating specific contractors to perform such work). Tenant shall construct such Alterations and perform such repairs in compliance with any and all applicable rules and regulations of any federal, state, county or municipal code or ordinance and pursuant to a valid building permit, issued by the city in which the Building is located, and in conformance with Landlord's construction rules and regulations. Landlord's approval of the plans, specifications and working drawings for Tenant's Alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities. All work with respect to any Alterations must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. Tenant shall cause all Alterations to be performed in such manner as not to obstruct access by any person to the Building or Project or the common areas, and as not to obstruct the business of Landlord or other tenants of the Project, or interfere with the labor force working at the Project. If Tenant makes any Alterations, Tenant agrees to carry "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may require, it being understood and agreed that all of such Alterations shall be insured by Tenant pursuant to Article 10 below immediately upon completion thereof. Landlord may, in its discretion, require Tenant to obtain a lien and completion bond or some alternate form of security satisfactory to Landlord in an amount sufficient to ensure the lien-free completion of such Alterations (the estimated cost of which exceeds Two Hundred Fifty Thousand Dollars ($250,000)) and naming Landlord as a co-obligee. Upon completion of any Alterations, Tenant shall (i) cause a Notice of Completion to be recorded in the office of the Recorder of the county in which the Project is located in accordance with Section 3093 of the Civil Code of the State of California or any successor statute, (ii) deliver to the management office of the Building a reproducible copy of the "as built" drawings of the Alterations, and (iii) deliver to Landlord evidence of payment, contractors' affidavits and full and final waivers of all liens for labor, services or materials.

8.3 Landlord's Property. All Alterations, improvements, fixtures and/or equipment which may be installed or placed in or about the Premises (including, but not limited to, all floor and wall coverings, built-in cabinet work and paneling, sinks and related plumbing fixtures, laboratory benches, exterior venting fume hoods and walk-in freezers and refrigerators, ductwork, conduits, electrical panels and circuits), shall be at the sole cost of Tenant and shall be and become the property of Landlord excluding Tenant's fixtures and equipment, including portable benches (other than iLab benches provided by Landlord and/or if otherwise paid for by Landlord which shall remain Landlord's property), autoclaves, glasswashes, freezers, refrigerators, portable fume hoods, and biosafety cabinets. Furthermore, Landlord may require that Tenant remove any specialized/non-Building Standard Alterations, improvements, fixtures and/or equipment (other than the Tenant Improvements) upon the expiration or early termination of the Lease Term, and repair any damage to the Premises and Building caused by such removal; provided that Landlord notifies in writing that such removal will be required at the time Landlord provides its consent to such Alterations, improvements, fixtures and/or equipment (or at the time Tenant notifies Landlord with respect to Alterations not requiring Landlord's consent). If Tenant fails to complete such removal and/or to repair by the end of the Lease Term, Landlord may do so and may charge the cost thereof to Tenant. Notwithstanding any other provision of this Article 8 to the contrary, in no event shall Tenant remove any improvement from the Premises as to which Landlord contributed payment, including the Tenant Improvements, without Landlord's prior written consent, which consent Landlord may withhold in its sole and absolute discretion.

8.4 Wi-Fi Network. Without limiting the generality of the foregoing, if Tenant desires to install wireless intranet, Internet and communications network ("**Wi-Fi Network**") in the Premises for the use by Tenant and its employees, then the same shall be subject to the provisions of this Section 8.4 (in addition to the other provisions of this Article 8). In the event Landlord consents to Tenant's installation of such Wi-Fi Network, Tenant shall, in accordance with Article 15 below, remove the Wi-Fi Network from the Premises prior to the termination of the Lease. Tenant shall use the Wi-Fi Network so as not to cause any interference to other tenants in the Building or to other tenants at the Project or with any other tenant's communication equipment, and not to damage the Building or Project or interfere with the normal operation of the Building or Project, and Tenant hereby agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, costs, damages, expenses and liabilities (including attorneys' fees) arising out of Tenant's failure to comply with the provisions of this Section 8.4, except to the extent same is caused by the negligence or willful misconduct of Landlord or Landlord's breach of this Lease. Should any interference occur, Tenant shall take all necessary steps as soon as reasonably possible and no later than three (3) calendar days following such occurrence to correct such interference. If such interference continues after such three (3) day period, Tenant shall immediately cease operating such Wi-Fi Network until such interference is corrected or remedied to Landlord's satisfaction. Tenant acknowledges that Landlord has granted and/or may grant telecommunication rights to other tenants and occupants of the Building and Project and to telecommunication service providers and in no event shall Landlord be liable to Tenant for any interference of the same with such Wi-Fi Network. Landlord makes no representation that the Wi-Fi Network will be able to receive or transmit communication signals without interference or disturbance. Tenant shall (i) be solely responsible for any damage caused as a result of the Wi-Fi Network, (ii) promptly pay any tax, license or permit fees charged pursuant to any laws or regulations in connection with the installation, maintenance or use of the Wi-Fi Network and comply with all precautions and safeguards recommended by all governmental authorities, (iii) pay for all necessary repairs, replacements to or maintenance of the Wi-Fi Network, and (iv) be responsible for any modifications, additions or repairs to the Building or Project, including without limitation, Building or Project systems or infrastructure, which are required by reason of the installation, operation or removal of Tenant's Wi-Fi Network. Should Landlord be required to retain professionals to research any interference issues that may arise and confirm Tenant's compliance with the terms of this Section 8.4, Tenant shall reimburse Landlord for the costs incurred by Landlord in connection with Landlord's retention of such professionals, the research of such interference issues and confirmation of Tenant's compliance with the terms of this Section 8.4 within twenty (20) days after the date Landlord submits to Tenant an invoice for such costs. This reimbursement obligation is in addition to, and not in lieu of, any rights or remedies Landlord may have in the event of a breach or default by Tenant under this Lease.

ARTICLE 9

COVENANT AGAINST LIENS

Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon the Project, Building or Premises, and any and all liens and encumbrances created by Tenant shall attach to Tenant's interest only. Landlord shall have the right at all times to post and keep posted on the Premises any notice which it deems necessary for protection from such liens. Tenant shall not cause or permit any lien of mechanics or materialmen or others to be placed against the Project, the Building or the Premises with respect to work or services claimed to have been performed for or materials claimed to have been furnished to Tenant or the Premises, and, in case of any such lien attaching or notice of any lien, Tenant shall cause it to be immediately released and removed of record. If any such lien is not released and removed within ten (10) business days after notice of such lien is delivered by Landlord to Tenant, then Landlord may, at its option, take all action necessary to release and remove such lien, without any duty to investigate

the validity thereof, and all sums, costs and expenses, including reasonable attorneys' fees and costs, incurred by Landlord in connection with such lien shall be deemed Additional Rent under this Lease and shall immediately be due and payable by Tenant. In the event that Tenant leases or finances the acquisition of equipment, furnishings or other personal property of a removable nature utilized by Tenant in the operation of Tenant's business, Tenant warrants that any Uniform Commercial Code financing statement shall, upon its face or by exhibit thereto, indicate that such financing statement is applicable only to removable personal property of Tenant located within the Premises. In no event shall the address of the Premises be furnished on a financing statement without qualifying language as to applicability of the lien only to removable personal property located in an identified suite leased by Tenant. Should any holder of a financing statement record or place of record a financing statement that appears to constitute a lien against any interest of Landlord or against equipment that may be located other than within an identified suite leased by Tenant, Tenant shall, within ten (10) days after Landlord's request, cause Tenant's lender to amend such financing statement and any other documents of record to clarify that any liens imposed thereby are not applicable to any interest of Landlord in the Premises.

ARTICLE 10

INDEMNIFICATION AND INSURANCE

10.1 Indemnification and Waiver. Tenant hereby assumes all risk of damage to property and injury to persons, in, on, or about the Premises from any cause whatsoever and agrees that Landlord and the Landlord Parties shall not be liable for, and are hereby released from any responsibility for, any damage to property or injury to persons or resulting from the loss of use thereof, which damage or injury is sustained by Tenant or by other persons claiming through Tenant other than that arising from the negligence or willful misconduct of Landlord or its agents, contractors, licensees or invitees or a violation of Landlord's obligations under this Lease or due to defects in the design or condition of the Building that were not caused by Tenant. Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties from any and all loss, cost, damage, expense and liability (including without limitation court costs and reasonable attorneys' fees) incurred in connection with or arising from any cause in, on or about the Premises (including, without limitation, Tenant's installation, placement and removal of Alterations, improvements, fixtures and/or equipment in, on or about the Premises), and any acts, omissions or negligence of Tenant or of any person claiming by, through or under Tenant, or of the contractors, agents, servants, employees, licensees or invitees of Tenant or any such person, in, on or about the Premises, the Building and Project; provided, however, that the terms of the foregoing indemnity shall not apply to the negligence, violation of this Lease or willful misconduct of Landlord or defects in the design or condition of the Building that were not caused by Tenant. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease. Notwithstanding anything in this Lease to the contrary, Landlord shall not be liable to Tenant for, and Tenant assumes all risk of, damage to personal property or scientific research or intellectual property, including loss of records kept by Tenant within the Premises and damage or losses caused by fire, electrical malfunction, gas explosion or water damage of any type (including broken water lines, malfunctioning fire sprinkler systems, malfunctioning lab systems including any malfunction of the central plant systems, roof leaks or stoppages of lines). Tenant further waives any claim for injury to Tenant's business or loss of income relating to any such damage or destruction of personal property as described above.

10.2 Tenant's Compliance with Landlord's Fire and Casualty Insurance. Tenant shall, at Tenant's expense, comply as to the Premises with all insurance company requirements pertaining to Tenant's particular use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for such insurance policies, then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body to the extent Tenant would be required to comply with the same if they were legal requirements under Article 21.

10.3 Tenant's Insurance. Tenant shall maintain the following coverages in the following amounts (which liability insurance limits may be met by umbrella coverage):

10.3.1 Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage arising out of Tenant's operations, assumed liabilities or use of the Premises, including a Broad Form Commercial General Liability endorsement covering the insuring provisions of this Lease and the performance by Tenant of the indemnity agreements set forth in Section 10.1 above, (and liquor liability coverage if alcoholic beverages are served on the Premises) for limits of liability not less than:

Bodily Injury and Property Damage Liability	$5,000,000 each occurrence $5,000,000 annual aggregate
Personal Injury Liability	$5,000,000 each occurrence $5,000,000 annual aggregate 0% Insured's participation

10.3.2 Physical Damage Insurance covering (i) all furniture, trade fixtures, equipment, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant and (ii) all other improvements, alterations and additions to the Premises contracted for by Tenant, including any improvements, alterations or additions installed at Tenant's request above the ceiling of the Premises or below the floor of the Premises other than the Tenant Improvements. Such insurance shall be written on a "physical loss or damage" basis under a "special form" policy, for the full replacement cost value new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include a vandalism and malicious mischief endorsement, sprinkler leakage coverage and earthquake sprinkler leakage coverage.

10.3.3 Workers' compensation insurance as required by law.

10.3.4 Loss-of-income, business interruption and extra-expense insurance in such amounts as will reimburse Tenant for direct and indirect loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of loss of access to the Premises or to the Building as a result of such perils.

10.3.5 If Tenant rents or owns automobiles at the Project, Tenant shall carry comprehensive automobile liability insurance having a combined single limit of not less than Two Million Dollars ($2,000,000.00) per occurrence and insuring Tenant against liability for claims arising out of ownership, maintenance or use of any owned, hired or non-owned automobiles.

10.3.6 Environmental Liability insurance (in form and substance satisfactory to Landlord) with limits of coverage not less than Two Million Dollars ($2,000,000.00) combined per occurrence and in the aggregate insuring against any and all liability with respect to the Premises and all areas appurtenant thereto arising out of any death or injury to any person, damage or destruction of any property, other loss, cost or expense resulting from any release, spill, leak or other contamination of the Premises, or any other property surrounding the Premises attributable to the presence of Hazardous Materials. Upon Landlord's request, Tenant shall also obtain (at Tenant's sole cost and expense)

environmental impairment liability insurance and environmental remediation liability insurance (in form and substance (including limits) acceptable to Landlord). If, at any time it reasonably appears to Landlord that Tenant is not maintaining sufficient insurance or other means of financial capacity to enable Tenant to fulfill its obligations to Landlord hereunder, whether or not then accrued, liquidated, conditional or contingent, Tenant shall procure and thereafter maintain in full force and effect such insurance or other form of financial assurance, with or from companies or persons and in form and substance reasonably acceptable to Landlord, as Landlord may from time to time reasonably request. Without limiting the generality of the foregoing, all such environmental liability insurance shall specifically insure the performance by Tenant of the indemnity provisions set forth in this Lease.

10.3.7 Form of Policies. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall: (i) name Landlord, and any other party it so specifies, as an additional insured; (ii) specifically cover the liability assumed by Tenant under this Lease, including, but not limited to, Tenant's obligations under Section 10.1 above; (iii) be issued by an insurance company having a rating of not less than A /VII in Best's Insurance Guide or which is otherwise acceptable to Landlord and licensed to do business in the state in which the Project is located; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance requirement of Tenant; (v) to the extent consistent with industry custom and practice, provide that said insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord and any mortgagee or ground or underlying lessor of Landlord; (vi) contain a cross-liability endorsement or severability of interest clause acceptable to Landlord; and (vii) with respect to the insurance required in Sections 10.3.1, 10.3.2 and 10.3.4 above, have deductible amounts not exceeding Twenty Thousand Dollars ($20,000.00). Tenant shall deliver such policies or certificates thereof to Landlord on or before the applicable Lease Commencement Date and at least thirty (30) days before the expiration dates thereof. If Tenant shall fail to procure such insurance, or to deliver such policies or certificate, within such time periods, Landlord may, at its option, in addition to all of its other rights and remedies under this Lease, and without regard to any notice and cure periods set forth in Section 19.1, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord as Additional Rent within ten (10) days after delivery of bills therefor. Tenant shall have the right to carry the insurance required hereunder in the form of blanket and/or umbrella policies.

10.4 Waiver of Subrogation. Notwithstanding anything to the contrary in this Lease, Landlord and Tenant each hereby waive any right that either may have against the other on account of any loss or damage to their respective property to the extent such loss or damage is insurable under policies of insurance for fire and all risk coverage, theft, or other similar insurance, without regard to the negligence or willful misconduct of the entity so released. All of Landlord's and Tenant's repair and indemnity obligations under this Lease shall be subject to the waiver contained in this paragraph.

10.5 Additional Insurance Obligations. Tenant shall carry and maintain during the entire Lease Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article 10, and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord so long as such amounts or types are then generally being required by landlords of comparable buildings in the general vicinity of the Building.

ARTICLE 11

DAMAGE AND DESTRUCTION

11.1 Repair of Damage to Premises by Landlord. Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises or any common areas of the Building or Project serving or providing access to the Premises shall be damaged by fire or other casualty, Landlord shall notify Tenant of the estimated date of completion of the repair ("**Estimated Repair Completion Date**"). Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article 11, restore the Premises, including the Tenant Improvements, and such common areas. Such restoration shall be to substantially the same condition of the base, shell, and core of the Premises, the Tenant Improvements and common areas prior to the casualty, except for modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Project and/or the Building, or the lessor of a ground or underlying lease with respect to the Building, or any other modifications to the common areas deemed desirable by Landlord, provided access to the Premises and any common restrooms serving the Premises shall not be materially impaired. Upon the occurrence of any damage to the Premises, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3 of this Lease attributable to Alterations made by Tenant, and Landlord shall repair any damage to such Alterations installed in the Premises and shall return such alterations to their original condition; provided that if the costs of such repair of such Alterations by Landlord exceeds the amount of insurance proceeds received by Landlord therefor from Tenant's insurance carrier, as assigned by Tenant, the excess costs of such repairs shall be paid by Tenant to Landlord prior to Landlord's repair of the damage. In connection with such repairs and replacements of any such Alterations, Tenant shall, prior to Landlord's commencement of such improvement work, submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall select the contractors to perform such improvement work. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Premises or common areas necessary to Tenant's occupancy, Landlord shall allow Tenant a proportionate abatement of Base Rent and Tenant's Share of Operating Expenses, Tax Expenses and Utilities Costs during the time and to the extent the Premises are unusable by Tenant for its business purposes permitted under this Lease, and not occupied by Tenant as a result thereof.

11.2 Landlord's Option to Repair. Notwithstanding Section 11.1 above to the contrary, Landlord may elect not to rebuild and/or restore the Premises, the Building and/or any other portion of the Project and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after the date Landlord becomes aware of such damage, such notice to include a termination date giving Tenant ninety (90) days to vacate the Premises, but Landlord may so elect only if the Building shall be damaged by fire or other casualty or cause, and the Premises are affected, and one or more of the following conditions is present: (i) repairs cannot reasonably be substantially completed within one hundred eighty (180) days after the date of such damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Project and/or the Building or ground or underlying lessor with respect to the Project and/or the Building shall require that at least Two Million Five Hundred Thousand Dollars ($2,500,000.00) of the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground or underlying lease, as the case may be and Landlord elects to terminate the leases of all other tenants of the Building similarly affected by the damage and destruction; or (iii) at least Two Million Five Hundred Thousand Dollars ($2,500,000.00) of the damage is not fully covered, except for deductible amounts, by Landlord's insurance policies and Landlord elects to terminate the leases of all other tenants of the Building similarly affected by the damage and destruction;

provided, however, Landlord may not exercise any of the foregoing rights to terminate this Lease if Landlord intends to restore the damage within twelve (12) months of the date of the damage. In addition, if the Premises and the Building is destroyed or damaged to any substantial extent during the last year of the Lease Term, then notwithstanding anything contained in this Article 11, Landlord shall have the option to terminate this Lease by giving written notice to Tenant of the exercise of such option within thirty (30) days after such damage, in which event this Lease shall cease and terminate as of the date of such notice. Upon any such termination of this Lease pursuant to this Section 11.2, Tenant shall pay the Base Rent and Additional Rent, properly apportioned up to such date of termination, and both parties hereto shall thereafter be discharged of all further obligations under this Lease, except for those obligations which expressly survive the expiration or earlier termination of the Lease Term.

11.3 Waiver of Statutory Provisions. The provisions of this Lease, including this Article 11, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, the Building or any other portion of the Project, and any statute or regulation of the state in which the Project is located, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, the Building or any other portion of the Project.

11.4 Tenant's Termination Rights Following Damage. Tenant, at any time after the damage until such rebuilding is completed, may terminate this Lease by delivering written notice to Landlord of such termination, in which event this Lease shall terminate as of the date of the giving of such notice, in any of the following circumstances: (i) Landlord fails to restore the Premises (including reasonable means of access thereto) within a period which is sixty (60) days longer than the Estimated Repair Completion Date stated in Landlord's notice to Tenant as the estimated rebuilding period (which sixty (60) day period shall be deemed extended due to Force Majeure delays (not to exceed ninety (90) days for reasons other than regulations and restrictions related to COVID-19 or any variant thereof or any pandemic not in effect as of the date hereof) and/or delays caused by Tenant); (ii) the Estimated Completion Repair Date is more than two hundred ten (210) days following the damage; or (iii) material damage to a material portion of the Premises occurs within the last year of the Term to the extent that in Tenant's judgment it cannot effectively operate its business in the Premises.

ARTICLE 12

CONDEMNATION

12.1 Permanent Taking. If the whole or any substantial part of the Premises, Building or Project shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, or if any adjacent property or street shall be so taken or condemned, or reconfigured or vacated by such authority in such manner as to require the use, reconstruction or remodeling of any substantial part of the Premises, Building or Project, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease upon ninety (90) days' notice, provided such notice is given no later than one hundred eighty (180) days after the date of such taking, condemnation, deed or other instrument. If more than ten percent (10%) of the rentable square feet of the Premises is taken, or if any of the Premises is taken that would materially interfere with Tenant's use of the Premises, or if access to the Premises is substantially impaired due to a taking, Tenant shall have the option to terminate this Lease upon ninety (90) days' notice, provided such notice is given no later than one hundred eighty (180) days after the date of such taking. Landlord shall be entitled to receive the entire award or payment in connection therewith, except that Tenant

shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, for the unamortized value of any improvements to the Premises paid for by Tenant and for relocation expenses, so long as such claim is payable separately to Tenant. All Rent shall be apportioned as of the date of such termination, or the date of such taking, whichever shall first occur. If any part of the Premises shall be taken, and this Lease shall not be so terminated, the Base Rent and Tenant's Share of Operating Expenses, Tax Expenses and Utilities Costs shall be proportionately abated. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of The California Code of Civil Procedure.

12.2 Temporary Taking. Notwithstanding anything to the contrary contained in this Article 12, in the event of a temporary taking of all or any portion of the Premises for a period of one hundred and eighty (180) days or less, then this Lease shall not terminate but the Base Rent and Tenant's Share of Operating Expenses, Tax Expenses and Utilities Costs shall be abated for the period of such taking in proportion to the ratio that the amount of rentable square feet of the Premises taken bears to the total rentable square feet of the Premises. Landlord shall be entitled to receive the entire award made in connection with any such temporary taking.

ARTICLE 13

COVENANT OF QUIET ENJOYMENT

Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, and agreements hereof without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied.

ARTICLE 14

ASSIGNMENT AND SUBLETTING

14.1 Transfers. Tenant shall not, without the prior written consent of Landlord (not to be unreasonably withheld), assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or permit the use of the Premises by any persons other than Tenant and its employees and contractors (all of the foregoing are hereinafter sometimes referred to collectively as "Transfers" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "**Transferee**"). If Tenant shall desire Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "**Transfer Notice**") shall include (i) the proposed effective date of the Transfer, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "**Subject Space**"), (iii) all of the terms of the proposed Transfer, the name and address of the proposed Transferee, and a copy of all existing and/or proposed documentation pertaining to the proposed Transfer, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, (v) a list of Hazardous Materials, certified by the proposed Transferee to be true and correct, that the proposed Transferee intends to use or store in the Premises, and (vi) such other information as Landlord may reasonably require. Any Transfer made without Landlord's prior written consent shall, at Landlord's option,

be null, void and of no effect, and shall, at Landlord's option, constitute a default by Tenant under this Lease after the expiration of applicable notice and cure periods. Whether or not Landlord shall grant consent, within thirty (30) days after written request by Landlord, Tenant shall pay to Landlord up to Two Thousand Five Hundred Dollars ($2,500.00) to reimburse Landlord for its review and processing fees, and any legal fees incurred by Landlord in connection with Tenant's proposed Transfer.

14.2 Landlord's Consent. Landlord shall not unreasonably withhold, condition or delay its consent to any proposed Transfer on the terms specified in the Transfer Notice. In no event shall Landlord be deemed to be unreasonable for declining to consent to a Transfer to a transferee jeopardizing directly or indirectly the status of Landlord or any of Landlord's affiliates as a Real Estate Investment Trust under the Internal Revenue Code of 1986 (as the same may be amended from time to time, the "**Revenue Code**"). Notwithstanding anything contained in this Lease to the contrary, (w) no Transfer shall be consummated on any basis such that the rental or other amounts to be paid by the occupant, assignee, manager or other transferee thereunder would be based, in whole or in part, on the income or profits derived by the business activities of such occupant, assignee, manager or other transferee; (x) Tenant shall not consummate a Transfer with any person in which Landlord owns an interest, directly or indirectly (by applying constructive ownership rules set forth in Section 856(d)(5) of the Revenue Code); and (z) Tenant shall not consummate a Transfer with any person or in any manner that could cause any portion of the amounts received by Landlord pursuant to this Lease or any sublease, license or other arrangement for the right to use, occupy or possess any portion of the Premises to fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Revenue Code, or any similar or successor provision thereto or which could cause any other income of Landlord to fail to qualify as income described in Section 856(c)(2) of the Revenue Code. The parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply, without limitation as to other reasonable grounds for withholding consent:

14.2.1 The Transferee intends to use the Subject Space for purposes which are not permitted under this Lease;

14.2.2 The Transferee is either a governmental agency or instrumentality thereof;

14.2.3 The Transfer will result in more than a reasonable and safe number of occupants per floor within the Subject Space;

14.2.4 The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities involved under the Lease or the applicable sublease on the date consent is requested;

14.2.5 The proposed Transfer would cause Landlord to be in violation of another lease or agreement to which Landlord is a party, or would give an occupant of the Project a right to cancel its lease;

14.2.6 The terms of the proposed Transfer will allow the Transferee to exercise a right of renewal, right of expansion, right of first offer, or other similar right held by Tenant (or will allow an assignee to occupy space leased by Tenant pursuant to any such right); or

14.2.7 Either the proposed Transferee, or any person or entity which directly or indirectly, controls, is controlled by, or is under common control with, the proposed Transferee, (i) occupies space in the Project at the time of the request for consent, (ii) is negotiating with Landlord to lease space in the Project at such time, in each case if Landlord then has suitable space available to such proposed Transferee.

If Landlord consents to any Transfer pursuant to the terms of this Section 14.2 (and does not exercise any recapture rights Landlord may have under Section 14.4 below), Tenant may within six (6) months after Landlord's consent, enter into such Transfer of the Premises or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 14.1 above, provided that if there are any changes in the terms and conditions from those specified in the Transfer Notice (i) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 14.2, or (ii) which would cause the proposed Transfer to be more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 14 (including Landlord's right of recapture, if any, under Section 14.4 of this Lease).

14.3 Transfer Premium. If Landlord consents to a Transfer, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord fifty percent (50%) of any Transfer Premium received by Tenant from such Transferee. "**Transfer Premium**" shall mean all rent, additional rent or other consideration payable by such Transferee in excess of the Rent and Additional Rent payable by Tenant under this Lease on a per rentable square foot basis if less than all of the Premises is transferred, after deducting the reasonable expenses incurred by Tenant for (i) any reasonable changes, alterations and improvements to the Premises in connection with the Transfer (but only to the extent approved by Landlord), (ii) any market standard brokerage commissions and attorneys' fees in connection with the Transfer and (iii) free rent or sublease allowances (collectively, the "**Subleasing Costs**"). Transfer Premium shall also include, but not be limited to, key money and bonus money paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer. For purposes of calculating the "Transfer Premium" in this section, Base Rent shall be deemed to have not been abated pursuant to Article 3.

14.4 Landlord's Option as to Subject Space. Notwithstanding anything to the contrary contained in this Article 14, if Tenant requests Landlord's consent to a Transfer that is an assignment of this Lease or a sublease of more than sixty percent (60%) of the Premises for all of the remaining Term, then Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any Transfer Notice, to recapture the Subject Space. Such recapture notice shall terminate this Lease with respect to the Subject Space as of the date stated in the Transfer Notice as the effective date of the proposed Transfer. If this Lease is terminated with respect to less than the entire Premises, the Rent and the L-C Amount reserved herein shall be prorated on the basis of the rentable square feet retained by Tenant in proportion to the rentable square feet contained in the Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner to recapture the Subject Space under this Section 14.4, then, provided Landlord has consented to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee, subject to provisions of the last paragraph of Section 14.2 above.

14.5 Effect of Transfer. If Landlord consents to a Transfer: (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified; (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee; (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the Transfer in form reasonably acceptable to Landlord; and (iv) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of

the Lease from liability under this Lease. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency and Landlord's costs of such audit.

14.6 Additional Transfers. Subject to Section 14.7 below, for purposes of this Lease, the term "Transfer" shall also include: (i) if Tenant is a partnership or limited liability company, the withdrawal or change, voluntary, involuntary or by operation of law, of more than fifty percent (50%) of the partners or members, or transfer of more than fifty percent (50%) of the partnership or membership interests, within a twelve (12)-month period, or the dissolution of the partnership without immediate reconstitution thereof; and (ii) if Tenant is a closely held corporation (i.e., whose stock or whose parent's stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant, or (B) the sale or other transfer of more than an aggregate of fifty percent (50%) of the voting shares of Tenant (other than to immediate family members by reason of gift or death or to current shareholders), within a twelve (12)-month period. Notwithstanding the foregoing, the sale, issuance or transfer of Tenant's capital stock or membership interests pursuant to an equity financing or public offering shall not be deemed an assignment, subletting or any other Transfer of this Lease or the Premises.

14.7 Affiliated Companies/Restructuring of Business Organization. The assignment or subletting by Tenant of all or any portion of this Lease or the Premises to (i) a parent or subsidiary of Tenant, or (ii) any person or entity which controls, is controlled by or under common control with Tenant, or (iii) any entity which purchases all or substantially all of the assets or stock of Tenant in one or a series of transactions, (iv) any entity into which Tenant is merged or consolidated, or (v) in connection with any deemed Transfer due to a transfer of shares or membership interests under Section 14.6 above where Tenant remains the tenant under this Lease (all such persons or entities described in (i), (ii), (iii) and (iv) being sometimes hereinafter referred to as "**Affiliates**") shall not be deemed a Transfer under this Article 14, provided that:

14.7.1 Any such Affiliate was not formed as a subterfuge to avoid the obligations of this Article 14;

14.7.2 Tenant gives Landlord prior written notice of any such assignment or sublease to an Affiliate;

14.7.3 Any such Affiliate (or Tenant, if Tenant is to remain the tenant under this Lease) has, following the effective date of any such assignment or sublease, a tangible net worth, in the aggregate, computed in accordance with generally accepted accounting principles, which is sufficient (in Landlord's reasonable good faith opinion) to meet the obligations of Tenant under this Lease or the applicable Transfer document;

14.7.4 Any such assignment or sublease, exclusive of such Transfer as may occur pursuant to Section 14.6, shall be subject to all of the terms and provisions of this Lease, and such assignee or sublessee shall assume, in a written document reasonably satisfactory to Landlord and delivered to Landlord upon or prior to the effective date of such assignment or sublease, all the obligations of Tenant under this Lease; and

14.7.5 Tenant shall remain fully liable for all obligations to be performed by Tenant under this Lease.

An Affiliate that is an assignee of Original Tenant's entire interest in this Lease may be referred to as an "**Affiliate Assignee**."

ARTICLE 15

SURRENDER; OWNERSHIP AND REMOVAL OF PERSONAL PROPERTY

15.1 Surrender of Premises. No act or thing done by Landlord or any agent or employee of Landlord during the Lease Term shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises unless such intent is specifically acknowledged in a writing signed by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises.

15.2 Removal of Tenant Property by Tenant. Upon the expiration of the Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear, casualties, alterations or other interior improvements which Tenant is permitted to surrender at the termination of this Lease and repairs which are not the responsibility of Tenant hereunder excepted. Tenant's restoration obligations may also include satisfying Landlord's commercially reasonable procedures regarding the cleaning of any lab systems and sealing any connection points of any such lab systems to the Premises, all at Tenant's sole cost and expense. At least ten (10) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall provide Landlord with (a) a facility decommissioning and Hazardous Materials closure plan for the Premises ("Exit Survey") prepared by an independent third party reasonably acceptable to Landlord, and (b) written evidence of all appropriate governmental releases obtained by Tenant in accordance with applicable laws, including laws pertaining to the surrender of the Premises. In addition, Tenant agrees to remain responsible after the surrender of the Premises for the remediation of any recognized environmental conditions set forth in the Exit Survey and caused by Tenant or any Tenant's Parties and compliance with any recommendations set forth in the Exit Survey. Tenant shall, upon the expiration or earlier termination of this Lease, furnish to Landlord evidence that Tenant has closed all governmental permits and licenses, if any, issued in connection with Tenant's or Tenant's Parties' activities at the Premises. If any such governmental permits or licenses have been issued and Tenant fails to provide evidence of such closure on or before the expiration or earlier termination of this Lease, then until Tenant does so, the holdover provisions of Article 16 of this Lease shall apply if a third party is unable to use the Premises as a result thereof. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all telephone, data, and other cabling and wiring (including any cabling and wiring associated with the Wi-Fi Network, if any) installed or caused to be installed by Tenant (including any cabling and wiring, installed above the ceiling of the Premises or below the floor of the Premises), all debris and rubbish, and such items of furniture, equipment, free-standing cabinet work, and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal. Tenant's obligations under this Section 15.2 shall survive the expiration or earlier termination of this Lease.

ARTICLE 16

HOLDING OVER

If Tenant holds over after the expiration of the Lease Term hereof, with or without the express or implied consent of Landlord, such tenancy shall not constitute a renewal hereof or an extension for any further term, and in such case Base Rent shall be payable at a monthly rate (prorated for partial months) equal to one hundred fifty percent (150%) of the Base Rent applicable during the last rental period of the Lease Term under this Lease. Such tenancy shall be subject to every other term, covenant and agreement contained herein. Landlord hereby expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits to Landlord resulting therefrom.

ARTICLE 17

ESTOPPEL CERTIFICATES

Within ten (10) business days following a request in writing by Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be in the form as may be reasonably required by any prospective mortgagee or purchaser of the Project (or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or Landlord's prospective mortgagees. Tenant shall execute and deliver whatever other instruments may be reasonably required for such purposes. Failure of Tenant to timely execute and deliver such estoppel certificate or other instruments shall constitute an acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception. Failure by Tenant to so deliver such estoppel certificate shall be a material default of the provisions of this Lease after the expiration of applicable notice and cure periods. In addition, Tenant shall be liable to Landlord, and shall indemnify Landlord from and against any loss, cost, damage or expense, incidental, consequential, or otherwise, including attorneys' fees, arising or accruing directly or indirectly, from any failure of Tenant to execute or deliver to Landlord any such estoppel certificate. Upon request from time to time, which request may only be made if Landlord is selling or financing the Building and if Tenant is not then publicly traded, Tenant agrees to provide to Landlord, within ten (10) days after Landlord's delivery of written request therefor, current financial statements for Tenant, dated no earlier than one (1) year prior to such written request, certified as accurate by Tenant or, if available, audited financial statements prepared by an independent certified public accountant with copies of the auditor's statement. If any guaranty is executed in connection with this Lease, Tenant also agrees to deliver to Landlord, within ten (10) days after Landlord's delivery of written request therefor, current financial statements of the guarantor in a form consistent with the foregoing criteria. Landlord shall hold all such statements confidentially.

ARTICLE 18

SUBORDINATION

This Lease is subject and subordinate to all present and future ground leases of the Project and to the lien of any mortgages or trust deeds, now or hereafter in force against the Project, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages or trust deeds, or the lessors under such ground lease, require in writing that this Lease be superior thereto; provided, however, that a condition precedent to the subordination of this Lease to any future ground or underlying lease or to the lien of any future mortgage or deed of trust is that Landlord shall obtain for the benefit of Tenant a commercially reasonable subordination, non-disturbance and attornment agreement from the landlord or lender of such future instrument. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage, or if any ground lease is terminated, to attorn, without any deductions or set-offs whatsoever, to the purchaser upon any such foreclosure sale, or to the lessor of such ground lease, as the case may be, if so requested to do so by such purchaser or lessor, and to recognize such purchaser or lessor as the lessor under this Lease. Tenant shall, within ten (10) days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, or ground leases. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of the Tenant hereunder in the event of any foreclosure proceeding or sale. Within sixty (60) days after the execution of this Lease (or as soon thereafter as reasonably possible), Landlord shall obtain a non-disturbance agreement from the holder of any pre-existing mortgage encumbering the Building in the form attached hereto as **Exhibit E**, which Tenant agrees to promptly execute; provided, however, that Landlord agrees to use commercially reasonable efforts to cause such holder to include changes Tenant reasonably requests in such non-disturbance agreement.

ARTICLE 19

TENANT'S DEFAULTS; LANDLORD'S REMEDIES

19.1 Events of Default by Tenant. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent. The occurrence of any of the following shall constitute a default of this Lease by Tenant:

19.1.1 Any failure by Tenant to pay any Rent, Additional Rent or any other charge required to be paid under this Lease, or any part thereof, when due; and the continuation of such failure for more than five (5) days following Tenant's receipt of written notice of delinquency; provided, however, that any such notice shall be in addition to any notice required under California Code of Civil Procedure Section 1161 and any similar or successor law; or

19.1.2 Any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant (other than the payment of Rent or Additional Rent) where such failure continues for thirty (30) days after written notice thereof from Landlord to Tenant; provided however, that any such notice shall be in addition to, any notice required under California Code of Civil Procedure Section 1161 or any similar or successor law; and provided further that if the nature of such default is such that the same cannot reasonably be cured within a thirty (30)-day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure said default as soon as possible; or

19.1.3 Abandonment of the Premises by Tenant.

19.1.4 Tenant makes an assignment for the benefit of creditors.

19.1.5 A receiver, trustee or custodian is appointed to or does take title, possession or control of all or substantially all of Tenant's assets.

19.1.6 Tenant files a voluntary petition under the United States Bankruptcy Code or any successor statute as the same may be amended from time to time, (the "**Bankruptcy Code**") or an order for relief is entered against Tenant pursuant to a voluntary or involuntary proceeding commenced under any chapter of the Bankruptcy Code.

19.1.7 Any involuntary petition is filed against Tenant under any chapter of the Bankruptcy Code and is not dismissed within one hundred twenty (120) days.

19.1.8 Intentionally Omitted.

19.1.9 Tenant fails to deliver an estoppel certificate in accordance with Article 17 within three (3) days after written notice of such failure.

19.1.10 Tenant's interest in this Lease is attached, executed upon or otherwise judicially seized and such action is not released within one hundred twenty (120) days of the action.

19.2 Landlord's Remedies Upon Default. Upon the occurrence of any such default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity, the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

19.2.1 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim for damages therefor; and Landlord may recover from Tenant the following:

(i) the worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

(ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; plus

(v) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "rent" as used in this Section 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the Interest Rate set forth in Section 4.5 above. As used in Section 19.2.1(iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

19.2.2 Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

19.2.3 Landlord may, but shall not be obligated to, make any such payment or perform or otherwise cure any such obligation, provision, covenant or condition on Tenant's part to be observed or performed (and may enter the Premises for such purposes). In the event of Tenant's failure to perform any of its obligations or covenants under this Lease, and such failure to perform poses a material risk of injury or harm to persons or damage to or loss of property, then Landlord shall have the right to cure or otherwise perform such covenant or obligation at any time after such failure to perform by Tenant, whether or not any such notice or cure period set forth in Section 19.1 above has expired. Any such actions undertaken by Landlord pursuant to the foregoing provisions of this Section 19.2.3 shall not be deemed a waiver of Landlord's rights and remedies as a result of Tenant's failure to perform and shall not release Tenant from any of its obligations under this Lease.

19.3 Payment by Tenant. Tenant shall pay to Landlord, within ten (10) days after delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with Landlord's performance or cure of any of Tenant's obligations pursuant to the provisions of Section 19.2.3 above; and (ii) sums equal to all expenditures made and obligations incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, all legal fees and other amounts so expended. Tenant's obligations under this Section 19.3 shall survive the expiration or sooner termination of the Lease Term.

19.4 Sublessees of Tenant. If Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 19, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. If Landlord elects to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.5 Waiver of Default. No waiver by Landlord of any violation or breach by Tenant of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other or later violation or breach by Tenant of the same or any other of the terms, provisions, and covenants herein contained. Forbearance by Landlord in enforcement of one or more of the remedies herein provided upon a default by Tenant shall not be deemed or construed to constitute a waiver of such default. The acceptance of any Rent hereunder by Landlord following the occurrence of any default, whether or not known to Landlord, shall not be deemed a waiver of any such default, except only a default in the payment of the Rent so accepted.

19.6 Efforts to Relet. For the purposes of this Article 19, Tenant's right to possession shall not be deemed to have been terminated by efforts of Landlord to relet the Premises, by its acts of maintenance or preservation with respect to the Premises, or by appointment of a receiver to protect Landlord's interests hereunder. The foregoing enumeration is not exhaustive, but merely illustrative of acts which may be performed by Landlord without terminating Tenant's right to possession.

19.7 Bankruptcy. In the event a debtor, trustee or debtor in possession under the Bankruptcy Code, or another person with similar rights, duties and powers under any other applicable laws, proposes to cure any default under this Lease or to assume or assign this Lease and is obliged to provide adequate assurance to Landlord that (a) a default shall be cured, (b) Landlord shall be compensated for its damages arising from any breach of this Lease and (c) future performance of Tenant's obligations under this Lease shall occur, then such adequate assurances shall include any or all of the following, as designated by Landlord in its sole and absolute discretion:

(i) Those acts specified in the Bankruptcy Code or other applicable laws as included within the meaning of "adequate assurance," even if this Lease does not concern a shopping center or other facility described in such applicable laws;

(ii) A prompt cash payment to compensate Landlord for any monetary defaults or actual damages arising directly from a breach of this Lease;

(iii) A cash deposit in an amount at least equal to the then-current amount of the Security Deposit; or

(iv) The assumption or assignment of all of Tenant's interest and obligations under this Lease.

ARTICLE 20

LETTER OF CREDIT

20.1 Delivery of Letter of Credit. Concurrently with Tenant's execution and delivery of this Lease, Tenant shall deliver to Landlord an unconditional, clean, irrevocable letter of credit (the "**L-C**") in the amount set forth in Section 10 of the Summary (the "**L-C Amount**"), which L-C shall be issued by a money-center, solvent and nationally recognized bank (a bank which accepts deposits, maintains accounts, has a California office which will negotiate a letter of credit, or will accept draw requests by facsimile or overnight courier, and whose deposits are insured by the FDIC) reasonably acceptable to Landlord (such approved, issuing bank being referred to herein as the "**Bank**"), which Bank must have a short term Fitch Rating which is not less than "F1", and a long term Fitch Rating which is not less than "A"(or in the event such Fitch Ratings are no longer available, a comparable rating from Standard and Poor's Professional Rating Service or Moody's Professional Rating Service) (collectively, the "**Bank's Credit Rating Threshold**"), and which L-C shall be in the form of Exhibit F attached hereto. Landlord hereby approves Silicon Valley Bank to be the Bank. Tenant shall pay all expenses, points and/or fees incurred by Tenant in

obtaining the L-C. The L-C shall (i) be "callable" at sight, irrevocable and unconditional, (ii) be maintained in effect, whether through renewal or extension, for the period commencing on the date of this Lease and continuing until the date (the "**L-C Expiration Date**") that is no less than sixty (60) days after the expiration of the Lease Term as the same may be extended, and Tenant shall deliver a new L-C or certificate of renewal or extension to Landlord at least thirty (30) days prior to the expiration of the L-C then held by Landlord, without any action whatsoever on the part of Landlord, (iii) be fully assignable by Landlord, its successors and assigns, (iv) permit partial draws and multiple presentations and drawings, and (v) be otherwise subject to the International Standby Practices-ISP 98, International Chamber of Commerce Publication #590. Landlord, or its then managing agent, shall have the right to draw down an amount up to the face amount of the L-C if any of the following shall have occurred or be applicable: (A) such amount is due to Landlord under the terms and conditions of this Lease and is not paid within applicable notice and cure periods, or (B) Tenant has filed a voluntary petition under the U. S. Bankruptcy Code or any state bankruptcy code (collectively, "**Bankruptcy Code**"), or (C) an involuntary petition has been filed against Tenant under the Bankruptcy Code and is not dismissed within sixty (60) days, or (D) the Lease has been rejected, or is deemed rejected, under Section 365 of the U.S. Bankruptcy Code, following the filing of a voluntary petition by Tenant under the Bankruptcy Code, or the filing of an involuntary petition against Tenant under the Bankruptcy Code, or (E) the Bank has notified Landlord that the L-C will not be renewed or extended through the L-C Expiration Date and Tenant fails to provide a replacement letter of credit that complies with the requirements in this Section at least thirty (30) days before the expiration date of the L-C, or (F) Tenant is placed into receivership or conservatorship, or becomes subject to similar proceedings under Federal or State law that is not dismissed within sixty (60) days, or (G) Tenant executes an assignment for the benefit of creditors, or (H) if (1) any of the Bank's Fitch Ratings (or other comparable ratings to the extent the Fitch Ratings are no longer available) have been reduced below the Bank's Credit Rating Threshold, or (2) there is otherwise a material adverse change in the financial condition of the Bank, and Tenant has failed to provide Landlord with a replacement letter of credit, conforming in all respects to the requirements of this Article 20 (including, but not limited to, the requirements placed on the issuing Bank more particularly set forth in this Section 20.1 above), in the amount of the applicable L-C Amount, within ten (10) business days following Landlord's written demand therefor (with no other notice or cure or grace period being applicable thereto, notwithstanding anything in this Lease to the contrary) (each of the foregoing being an "**L-C Draw Event**"). The L-C shall be honored by the Bank regardless of whether Tenant disputes Landlord's right to draw upon the L-C, and regardless of any discrepancies between the L-C and this Lease. In addition, in the event the Bank is placed into receivership or conservatorship by the Federal Deposit Insurance Corporation or any successor or similar entity, then, effective as of the date such receivership or conservatorship occurs, said L-C shall be deemed to fail to meet the requirements of this Article 20, and, within ten (10) business days following Landlord's notice to Tenant of such receivership or conservatorship (the "**L-C FDIC Replacement Notice**"), Tenant shall replace such L-C with a substitute letter of credit from a different issuer (which issuer shall meet or exceed the Bank's Credit Rating Threshold and shall otherwise be acceptable to Landlord in its reasonable discretion) and that complies in all respects with the requirements of this Article 20. If Tenant fails to replace such L-C with such conforming, substitute letter of credit pursuant to the terms and conditions of this Section 20.1, then, notwithstanding anything in this Lease to the contrary, Landlord shall have the right to declare Tenant in default of this Lease for which there shall be no notice or grace or cure periods being applicable thereto (other than the aforesaid ten (10) business day period). In the event of an assignment by Tenant of its interest in the Lease (and irrespective of whether Landlord's consent is required for such assignment), the acceptance of any replacement or substitute letter of credit by Landlord from the assignee shall be subject to Landlord's prior written approval, in Landlord's reasonable discretion. In the event that Landlord draws upon the L-C (i) solely due to Tenant's failure to renew or replace the L-C on a timely basis, such failure shall not constitute a default hereunder and (ii) Tenant shall at any time thereafter be entitled to provide Landlord with a replacement L-C that satisfies the requirements hereunder, at which time Landlord shall return the cash proceeds of the original L-C drawn by Landlord.

20.2 Application of L-C. Tenant hereby acknowledges and agrees that Landlord is entering into this Lease in material reliance upon the ability of Landlord to draw upon the L-C upon the occurrence of any L-C Draw Event. In the event of any L-C Draw Event, Landlord may, but without obligation to do so, and without notice to Tenant (except in connection with an L-C Draw Event under Section 20.1(H) above), draw upon the L-C, in part or in whole, to cure any such L-C Draw Event and/or to compensate Landlord for any and all damages of any kind or nature sustained or which Landlord reasonably estimates that it will sustain resulting from Tenant's breach or default of the Lease or other L-C Draw Event and/or to compensate Landlord for any and all damages arising out of, or incurred in connection with, the termination of this Lease, including, without limitation, those specifically identified in Section 1951.2 of the California Civil Code. The use, application or retention of the L-C, or any portion thereof, by Landlord shall not prevent Landlord from exercising any other right or remedy provided by this Lease or by any applicable law, it being intended that Landlord shall not first be required to proceed against the L-C, and such L-C shall not operate as a limitation on any recovery to which Landlord may otherwise be entitled. Tenant agrees not to interfere in any way with payment to Landlord of the proceeds of the L-C, either prior to or following a "draw" by Landlord of any portion of the L-C, regardless of whether any dispute exists between Tenant and Landlord as to Landlord's right to draw upon the L-C. No condition or term of this Lease shall be deemed to render the L-C conditional to justify the issuer of the L-C in failing to honor a drawing upon such L-C in a timely manner. Tenant agrees and acknowledges that (i) the L-C constitutes a separate and independent contract between Landlord and the Bank, (ii) Tenant is not a third party beneficiary of such contract, (iii) Tenant has no property interest whatsoever in the L-C or the proceeds thereof, and (iv) in the event Tenant becomes a debtor under any chapter of the Bankruptcy Code, Tenant is placed into receivership or conservatorship, and/or there is an event of a receivership, conservatorship or a bankruptcy filing by, or on behalf of, Tenant, neither Tenant, any trustee, nor Tenant's bankruptcy estate shall have any right to restrict or limit Landlord's claim and/or rights to the L-C and/or the proceeds thereof by application of Section 502(b)(6) of the U. S. Bankruptcy Code or otherwise.

20.3 L-C Amount; Maintenance of L-C by Tenant; Liquidated Damages.

20.3.1 L-C Amount. The L-C Amount shall be equal to the amount set forth in Section 10 of the Summary.

20.3.2 In General. If, as a result of any drawing by Landlord of all or any portion of the L-C, the amount of the L-C shall be less than the L-C Amount, Tenant shall, within five (5) business days thereafter, provide Landlord with (i) an amendment to the L-C restoring such L-C to the L-C Amount or (ii) additional L-Cs in an amount equal to the deficiency, which additional L-Cs shall comply with all of the provisions of this Article 20. If Tenant fails to comply with the foregoing, Landlord shall send a second notice requesting that Tenant provide Landlord with (i) an amendment to the L-C restoring such L-C to the L-C Amount or (ii) additional L-Cs in an amount equal to the deficiency. If Tenant fails to provide Landlord with (i) an amendment to the L-C restoring such L-C to the L-C Amount or (ii) additional L-Cs in an amount equal to the deficiency within five (5) business days of receipt of such second notice, then notwithstanding anything to the contrary contained in Section 19.1, the same shall constitute a default by Tenant under this Lease (without the need for any additional notice and/or cure period). Tenant further covenants and warrants that it will neither assign nor encumber the L-C or any part thereof and that neither Landlord nor its successors or assigns will be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

20.3.3 Without limiting the generality of the foregoing, if the L-C expires earlier than the L-C Expiration Date, Landlord will accept a renewal thereof (such renewal letter of credit to be in effect and delivered to Landlord, as applicable, not later than thirty (30) days prior to the expiration of the L-C), which shall be irrevocable and automatically renewable as above provided through the L-C Expiration Date

upon the same terms as the expiring L-C or such other terms as may be acceptable to Landlord in its sole discretion. If Tenant exercises its option to extend the Lease Term pursuant to the extension option rider attached hereto as **Rider 1** of this Lease then, not later than thirty (30) days prior to the commencement of the Option Term, Tenant shall deliver to Landlord a new L-C or certificate of renewal or extension evidencing the L-C Expiration Date as sixty (60) days after the expiration of the Option Term. However, if the L-C is not timely renewed, or if Tenant fails to maintain the L-C in the amount and in accordance with the terms set forth in this Article 20, Landlord shall have the right to present the L-C to the Bank in accordance with the terms of this Article 20, and the proceeds of the L-C may be applied by Landlord against any Rent payable by Tenant under this Lease that is not paid when due and/or to pay for all losses and damages that Landlord has suffered or that Landlord reasonably estimates that it will suffer as a result of any breach or default by Tenant under this Lease. In the event Landlord elects to exercise its rights under the foregoing item (x), Landlord agrees to pay to Tenant within thirty (30) days after the L-C Expiration Date the amount of any proceeds of the L-C received by Landlord and not applied against any Rent payable by Tenant under this Lease that was not paid when due or used to pay for any losses and/or damages suffered by Landlord (or reasonably estimated by Landlord that it will suffer) as a result of any breach or default by Tenant under this Lease.

20.4 Transfer and Encumbrance. The L-C shall provide that Landlord, its successors and assigns, may, at any time and without notice to Tenant and without first obtaining Tenant's consent thereto, transfer (one or more times) all or any portion of its interest in and to the L-C to another party, person or entity, in connection with the assignment by Landlord of its rights and interests in and to this Lease, or separate from this Lease if such assignment is to Landlord's lender. In the event of a transfer of Landlord's interest in the Building, Landlord shall transfer the L-C to the transferee and thereupon Landlord shall, without any further agreement between the parties, provided the transferee assumes all of Landlord's obligations hereunder, be released by Tenant from all liability therefor, and it is agreed that the provisions hereof shall apply to every transfer or assignment of said L-C to a new landlord. In connection with any such transfer of the L-C by Landlord, Tenant shall, at Tenant's sole cost and expense, execute and submit to the Bank such applications, documents and instruments as may be reasonably necessary to effectuate such transfer, and Tenant shall be responsible for paying the Bank's reasonable transfer and processing fees in connection therewith.

20.5 L-C Not a Security Deposit. Landlord and Tenant (1) acknowledge and agree that in no event or circumstance shall the L-C or any renewal thereof or substitute therefor or any proceeds thereof be deemed to be or treated as a "security deposit" under any law applicable to security deposits in the commercial context, including, but not limited to, Section 1950.7 of the California Civil Code, as such Section now exists or as it may be hereafter amended or succeeded (the "**Security Deposit Laws**"), (2) acknowledge and agree that the L-C (including any renewal thereof or substitute therefor or any proceeds thereof) is not intended to serve as a security deposit, and the Security Deposit Laws shall have no applicability or relevancy thereto, and (3) waive any and all rights, duties and obligations that any such party may now, or in the future will, have relating to or arising from the Security Deposit Laws. Tenant hereby irrevocably waives and relinquishes the provisions of Section 1950.7 of the California Civil Code and any successor statute, and all other provisions of law, now or hereafter in effect, which (x) establish the time frame by which a landlord must refund a security deposit under a lease, and/or (y) provide that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by a tenant or to clean the premises, it being agreed that Landlord may, in addition, claim those sums specified in this Article 20 and/or those sums reasonably necessary to (a) compensate Landlord for any loss or damage caused by Tenant's breach of this Lease, including any damages Landlord suffers following termination of this Lease, and/or (b) compensate Landlord for any and all damages arising out of, or incurred in connection with, the termination of this Lease, including, without limitation, those specifically identified in Section 1951.2 of the California Civil Code.

20.6 Non-Interference By Tenant. Tenant agrees not to interfere in any way with any payment to Landlord of the proceeds of the L-C, either prior to or following a "draw" by Landlord of all or any portion of the L-C, regardless of whether any dispute exists between Tenant and Landlord as to Landlord's right to draw down all or any portion of the L-C. No condition or term of this Lease shall be deemed to render the L-C conditional and thereby afford the Bank a justification for failing to honor a drawing upon such L-C in a timely manner. Tenant shall not request or instruct the Bank of any L-C to refrain from paying sight draft(s) drawn under such L-C.

20.7 Waiver of Certain Relief. Tenant unconditionally and irrevocably waives (and as an independent covenant hereunder, covenants not to assert) any right to claim or obtain any of the following relief in connection with the L-C:

20.7.1 A temporary restraining order, temporary injunction, permanent injunction, or other order that would prevent, restrain or restrict the presentment of sight drafts drawn under any L-C or the Bank's honoring or payment of sight draft(s); or

20.7.2 Any attachment, garnishment, or levy in any manner upon either the proceeds of any L-C or the obligations of the Bank (either before or after the presentment to the Bank of sight drafts drawn under such L-C) based on any theory whatsoever.

20.8 Remedy for Improper Drafts. Tenant's sole remedy in connection with the improper presentment or payment of sight drafts drawn under any L-C shall be the right to obtain from Landlord a refund of the amount of any sight draft(s) that were improperly presented or the proceeds of which were misapplied, together with interest at the Interest Rate and reasonable actual out-of-pocket attorneys' fees, provided that at the time of such refund, Tenant increases the amount of such L-C to the amount (if any) then required under the applicable provisions of this Lease. Tenant acknowledges that the presentment of sight drafts drawn under any L-C, or the Bank's payment of sight drafts drawn under such L-C, could not under any circumstances cause Tenant injury that could not be remedied by an award of money damages, and that the recovery of money damages would be an adequate remedy therefor. In the event Tenant shall be entitled to a refund as aforesaid and Landlord shall fail to make such payment within ten (10) business days after demand, Tenant shall have the right to deduct the amount thereof together with interest thereon at the Interest Rate from the next installment(s) of Base Rent.

ARTICLE 21

COMPLIANCE WITH LAW

Tenant shall not do anything or suffer anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated. At its sole cost and expense, Tenant shall promptly comply with all such governmental measures, other than the making of structural changes or changes to the Building's life safety system or alterations that would be considered capital expenditures (collectively the "**Excluded Changes**"); provided, however, to the extent such Excluded Changes are required due to or triggered by Tenant's improvements or alterations to and/or manner of use of the Premises, Landlord shall perform such work, at Tenant's cost (which shall be paid by Tenant to Landlord within ten (10) days after Tenant's receipt of invoice therefor from Landlord). In addition, Tenant shall fully comply with all present or future legally required programs intended to manage parking, transportation or traffic in and around the Project, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities. The judgment of any court of competent jurisdiction or the admission of Tenant in any judicial action, regardless of whether Landlord is a party thereto, that Tenant has violated any of said governmental measures, shall be conclusive of that fact as between Landlord and Tenant.

ARTICLE 22

ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times and upon reasonable notice to Tenant (of not less than one (1) business day except in the event of an emergency) to enter the Premises to: (i) inspect them; (ii) show the Premises to prospective purchasers, mortgagees or tenants, or to the ground lessors; (iii) to post notices of nonresponsibility; or (iv) alter, improve or repair the Premises or the Building if necessary to comply with current building codes or other applicable laws, or for structural alterations, repairs or improvements to the Building, or as Landlord may otherwise deem necessary. Notwithstanding anything to the contrary contained in this Article 22, Landlord may enter the Premises at any time, without notice to Tenant, in emergency situations and/or to perform janitorial or other services required of Landlord pursuant to this Lease. Any such entries shall be without the abatement of Rent and shall include the right to take such reasonable steps as required to accomplish the stated purposes. Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises, excluding Tenant's vaults, safes and special security areas designated in advance by Tenant. In an emergency, Landlord shall have the right to enter without notice and use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises. Notwithstanding the foregoing, any entry by Landlord or Landlord's agents shall not unreasonably interfere with Tenant's operations more than reasonably necessary, and shall comply with Tenant's reasonable security measures, including wearing appropriate personal protective equipment (PPE) where required.

ARTICLE 23

PARKING

Throughout the Lease Term, Tenant shall have the right to use, on a "first-come, first-serve" basis, in common with other tenants of the Building and free of parking charges, the number of unreserved parking spaces set forth in Section 12 of the Summary, which unreserved parking spaces are located in the Parking Areas servicing the Building as shall be designated by Landlord from time to time for unreserved parking for the tenants of the Building. Tenant shall (i) abide by (A) the Parking Rules and Regulations which are in effect on the date hereof, as set forth in the attached **Exhibit D** and all reasonable modifications and additions thereto which are prescribed from time to time for the orderly operation and use of the Parking Areas by Landlord, and/or Landlord's Parking Operator (as defined below), and (B) all recorded covenants, conditions and restrictions affecting the Building, and (ii) cooperate in seeing that Tenant's employees and visitors also comply with the Parking Rules and Regulations (and all such modifications and additions thereto, as the case may be), any such other rules and regulations and covenants, conditions and restrictions. Landlord (and/or any other owners of the Project) specifically reserve the right to change the size, configuration, design, layout, location and all other aspects of the Parking Areas (including without limitation, implementing paid visitor parking), and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of Rent under this Lease, from time to

time, temporarily close-off or restrict access to the Parking Areas so long as the same does not (other than on a temporary basis of less than one (1) week) reduce the number and availability of parking spaces available to Tenant under this Lease. Landlord may delegate its responsibilities hereunder to a parking operator (the "**Parking Operator**") in which case the Parking Operator shall have all the rights of control attributed hereby to Landlord. Any parking tax or other charges imposed by governmental authorities in connection with the use of such parking shall be paid directly by Tenant or the parking users, or, if directly imposed against Landlord, Tenant shall reimburse Landlord for all such taxes and/or charges within thirty (30) days after Landlord's demand therefor. The parking rights provided to Tenant pursuant to this Article 23 are provided solely for use by Tenant's own personnel and such rights may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval, except in connection with an assignment of this Lease or sublease of the Premises made in accordance with Article 14 above. All visitor parking by Tenant's visitors shall be subject to availability, as reasonably determined by Landlord (and/or the Parking Operator, as the case may be), parking in such visitor parking areas as may be designated by Landlord (and/or the Parking Operator) from time to time, and payment by such visitors of the prevailing visitor parking rate (if any) charged by Landlord (and/or the Parking Operator) from time to time.

ARTICLE 24

MISCELLANEOUS PROVISIONS

24.1 Terms; Captions. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

24.2 Binding Effect. Each of the provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 above.

24.3 No Waiver. No waiver of any provision of this Lease shall be implied by any failure of a party to enforce any remedy on account of the violation of such provision, even if such violation shall continue or be repeated subsequently, any waiver by a party of any provision of this Lease may only be in writing, and no express waiver shall affect any provision other than the one specified in such waiver and that one only for the time and in the manner specifically stated. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Lease Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

24.4 Modification of Lease. If any current or prospective mortgagee or ground lessor for the Project requires modifications to this Lease, which modifications will not cause an increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder or unreasonably interfere with Tenant's use of or access to the Premises, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever reasonable documents are required therefor and deliver the same to Landlord within ten (10) days following the request therefor.

If Landlord or any such current or prospective mortgagee or ground lessor require execution of a short form of Lease for recording, containing, among other customary provisions, the names of the parties, a description of the Premises and the Lease Term, Tenant shall execute such short form of Lease and to deliver the same to Landlord within ten (10) days following the request therefor.

24.5 Transfer of Landlord's Interest. Landlord has the right to transfer all or any portion of its interest in the Project, the Building and/or in this Lease, and upon any such transfer, Landlord shall automatically be released from all liability under this Lease and Tenant shall look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer. The liability of any transferee of Landlord shall be limited to the amount of the interest of such transferee in the Project including all proceeds therefrom and such transferee shall otherwise be without personal liability under this Lease, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. Landlord may also assign its interest in this Lease to a mortgage lender as additional security, but such assignment shall not release Landlord from its obligations hereunder and Tenant shall continue to look to Landlord for the performance of its obligations hereunder. Except for Landlord's liability as limited under the second sentence of this Section 24.5, neither Landlord nor any of its affiliates, nor any of their respective partners, shareholders, directors, officers, employees, members or agents shall be personally liable for Landlord's obligations or any deficiency under this Lease, and service of process shall not be made against any shareholder, member, director, officer, employee or agent of Landlord or any of Landlord's affiliates. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be sued or named as a party in any suit or action, and service of process shall not be made against any partner or member of Landlord except as may be necessary to secure jurisdiction of the partnership, joint venture or limited liability company, as applicable. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be required to answer or otherwise plead to any service of process, and no judgment shall be taken or writ of execution levied against any partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates.

24.6 Prohibition Against Recording. Except as provided in Section 24.4 of this Lease, neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant, and the recording thereof in violation of this provision shall make this Lease null and void at Landlord's election.

24.7 Landlord's Title; Air Rights. Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease.

24.8 Tenant's Signs.

24.8.1 Interior Signs. Tenant shall be entitled, at Landlord's initial cost and expense, to one (1) identification sign on or near the entry doors of the Premises and for multi-tenant floors (if any) on which the Premises are located, one (1) identification or directional sign, as designated by Landlord, in the elevator lobby on the floor on which the Premises are located and signage in the lobby of the Building consistent with other tenants in the Building; any Landlord approved changes to such signage shall be at Tenant's sole cost and expense. Such signs shall be installed by a signage contractor designated by Landlord. The location, quality, design, style, lighting and size of such signs shall be consistent with the Landlord's Building standard signage program and shall be subject to Landlord's prior written approval, in its reasonable discretion. Upon the expiration or earlier termination of this Lease, Tenant shall be responsible, at its sole cost and expense, for the removal of such signage and the repair of all damage to the

Building caused by such removal. Except for such identification signs, Tenant may not install any signs on the exterior or roof of the Building or the common areas of the Building or the Project. Any signs, window coverings, or blinds (even if the same are located behind the Landlord approved window coverings for the Building), or other items visible from the exterior of the Premises or Building are subject to the prior approval of Landlord, in its sole and absolute discretion.

24.8.2 Exterior Signage. Subject to the terms hereof and in addition to the signage rights expressly set forth above in this Section 24.8.1, Tenant, at Tenant's sole cost and expense, shall be entitled to install, at Tenant's sole cost, one (1) Building-top sign on the Building identifying Tenant's name and logo thereon (including lighting) in a location to be mutually approved by Landlord and Tenant (collectively, the "**Tenant's Signage**").

24.8.3 Specifications and Permits. The Tenant's Signage shall set forth Tenant's name and/or logo as determined by Tenant in its sole discretion, but subject to Landlord's reasonable approval, and in no event shall the Tenant's Signage include an "Objectionable Name," as that term is defined below. The graphics, materials, color, design, lettering, lighting, size, illumination, specifications and exact location of the Tenant's Signage shall be subject to the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed, and shall be consistent and compatible with the quality and nature of the Project and Landlord's Building standard signage specifications. In addition, the Tenant's Signage shall be subject to Tenant's receipt of all necessary governmental or quasi-governmental approvals and permits (collectively, "**Governmental Approvals**") and shall be subject to the CC&Rs (as the same may be modified). Landlord shall use commercially reasonable efforts, at no cost to Landlord, to assist Tenant in obtaining all necessary Governmental Approvals for the Tenant's Signage. Tenant hereby acknowledges that Landlord has made no representation or warranty to Tenant with respect to the probability of obtaining all necessary Governmental Approvals for the Tenant's Signage. In the event Tenant does not receive the necessary Governmental Approvals for the Tenant's Signage, Tenant's and Landlord's rights and obligations under the remaining terms, covenants and conditions of this Lease shall be unaffected.

24.8.4 Objectionable Name. To the extent Tenant desires to change the name and/or logo set forth on the Tenant's Signage, such name and/or logo shall not have a name which relates to an entity which is of a character or reputation, or is associated with a political faction or orientation, which is inconsistent with the quality of the Project, or which would otherwise reasonably offend a landlord of the Comparable Buildings (an "**Objectionable Name**"). Landlord agrees that "BigHat" is not an Objectionable Name.

24.8.5 Termination of Right to Tenant's Signage. The building top Tenant's Signage right granted to Tenant under Section 24.8.3 may not be used for subtenants subleasing less than fifty percent (50%) of the Premises; provided, however, that any such subtenant or any assignee's right to use such building top sign rights is subject to the name of such assignee or subtenant not being an Objectionable Name.

24.8.6 Cost and Maintenance; Change and Replacement. The actual costs of the Tenant's Signage and the installation, design, construction and any and all other costs associated with the Tenant's Signage, including, without limitation, utility charges and hook-up fees, permits, and maintenance and repairs, shall be the sole responsibility of Tenant. Should the Tenant's Signage require repairs and/or maintenance, as determined in Landlord's reasonable judgment, Landlord shall have the right to provide notice thereof to Tenant and Tenant (except as set forth below) shall cause such repairs and/or maintenance to be performed within thirty (30) days after receipt of such notice from Landlord, at Tenant's sole cost and expense; provided, however, if such repairs and/or maintenance are reasonably expected to require longer

than thirty (30) days to perform, Tenant shall commence such repairs and/or maintenance within such thirty (30) day period and shall diligently prosecute such repairs and maintenance to completion. Should Tenant fail to perform such repairs and/or maintenance within the periods described in the immediately preceding sentence, Landlord shall, upon the delivery of an additional five (5) business days' prior written notice, have the right to cause such work to be performed and to charge Tenant as Additional Rent for the actual, reasonable cost of such work. Subject to Tenant's agreement to comply with the terms of this Section 24.8 and Landlord's reasonable approval, Tenant shall be permitted to change and/or replace the Tenant's Signage periodically in Tenant's reasonable discretion. Upon the expiration or earlier termination of this Lease or upon any earlier termination of Tenant's rights to the Tenant's Signage as set forth herein, Tenant shall, at Tenant's sole cost and expense, cause the Tenant's Signage to be removed and shall repair any damage caused by such removal. If Tenant fails to timely remove the Tenant's Signage or to restore the areas in which such the Tenant's Signage was located, as provided in the immediately preceding sentence, then Landlord may perform such work, and all actual, reasonable costs incurred by Landlord in so performing shall be reimbursed by Tenant to Landlord within thirty (30) days after Tenant's receipt of an invoice therefor. The terms and conditions of this Section 24.8.7 shall survive the expiration or earlier termination of the Lease.

24.8.7 Future Signage. In the event Landlord constructs a multi-tenant monument sign serving the Building, then Tenant shall have the right, at Tenant's sole cost and expense, to place its name and logo thereon. The terms of Sections 24.8.3, 24.8.4 and 24.8.6 shall apply to Tenant's rights in this Section 24.8.7.

24.9 Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

24.10 Application of Payments. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

24.11 Time of Essence. Time is of the essence of this Lease and each of its provisions.

24.12 Partial Invalidity. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

24.13 No Warranty. In executing and delivering this Lease, Tenant has not relied on any representation, including, but not limited to, any representation whatsoever as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the Exhibits attached hereto.

24.14 Landlord Exculpation. Notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the liability of Landlord and the Landlord Parties under this Lease (including any successor landlord) and any recourse by Tenant against Landlord or the Landlord Parties shall be limited solely and exclusively to an amount which is equal to the ownership interest of

Landlord in the Project (including any proceeds thereof), and neither Landlord, nor any of the Landlord Parties (except for Landlord's liability as limited in the preceding portion of this sentence) shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant.

24.15 Entire Agreement. There are no oral agreements between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease and any side letter or separate agreement executed by Landlord and Tenant in connection with this Lease and dated of even date herewith contain all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises, shall be considered to be the only agreement between the parties hereto and their representatives and agents, and none of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties, and all reliance with respect to representations is based totally upon the representations and agreements contained in this Lease.

24.16 Right to Lease. Landlord reserves the absolute right to effect such other tenancies in the Building and/or in any other building and/or any other portion of the Project as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Project. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Building or Project.

24.17 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, pandemics, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease (collectively, the "**Force Majeure**"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure; provided, however, Tenant's rights to abate rent or terminate this Lease shall not be delayed as a result thereof, except as expressly provided in this Lease.

24.18 Waiver of Redemption by Tenant. Tenant hereby waives for Tenant and for all those claiming under Tenant all right now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.

24.19 Notices. All notices, demands, statements or communications (collectively, "**Notices**") given or required to be given by either party to the other hereunder shall be in writing, shall be (A) sent by United States certified or registered mail, postage prepaid, return receipt requested, (B) delivered by a nationally recognized overnight courier, or (C) delivered personally (i) to Tenant at the appropriate address set forth in Section 5 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord; or (ii) to Landlord at the addresses set forth in Section 3 of the Summary, or to such other firm or to such other place as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given three (3) business days after the date it is mailed as provided in this Section 24.19, the date overnight courier delivery is made or upon the date personal delivery is made or

rejected. If Tenant is notified of the identity and address of Landlord's mortgagee or ground lessor, Tenant shall give to such mortgagee or ground lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail, and such mortgagee or ground lessor shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant.

24.20 Joint and Several. If there is more than one person or entity executing this Lease as Tenant, the obligations imposed upon such persons and entities under this Lease are and shall be joint and several.

24.21 Representations. Tenant guarantees, warrants and represents that (a) Tenant is duly incorporated or otherwise established or formed and validly existing under the laws of its state of incorporation, establishment or formation, (b) Tenant has and is duly qualified to do business in the state in which the Project is located, (c) Tenant has full corporate, partnership, trust, association or other appropriate power and authority to enter into this Lease and to perform all Tenant's obligations hereunder, (d) each person (and all of the persons if more than one signs) signing this Lease on behalf of Tenant is duly and validly authorized to do so and (e) neither (i) the execution, delivery or performance of this Lease nor (ii) the consummation of the transactions contemplated hereby will violate or conflict with any provision of documents or instruments under which Tenant is constituted or to which Tenant is a party. In addition, Tenant guarantees, warrants and represents that it is not a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other similar governmental action.

24.22 Jury Trial; Attorneys' Fees. IF EITHER PARTY COMMENCES LITIGATION AGAINST THE OTHER FOR THE SPECIFIC PERFORMANCE OF THIS LEASE, FOR DAMAGES FOR THE BREACH HEREOF OR OTHERWISE FOR ENFORCEMENT OF ANY REMEDY HEREUNDER, THE PARTIES HERETO AGREE TO AND HEREBY DO WAIVE ANY RIGHT TO A TRIAL BY JURY. In the event of any such commencement of litigation, the prevailing party shall be entitled to recover from the other party such costs and reasonable attorneys' fees as may have been incurred, including any and all costs incurred in enforcing, perfecting and executing such judgment.

24.23 Governing Law. This Lease shall be construed and enforced in accordance with the laws of the state in which the Project is located.

24.24 Submission of Lease. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or an option for lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

24.25 Brokers. Landlord and Tenant each hereby represents and warrants to the other party that it (i) has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the real estate brokers or agents specified in Section 11 of the Summary (collectively, the "Brokers"), and (ii) knows of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent in connection with this Lease other than the Brokers. Landlord shall be responsible to pay the commission or fee due to the Brokers as and to the extent provided in a separate written agreement.

24.26 Independent Covenants. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord; provided, however, that the foregoing shall in no way impair the right of Tenant to commence a separate action against Landlord for any violation by Landlord of the provisions hereof so long as notice is first given to Landlord and any holder of a mortgage or deed of trust covering the Building, Project or any portion thereof, of whose address Tenant has theretofore been notified, and an opportunity is granted to Landlord and such holder to correct such violations as provided above.

24.27 Building Name and Signage. Landlord shall have the right at any time to change the name(s) of the Building and Project and to install, affix and maintain any and all signs on the exterior and on the interior of the Building and any portion of the Project as Landlord may, in Landlord's sole discretion, desire. Tenant shall not use the names of the Building or Project or use pictures or illustrations of the Building or Project in advertising or other publicity, without the prior written consent of Landlord.

24.28 Building Directory. If the Building contains a tenant name directory, Landlord shall include Tenant's name and location in the Building on one (1) line on the Building directory. The initial cost of such directory signage shall be paid for by Landlord, but any subsequent charges thereto shall be at Tenant's cost.

24.29 Confidentiality. Except as may be required by law or in litigation with Landlord, Tenant shall use commercially reasonable efforts to keep the content of this Lease and any related documents confidential and not disclose such confidential information to any person or entity other than Tenant's financial, legal, and space planning consultants, proposed subtenants and current and proposed lenders, investors and business partners.

24.30 Landlord's Construction. Except as specifically set forth in this Lease or in the Tenant Work Letter: (i) Landlord has no obligation to alter, remodel, improve, renovate, repair or decorate the Premises, the Building, the Project, or any part thereof; and (ii) no representations or warranties respecting the condition of the Premises, the Building or the Project have been made by Landlord to Tenant. Tenant acknowledges that prior to and during the Lease Term, Landlord (and/or any common area association) will be completing construction and/or demolition work pertaining to various portions of the Building, the Premises, and/or the Project, including without limitation, landscaping and tenant improvements for premises for other tenants and, at Landlord's sole election, such other buildings, improvements, landscaping and other facilities within or as part of the Project as Landlord (and/or such common area association) shall from time to time desire (collectively, the "**Construction**"). In connection with such Construction, Landlord may, among other things, erect scaffolding or other necessary structures in the Building, limit or eliminate access to portions of the Project, including portions of the common areas, or perform work in the Building and/or the Project, which work may create noise, dust or leave debris in the Building and/or the Project. Notwithstanding the foregoing, Landlord's Construction shall be performed in such a manner as to not unreasonably interfere with Tenant's access to or use of the Premises for Tenant's business purposes, or materially decrease Tenant's rights or increase Tenant's obligations under this Lease. Tenant hereby agrees that such Construction and Landlord's actions in connection with such Construction shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent so long as such Construction does not unreasonably interfere with Tenant's access to or use of the Premises for Tenant's business purposes. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from such Construction, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of

the Premises or of Tenant's personal property or improvements resulting from such Construction or Landlord's actions in connection with such Construction, or for any inconvenience or annoyance occasioned by such Construction or Landlord's actions in connection with such Construction. Landlord reserves full control over the Project to the extent not inconsistent with Tenant's enjoyment the same as provided in this Lease. This reservation includes Landlord's right to subdivide the Project and convert portions of the Project to condominium units, change the size of the Project by selling all or a portion of the Project or adding real property and any improvements thereon to the Project; grant easements and licenses to third parties and maintain or establish ownership of the Buildings separate from the fee title to the Project.

24.31 Intentionally Omitted.

24.32 Net Lease. This Lease shall be deemed and construed to be an "absolute net lease" and, except as herein expressly provided, Landlord shall receive all payments required to be made by Tenant free from all charges, assessments, impositions, expenses and deductions of any and every kind or nature whatsoever. Landlord shall not be required to furnish any services or facilities or to make any repairs, replacements or alterations of any kind in or on the Premises except as specifically provided herein.

24.33 Water Sensors. Tenant shall, at Tenant's sole cost and expense, be responsible for promptly installing web-enabled wireless water leak sensor devices designed to alert the Tenant on a twenty-four (24) hour seven (7) day per week basis if a water leak is occurring in the Premises (which water sensor device(s) located in the Premises shall be referred to herein as "**Water Sensors**"). The Water Sensors shall be installed in any areas in the Premises where water is utilized (such as sinks, pipes, faucets, water heaters, coffee machines, ice machines, water dispensers and water fountains), and in locations that may be designated from time to time by Landlord (the "**Sensor Areas**"). In connection with any Alterations affecting or relating to any Sensor Areas, Landlord may require Water Sensors to be installed or updated in Landlord's sole and absolute discretion. With respect to the installation of any such Water Sensors, Tenant shall obtain Landlord's prior written consent, use an experienced and qualified contractor reasonably approved by Landlord, and comply with all of the other provisions of Article 8 of this Lease. Tenant shall, at Tenant's sole cost and expense, pursuant to Article 7 of this Lease keep any Water Sensors located in the Premises (whether installed by Tenant or someone else) in good working order, repair and condition at all times during the Lease Term and comply with all of the other provisions of Article 7 of this Lease. Notwithstanding any provision to the contrary contained herein, Landlord has neither an obligation to monitor, repair or otherwise maintain the Water Sensors, nor an obligation to respond to any alerts it may receive from the Water Sensors or which may be generated from the Water Sensors. Upon the expiration of the Lease Term, or immediately following any earlier termination of this Lease, Landlord reserves the right to require Tenant, at Tenant's sole cost and expense, to remove all Water Sensors installed by Tenant, and repair any damage caused by such removal; provided, however, if the Landlord does not require the Tenant to remove the Water Sensors as contemplated by the foregoing, then Tenant shall leave the Water Sensors in place together with all necessary user information such that the same may be used by a future occupant of the Premises (e.g., the Water Sensors shall be unblocked and ready for use by a third-party). If Tenant is required to remove the Water Sensors pursuant to the foregoing and Tenant fails to complete such removal and/or fails to repair any damage caused by the removal of any Water Sensors, Landlord may do so and may charge the cost thereof to Tenant.

24.34 Approvals. Whenever this Lease requires an approval, consent, determination or judgment by either Landlord or Tenant, unless another standard is expressly set forth in this Lease, such approval, consent, determination or judgment and any conditions imposed thereby shall be reasonable and shall not be unreasonably withheld or delayed.

24.35 Sustainability.

24.35.1 Sustainable Building Operations.

(a)This Building is or may become in the future certified under the Green Building Initiative's Green Globes™ for Continual Improvement of Existing Buildings (Green Globes™-CIEB), the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, or operated pursuant to Landlord's sustainable building practices. Landlord's sustainability practices address whole-building operations and maintenance issues including chemical use; indoor air quality; energy efficiency; water efficiency; recycling programs; exterior maintenance programs; and systems upgrades to meet green building energy, water, Indoor Air Quality, and lighting performance standards. Notwithstanding the foregoing, Tenant shall not be required to comply with any Green Building Initiatives or other rating systems as set forth above until the Building is certified as such, and Tenant shall only be required to comply with such Green Building Initiatives with respect to any upgrades, alterations or improvements made by Tenant after the Building is certified as set forth above. In no event shall Tenant be required to make changes, improvements and/or other repairs or replacements to the Premises in order to make the Premises compliant with the above stated initiatives and rating systems. All construction and maintenance methods and procedures, material purchase, and disposal of waste must be in compliance with minimum standards and specifications, in addition to all applicable laws.

(b)Tenant shall use proven energy and carbon reduction measures, including energy efficient bulbs in task lighting; use of lighting controls; daylighting measures to avoid over-lighting interior spaces; closing shades on the south side of the Building to avoid over heating the space; turning off lights and equipment at the end of the work day; and purchasing, with respect to any new equipment that Tenant purchases for the Premises, ENERGY STAR® qualified equipment including but not limited to lighting, office equipment, commercial and residential quality kitchen equipment, vending and ice machines; purchasing products certified by the U.S. EPA's Water Sense® program. Tenant shall not be required to replace any existing equipment used by Tenant as of the date of this Lease which Tenant intends to install in the Premises in order to comply with this provisions of this Section 24.35(b).

24.35.2 Recycling and Waste Management. Tenant covenants and agrees, at its sole cost and expense: (a) to comply with all present and future laws, orders and regulations of the Federal, State, county, municipal or other governing authorities, departments, commissions, agencies and boards regarding the collection, sorting, separation, and recycling of garbage, trash, rubbish and other refuse (collectively, "**trash**"); (b) to comply with Landlord's recycling policy as part of Landlord's sustainability practices where it may be more stringent than applicable law; (c) to sort and separate its trash and recycling into such categories as are provided by law or Landlord's sustainability practices; (d) that each separately sorted category of trash and recycling shall be placed in separate receptacles as directed by Landlord; (e) that Landlord reserves the right to refuse to collect or accept from Tenant any waste that is not separated and sorted as required by law, and to require Tenant to arrange for such collection of Tenant's sole cost and expense, utilizing a contractor satisfactory to Landlord; and (f) that Tenant shall pay all costs, expenses, fines, penalties or damages that may be imposed on Landlord or Tenant by reason of Tenant's failure to comply with the provisions of this Section.

[Remainder of Page Intentionally Left Blank; Signatures on Next Page]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed the day and date first above written.

"**Landlord**":

BP3-SF6 1900 ADLP LLC,
a Delaware limited liability company

By: /s/ W. Neil Fox, III
Name: W. Neil Fox, III
Its: Chief Executive Officer

"**Tenant**":

BIGHAT BIOSCIENCES, INC.,
a Delaware corporation

By: /s/ Mark DePristo
Name: Mark DePristo
Its: CEO

By: _____
Name:
Its:

*** If Tenant is a CORPORATION, the authorized officers must sign on behalf of the corporation and indicate the capacity in which they are signing. The Lease must be executed by the president or vice president and the secretary or assistant secretary, unless the bylaws or a resolution of the board of directors shall otherwise provide, in which event, the bylaws or a certified copy of the resolution, as the case may be, must be attached to this Lease.

EXHIBIT A

OUTLINE OF FLOOR PLAN OF PREMISES

Floor Plan - 3rd Floor

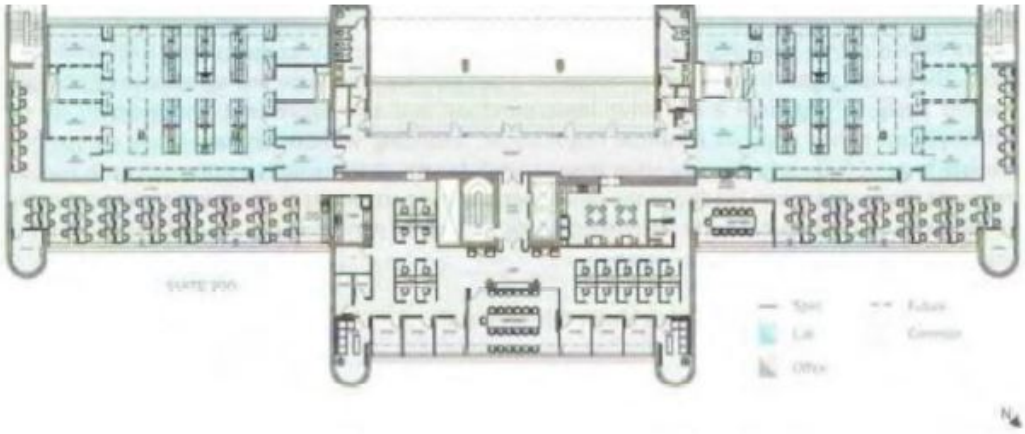


EXHIBIT A-1

SITE PLAN OF PROJECT

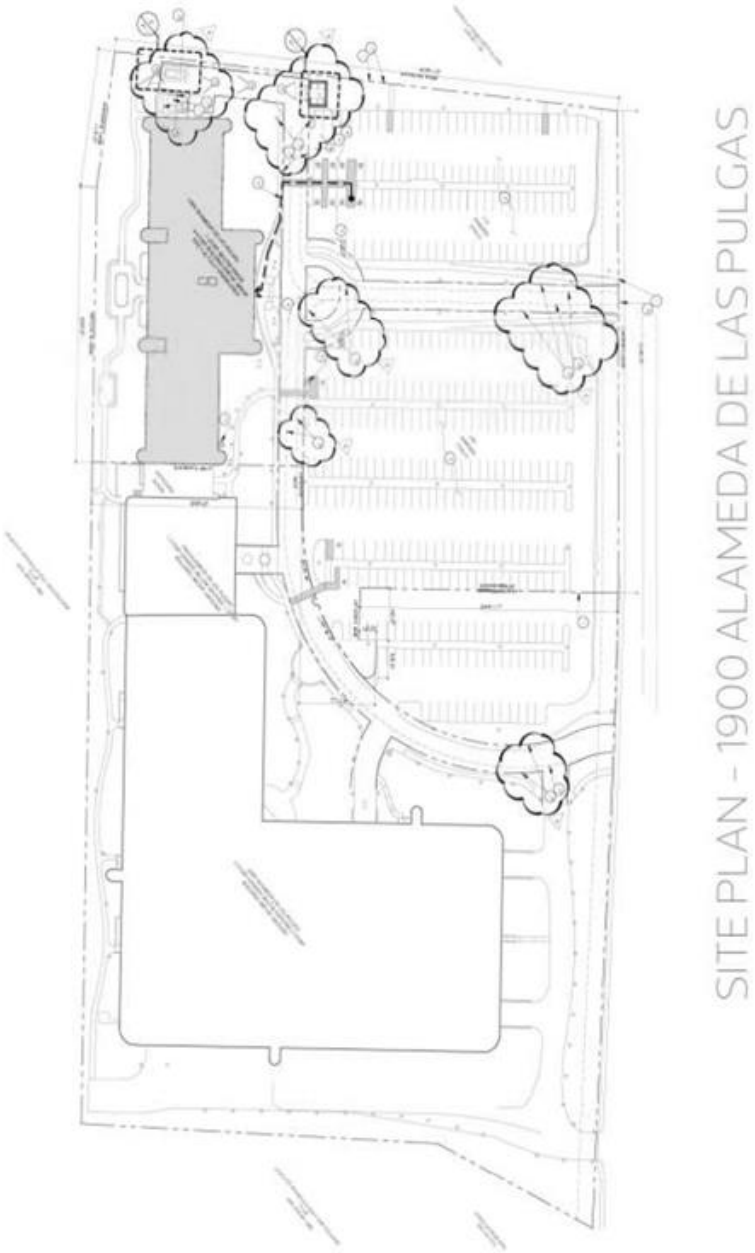


EXHIBIT B

TENANT WORK LETTER

This Tenant Work Letter ("**Tenant Work Letter**") shall set forth the terms and conditions relating to the construction of the Premises. All references in this Tenant Work Letter to the "**Lease**" shall mean the relevant portions of the Lease to which this Tenant Work Letter is attached as Exhibit B.

SECTION 1

BASE, SHELL AND CORE

Landlord has previously constructed the base, shell and core (i) of the Premises and (ii) of the floor(s) of the Building on which the Premises are located (collectively, the "**Base, Shell and Core**"), and, except as provided in the Lease, Tenant shall accept the Base, Shell and Core in its current "As-Is" condition existing as of the date of the Lease. Except for the Allowances set forth below, and as otherwise expressly provided in the Lease, Landlord shall not be obligated to make or pay for any alterations or improvements to the Premises, the Building or the Project.

SECTION 2

TENANT IMPROVEMENTS

2.1 Tenant Improvement Allowance. Tenant shall be entitled to a one-time tenant improvement allowance (the "**Tenant Improvement Allowance**") in the amount of up to, but not exceeding Fifteen Dollars ($15.00) per rentable square foot of the Premises (i.e., up to Four Hundred Sixty-Six Thousand Seven Hundred Fifty-Five Dollars ($466,755.00) based on 31,117 rentable square feet of the Premises), to help Tenant pay for the costs of the design, permitting and construction of Tenant's initial improvements which are permanently affixed to the Premises (collectively, the "**Tenant Improvements**"). Notwithstanding anything above to the contrary, in the event there exists an Over-Allowance Amount (as defined below), Tenant shall have the option, exercisable upon written notice to Landlord prior to the date Tenant is obligated to pay such Over-Allowance Amount, to receive a one-time additional improvement allowance (the "**Additional Allowance**") in the amount not to exceed Ten Dollars ($10.00) per rentable square foot of the Premises, (i.e., up to Three Hundred Eleven Thousand One Hundred Seventy Dollars ($311,170.00) based on 31,117 rentable square feet in the Premises). In the event Tenant exercises such option and as consideration for Landlord providing such Additional Allowance to Tenant, the Base Rent payable by Tenant throughout the entire ninety-eight (98) month initial Lease Term ("**Amortization Period**") shall be increased by an amount sufficient to fully amortize such Additional Allowance throughout said ninety-eight (98) month period based upon monthly payments of principal and interest, with interest imputed on the outstanding principal balance at the rate of eight percent (8%) per annum (the "**Amortization Rent**") and such Amortization Rent shall be subject to the annual Base Rent increase of three and one-half percent (3.5%). By way of illustration, if Tenant utilizes the entire Additional Allowance then the initial Base Rent payable by Tenant under this Lease shall be increased by $4,334.79 and the Base Rent schedule set forth in Section 8 of the Summary shall be revised to reflect such increased Base Rent and such increased Base Rent shall be subject to the annual three and one-half percent (3.5%) increase for all time periods under this Lease. Such revised Base Rent schedule shall be memorialized in an amendment to this Lease to be executed by Landlord and Tenant. Notwithstanding anything in the Lease to the contrary, in no event shall the Amortization Rent be deemed to be Abated Rent nor subject to the abatement of Base Rent set forth in the second paragraph of Article 3 of this Lease. The Tenant Improvement Allowance and the Additional Allowance may collectively be referred to herein as the "**Allowances**". In no event shall

Landlord be obligated to make disbursements for the cost of the Tenant Improvements pursuant to this Tenant Work Letter in a total amount which exceeds the Allowances. Except as provided in Section 2.2.1.8 below, the Allowances may only be used for permanently affixed improvements to the Premises. Landlord shall have no obligation to disburse all or any portion of the Allowances to Tenant unless Tenant makes a request for disbursement pursuant to the terms and conditions of Section 2.2 below prior to September 30, 2022, as extended to the extent Tenant's completion of the Tenant Improvements is delayed due to Landlord Delay. Subject to the terms of this Tenant Work Letter, in no event shall Landlord be obligated to make disbursements pursuant to this Tenant Work Letter in a total amount which exceeds the Allowances. Tenant shall not be entitled to receive any cash payment or credit against Rent or otherwise for any unused portion of the Allowances which is not used to pay for the Tenant Improvement Allowance Items (as defined below).

2.2 Disbursement of the Allowances.

2.2.1. Tenant Improvement Allowance Items. Except as otherwise set forth in this Tenant Work Letter, the Allowances shall be disbursed by Landlord only for the following items and costs (collectively, the "**Tenant Improvement Allowance Items**"):

2.2.1.1 Payment of the fees of the Architect and the Engineers (as such terms are defined below);

2.2.1.2 The payment of plan check, permit and license fees and other soft costs relating to construction of the Tenant Improvements;

2.2.1.3 The cost of construction of the Tenant Improvements, including, without limitation, contractors' fees and general conditions, testing and inspection costs, costs of utilities, trash removal, parking and hoists and (Tenant shall have the right to use the freight elevators for the Building at no charge to Tenant);

2.2.1.4 The cost of any changes in the Base, Shell and Core work when such changes are required by the Construction Drawings (including if such changes are due to the fact that such work is prepared on an unoccupied basis), such cost to include all direct architectural and/or engineering fees and expenses incurred in connection therewith;

2.2.1.5 The cost of any changes to the Construction Drawings or Tenant Improvements required by applicable laws;

2.2.1.6 Sales and use taxes and Title 24 fees;

2.2.1.7 The Coordination Fee (as defined below);

2.2.1.8 The cost of autoclaves and glasswashes and associated equipment installed in the Premises by Tenant; provided, however, that in no event shall more than $93,351 of the Tenant Improvement Allowance be utilized for such costs; and

2.2.1.9 All other costs to be expended by Tenant in connection with Tenant's space planning, design, permitting and construction of the Tenant Improvements including the fees of Tenant's construction manager.

2.2.2. Disbursement of Allowances. Subject to Section 2.1 above, prior to and during the construction of the Tenant Improvements, Landlord shall make monthly disbursements of the Allowances for Tenant Improvement Allowance Items for the benefit of Tenant and shall authorize the release of monies for the benefit of Tenant as follows:

2.2.2.1 Monthly Disbursements. From time to time prior to and during the construction of the Tenant Improvements (but no more frequently than monthly), Tenant shall deliver to Landlord: (i) a request for payment of the Contractor (as defined below), approved by Tenant, in a form to be provided by Landlord, showing the schedule, by trade, of percentage of completion of the Tenant Improvements in the Premises, detailing the portion of the work completed and the portion not completed, and demonstrating that the relationship between the cost of the work completed and the cost of the work to be completed complies with the terms of the Construction Budget (as defined below); (ii) invoices from all of Tenant's Agents (as defined below), for labor rendered and materials delivered to the Premises; (iii) executed mechanic's lien releases from all of Tenant's Agents which shall comply with the appropriate provisions, as reasonably determined by Landlord, of California Civil Code Section 8138; (iv) the construction back-up items described on **Schedule 2** attached hereto to the extent not otherwise included above; and (v) for the final disbursement, each of the general disbursement items referenced in Section 2.2.2.2 below, and all other information reasonably requested by Landlord. Tenant's request for payment shall be deemed Tenant's acceptance and approval as between Landlord and Tenant of the work furnished and/or the materials supplied as set forth in Tenant's payment request. Following Landlord's receipt of a completed disbursement request submission, Landlord shall deliver a check to Tenant made payable to Tenant in payment of the lesser of (A) the amounts so requested by Tenant, as set forth in this Section 2.2.2.1, above, less a ten percent (10%) retention but only if Tenant's Contract with the Contractor does not include a ten percent (10%) retention for all work by the Contractor and subcontractors (the aggregate amount of such retentions to be known as the "**Final Retention**") and (B) the balance of any remaining available portion of the Tenant Improvement Allowance (not including the Final Retention), provided that Landlord does not in good faith dispute any request for payment based on non-compliance of any work with the Approved Working Drawings (as defined below), or due to any substandard work, or for any other valid reason. Landlord's payment of such amounts shall not be deemed Landlord's approval or acceptance of the work furnished or materials supplied as set forth in Tenant's payment request. For avoidance of doubt, Landlord will only waive the Final Retention requirement if (and only if) Tenant's Contract with the Contractor provides for a minimum of a ten percent (10%) retention for all work by the Contractor and subcontractor. Notwithstanding anything to the contrary herein, Landlord shall reimburse Tenant for the following in addition to the Tenant Improvement Allowance: (a) costs incurred due to the presence of Hazardous Materials on or about the Premises in violation of Environmental Law, and (b) costs to bring the Premises, Building, or the Common Areas into compliance with applicable laws and restrictions (with such work described above to be referred to herein as the "**Excluded Work**"). Such reimbursement for such Excluded Work shall be subject to Landlord's approval of the nature of such Excluded Work and the costs thereof.

2.2.2.2 Final Retention. Subject to the provisions of this Tenant Work Letter, a check for the Final Retention (if applicable) payable to Tenant shall be delivered by Landlord to Tenant following the completion of construction of the Premises, provided that (i) Landlord has determined that no substandard work exists which adversely affects the mechanical, electrical, plumbing, HVAC, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant's use of such other tenant's leased premises in the Building; and (ii) Tenant has delivered to Landlord: (A) properly executed and final unconditional mechanics lien releases in compliance with applicable California law; (B) a certificate of occupancy or permit cards signed off by the City of Brisbane (the "**City**") with respect to the Premises; (C) as-built plans and City-permitted plans for the Tenant Improvements; (D) operation manuals and warranties for equipment included within the Tenant

Improvements, if applicable; (E) copy of the contract with the Contractor; (F) copy of the Contractor's certificate of insurance, including Additional Insured endorsement naming Landlord (and any other party requested by Landlord) as additional insureds; and (G) the Contractor's schedule of values, showing total contract value.

2.2.2.3 Other Terms. Landlord shall only be obligated to make disbursements from the Allowances to the extent costs are incurred by Tenant for Tenant Improvement Allowance Items.

2.2.3. Specifications for Building Standard Components. Landlord has established specifications (the "**Specifications**") for the Building standard components to be used in the construction of the Tenant Improvements in the Premises which Specifications are attached hereto as **Schedule 1**. Unless otherwise agreed to by Landlord, the Tenant Improvements shall comply with the Specifications.

SECTION 3

CONSTRUCTION DRAWINGS

3.1 Selection of Architect/Construction Drawings. Tenant shall retain the architect/space planner (the "**Architect**") approved by Landlord, which approval shall not be unreasonably withheld, to prepare the Construction Drawings. Tenant shall retain the engineering consultants reasonably approved by Landlord (the "**Engineers**") to prepare all plans and engineering working drawings relating to the structural, mechanical, electrical, plumbing, HVAC, lifesafety, and sprinkler work in the Premises that is not part of the Base, Core and Shell. Landlord hereby approves of McFarlane Architects as the Architect. The plans and drawings to be prepared by Architect and the Engineers hereunder shall be known collectively as the "**Construction Drawings**." All Construction Drawings shall comply with the drawing format and specifications reasonably determined by Landlord, and shall be subject to Landlord's approval. Tenant and Architect shall verify, in the field, the dimensions and conditions as shown on the relevant portions of the Base, Core and Shell plans, and Tenant and Architect shall be solely responsible for the same, and Landlord shall have no responsibility in connection therewith. Landlord's review of the Construction Drawings as set forth in this Section 3, shall be for its sole purpose and shall not imply Landlord's review of the same, or obligate Landlord to review the same, for quality, design, code compliance or other like matters. Accordingly, notwithstanding that any Construction Drawings are reviewed by Landlord or its space planner, architect, engineers and consultants, and notwithstanding any advice or assistance which may be rendered to Tenant by Landlord or Landlord's space planner, architect, engineers, and consultants, Landlord shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in the Construction Drawings.

3.2 Final Space Plan. Tenant shall supply Landlord with four (4) copies signed by Tenant of its final space plan for the Premises before any architectural working drawings or engineering drawings have been commenced. The final space plan (the "**Final Space Plan**") shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein. Landlord may request clarification or more specific drawings for special use items not included in the Final Space Plan. Landlord shall advise Tenant within five (5) business days after Landlord's receipt of the Final Space Plan for the Premises if the same is unsatisfactory or incomplete in any respect. If Tenant is so advised, Tenant shall promptly (i) cause the Final Space Plan to be revised to correct any deficiencies or other matters Landlord may reasonably require, and (ii) deliver such revised Final Space Plan to Landlord. Landlord hereby approves the Space Plan and scope of work attached hereto as **Schedule 3** (the "**Initial Space Plan**"), and will not withhold its consent to the aspects of the Final Space Plan or Construction Drawings to the extent set forth in the Initial Space Plan or representing a logical evolution thereof. Tenant shall not be required to restore the Tenant Improvements shown on the attached Initial Space Plan.

3.3 Final Working Drawings. After the Final Space Plan has been approved by Landlord and Tenant, Tenant shall promptly cause the Architect and the Engineers to complete the architectural and engineering drawings for the Premises, and cause the Architect to compile a fully coordinated set of architectural, structural, mechanical, electrical and plumbing working drawings in a form which is complete to allow subcontractors to bid on the work and to obtain all applicable permits for the Tenant Improvements (collectively, the "**Final Working Drawings**"), and shall submit the same to Landlord for Landlord's approval (which shall not be unreasonably withheld, conditioned or delayed). Tenant shall supply Landlord with four (4) copies signed by Tenant of such Final Working Drawings. Landlord shall advise Tenant within five (5) business days after Landlord's receipt of the Final Working Drawings for the Premises if the same is unsatisfactory or incomplete in any respect. If Tenant is so advised, Tenant shall promptly (i) revise the Final Working Drawings in accordance with such review and any disapproval of Landlord in connection therewith, and (ii) deliver such revised Final Working Drawings to Landlord.

3.4 Approved Working Drawings. The Final Working Drawings shall be approved by Landlord (the "**Approved Working Drawings**") prior to the commencement of construction of the Premises by Tenant. After approval by Landlord of the Final Working Drawings, Tenant shall promptly submit the same to the appropriate governmental authorities for all applicable building permits. Tenant hereby agrees that neither Landlord nor Landlord's consultants shall be responsible for obtaining any building permit or certificate of occupancy for the Premises and that obtaining the same shall be Tenant's responsibility; provided, however, that Landlord shall cooperate with Tenant in executing permit applications and performing other ministerial acts reasonably necessary to enable Tenant to obtain any such permit or certificate of occupancy. No changes, modifications or alterations in the Approved Working Drawings may be made without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

SECTION 4

CONSTRUCTION OF THE TENANT IMPROVEMENTS

4.1 Tenant's Selection of Contractor and Tenant's Agents.

4.1.1. The Contractor. Tenant shall select and retain a general contractor to construct the Tenant Improvements through a selection process which shall include general contractors selected by Tenant but subject to Landlord's reasonable approval, which shall not be withheld, conditioned or delayed. Landlord hereby approves of XL Construction as the Contractor. The general contractor chosen by Tenant from the approved list of bidders shall be the general contractor submitting the lowest cost bid, unless otherwise determined by Tenant. Following such selection process and Tenant's selection of a general contractor in accordance with the terms hereof, Tenant shall deliver to Landlord notice of its selection of the general contractor upon such selection, which contractor shall thereafter be the "**Contractor**" hereunder.

4.1.2. Tenant's Agents. All subcontractors, laborers, materialmen, and suppliers used by Tenant shall be known collectively as "**Tenant's Agents**." Tenant shall not be required to use union labor.

4.2 Construction of Tenant Improvements by Tenant's Agents.

4.2.1. Construction Contract; Cost Budget. Prior to Tenant's execution of the construction contract and general conditions with Contractor (the "**Contract**"), Tenant shall submit the Contract to Landlord for its review. Prior to the commencement of the construction of the Tenant Improvements, and after Tenant has accepted all bids for the Tenant Improvements, Tenant shall provide

Landlord with a written detailed cost breakdown (the "**Final Costs Statement**"), by trade, of the final costs to be incurred, or which have been incurred, as set forth more particularly in Section 2.2.1.1 through 2.2.1.8 above, in connection with the design, permitting and construction of the Tenant Improvements to be performed by or at the direction of Tenant or the Contractor (which costs form a basis for the amount of the Contract, if any (the "**Final Costs**")). The amount by which the Final Costs exceed the Tenant Improvement Allowance (less any portion thereof already disbursed by Landlord, or in the process of being disbursed by Landlord, on or before the commencement of construction of the Tenant Improvements) shall be referred to herein as the "Over-Allowance Amount". If, after the Final Costs have been delivered by Landlord to Tenant, the costs relating to the design, permitting and construction of the Tenant Improvements shall change, any additional costs necessary to such design, permitting and construction in excess of the Final Costs shall be added to the Over-Allowance Amount. Notwithstanding the terms of Section 2.2.2 above, as Tenant incurs Improvement Allowance Items, Tenant shall pay the Contractor and Architect and/or Engineer for the Over-Allowance Amount in cash in installments pari passu with Landlord's distribution of the Tenant Improvement Allowance, (and, if applicable, the Additional Allowance) in an amount equal to a fraction of such expenses, the numerator of which is the Over-Allowance Amount (less the amount of the Additional Allowance Tenant elects to use) and the denominator of which is the sum of the Allowance and the Over-Allowance Amount and Landlord shall only pay Tenant the balance of the Improvement Allowance Amounts properly requested by Tenant such month.

4.2.2. Tenant's Agents.

4.2.2.1 Landlord's General Conditions for Tenant's Agents and Tenant Improvement Work. Tenant's and Tenant's Agents' construction of the Tenant Improvements shall comply with the following: (i) the Tenant Improvements shall be constructed in strict accordance with the Approved Working Drawings; (ii) Tenant's Agents shall submit schedules of all work relating to the Tenant's Improvements to Contractor and Contractor shall, within five (5) business days after Tenant's receipt thereof, inform Tenant's Agents of any changes which are necessary thereto, and Tenant's Agents shall adhere to such corrected schedule; and (iii) Tenant shall abide by all reasonable and non-discriminatory rules made by Landlord's Building contractor or Landlord's Building manager with respect to the use of freight, loading dock and service elevators, storage of materials, coordination of work with the contractors of other tenants, and any other matter in connection with this Tenant Work Letter, including, without limitation, the construction of the Tenant Improvements.

4.2.2.2 Coordination Fee. Tenant shall pay a logistical coordination fee (the "**Coordination Fee**") to Landlord in an amount equal to the product of (i) two percent (2%), and (ii) the sum of the Allowances and the Over-Allowance Amount used by Tenant, which Coordination Fee shall be for services relating to the coordination of the construction of the Tenant Improvements and shall be deducted by Landlord from the Allowances.

4.2.2.3 Indemnity. Tenant's indemnity of Landlord as set forth in the Lease shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to any act or omission of Tenant or Tenant's Agents, or anyone directly or indirectly employed by any of them, or in connection with Tenant's non-payment of any amount arising out of the Tenant Improvements and/or Tenant's disapproval of all or any portion of any request for payment. Such indemnity by Tenant, as set forth in the Lease, shall also apply with respect to any and all costs, losses, damages, injuries and liabilities related in any way to Landlord's performance of any ministerial acts reasonably necessary (i) to permit Tenant to complete the Tenant Improvements, and (ii) to enable Tenant to obtain any building permit or certificate of occupancy for the Premises.

4.2.2.4 Insurance Requirements.

4.2.2.4.1 General Coverages. All of Tenant's Contractors and subcontractors shall carry worker's compensation insurance in the amount required by applicable law covering all of their respective employees, and shall also carry public liability insurance, including property damage, all with limits of $1,000,000 per occurrence and $2,000,000 in the aggregate.

4.2.2.4.2 Special Coverages. Tenant shall carry "Builder's All Risk" insurance in an amount equal to the full replacement cost of the improvements being constructed by Tenant. Such insurance shall be in amounts and shall include such extended coverage endorsements as may be reasonably required by Landlord, and in form and with companies as are required to be carried by Tenant as set forth in the Lease.

4.2.2.4.3 General Terms. Certificates for all insurance carried pursuant to this Section 4.2.2.4 shall be delivered to Landlord before the commencement of construction of the Tenant Improvements and before the Contractor's equipment is moved onto the site. All liability policies carried under this Section 4.2.2.4 shall insure Landlord and Tenant, as their interests may appear, as well as Contractor and Tenant's Contractors and subcontractors, and shall name as additional insureds Landlord's property manager, Landlord's asset manager, and all mortgagees and ground lessors of the Building and any other parties specified by Landlord. All insurance, except Workers' Compensation, maintained by Tenant's Contractors and subcontractors shall preclude subrogation claims by the insurer against anyone insured thereunder. Such insurance shall provide that it is primary insurance as respects the owner and that any other insurance maintained by owner is excess and noncontributing with the insurance required hereunder. The requirements for the foregoing insurance shall not derogate from the provisions for indemnification of Landlord by Tenant under Section 4.2.2.3 of this Tenant Work Letter.

4.2.3. Governmental Compliance. The Tenant Improvements shall comply in all respects with the following: (i) the Code and other state, federal, city or quasi-governmental laws, codes, ordinances and regulations, as each may apply according to the rulings of the controlling public official, agent or other person; (ii) applicable standards of the American Insurance Association (formerly, the National Board of Fire Underwriters) and the National Electrical Code; and (iii) building material manufacturer's specifications.

4.2.4. Inspection by Landlord. Landlord shall have the right to inspect the Tenant Improvements at all times, provided however, that Landlord's failure to inspect the Tenant Improvements shall in no event constitute a waiver of any of Landlord's rights hereunder nor shall Landlord's inspection of the Tenant Improvements constitute Landlord's approval of the same. Should Landlord disapprove any portion of the Tenant Improvements, Landlord shall notify Tenant in writing of such disapproval and shall specify the items disapproved. Any defects or deviations in, and/or disapproval by Landlord of, the Tenant Improvements shall be rectified by Tenant at no expense to Landlord, provided however, that if Landlord determines that a defect or deviation exists or disapproves of any matter in connection with any portion of the Tenant Improvements and such defect, deviation or matter might adversely affect the mechanical, electrical, plumbing, HVAC or life-safety systems of the Building, the structure or exterior appearance of the Building or any other tenant's use of such other tenant's leased premises, Landlord may, take such action as Landlord deems necessary, at Tenant's expense and without incurring any liability on Landlord's part, to correct any such defect, deviation and/or matter, including, without limitation, causing the cessation of performance of the construction of the Tenant Improvements until such time as the defect, deviation and/or matter is corrected to Landlord's satisfaction.

4.2.5. Meetings. Commencing upon the commencement of construction, Tenant shall hold weekly meetings at a reasonable time, with the Architect and the Contractor regarding the progress of the preparation of Construction Drawings and the construction of the Tenant Improvements, and Landlord and/or its agents shall receive prior notice of, and shall have the right to attend, all such meetings. In addition, minutes shall be taken at all such meetings, a copy of which minutes shall be promptly delivered to Landlord. One such meeting each month shall include the review of Contractor's current request for payment.

4.3 Notice of Completion; Copy of "As Built" Plans. Within ten (10) days after completion of construction of the Tenant Improvements, Tenant shall cause a Notice of Completion to be recorded in the office of the Recorder of the County in which the Building is located in accordance with Section 3093 of the Civil Code of the State of California or any successor statute, and shall furnish a copy thereof to Landlord upon such recordation. If Tenant fails to do so, Landlord may execute and file the same on behalf of Tenant as Tenant's agent for such purpose, at Tenant's sole cost and expense. At the conclusion of construction, (i) Tenant shall cause the Architect and Contractor (A) to update the Approved Working Drawings as necessary to reflect all changes made to the Approved Working Drawings during the course of construction, (B) to certify to the best of their knowledge that the "record-set" of as-built drawings are true and correct, which certification shall survive the expiration or termination of the Lease, (C) to deliver to Landlord two (2) sets of sepias of such as-built drawings within ninety (90) days following issuance of a certificate of occupancy for the Premises, and (D) to deliver to Landlord a computer disk containing the Approved Working Drawings in AutoCAD format, and (ii) Tenant shall deliver to Landlord a copy of all warranties, guaranties, and operating manuals and information relating to the improvements, equipment, and systems in the Premises.

4.4 Coordination by Tenant's Agents with Landlord. Upon Tenant's delivery of the Contract to Landlord under Section 4.2.1 of this Tenant Work Letter, Tenant shall furnish Landlord with a schedule setting forth the projected date of the completion of the Tenant Improvements and showing the critical time deadlines for each phase, item or trade relating to the construction of the Tenant Improvements.

SECTION 5

MISCELLANEOUS

5.1 Tenant's Entry Into the Premises. Subject to the terms hereof, Landlord shall allow Tenant access to the Premises on the date of the full execution and delivery of this Lease by Landlord and Tenant for the purpose of Tenant performing the Tenant Improvement work (including installing trade fixtures and equipment) therein and without the obligation to pay Rent until the Lease Commencement Date. Tenant further acknowledges and agrees that Landlord shall not be liable for any injury, loss or damage which may occur to any of Tenant's work made in or about the Premises in connection with such entry or to any property placed therein prior to the Lease Commencement Date, the same being at Tenant's sole risk and liability. Tenant shall be liable to Landlord for any damage to any portion of the Premises, including the Tenant Improvement work, caused by Tenant or any of Tenant's employees, agents, contractors, consultants, workmen, mechanics, suppliers and invitees. If the performance of Tenant's work in connection with such entry causes extra costs to be incurred by Landlord, Tenant shall promptly reimburse Landlord for such extra costs. In addition, Tenant shall hold Landlord harmless from and indemnify, protect and defend Landlord against any loss or damage to the Premises and against injury to any persons caused by Tenant's actions pursuant to this Section 5.1 as provided in the Lease.

5.2 Tenant's Representative. Tenant has designated Harshitha Gamahewage as its sole representative with respect to the matters set forth in this Tenant Work Letter, who shall have full authority and responsibility to act on behalf of the Tenant as required in this Tenant Work Letter.

5.3 Landlord's Representative. Landlord has designated John Evans as its sole representative with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Tenant Work Letter.

5.4 Time of the Essence in This Tenant Work Letter. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days. If any item requiring approval is timely disapproved by Landlord, the procedure for preparation of the document and approval thereof shall be repeated until the document is approved by Landlord.

5.5 Tenant's Lease Default. Notwithstanding any provision to the contrary contained in the Lease, if an event of default by Tenant of this Tenant Work Letter or as described in Section 19.1 Lease has occurred at any time on or before the substantial completion of the Tenant Improvements and remains after the expiration of applicable notice and cure periods, then (i) in addition to all other rights and remedies granted to Landlord pursuant to the Lease, at law and/or in equity, Landlord shall have the right to withhold payment of all or any portion of the Allowances and/or Landlord may cause Contractor to cease the construction of the Tenant Improvements (in which case, Tenant shall be responsible for any delay in the substantial completion of the Premises caused by such work stoppage), and (ii) all other obligations of Landlord under the terms of this Tenant Work Letter shall be forgiven until such time as such default is cured pursuant to the terms of the Lease (in which case, Tenant shall be responsible for any delay in the substantial completion of the Tenant Improvements caused by such inaction by Landlord).

5.6 No Obligation to Build Tenant Improvements. Notwithstanding anything to the contrary in this Tenant Work Letter, (a) Tenant shall have no obligation to design or build any Tenant Improvements, and may at any time reduce the scope of the Tenant Improvements, (b) where no time period is specified above, Landlord shall respond to any written consent or approval request within five (5) business days and (c) Landlord's failure to respond in the required period shall, if such failure continues for an additional two (2) business days after Tenant's second written request, be deemed Landlord's consent thereto.

SCHEDULE 1

SPECIFICATIONS

Genesis 1900 Alameda
1900 Alameda de las Pulgas
San Mateo, CA 94403
Tenant Improvement Campus Building Standards*

* Notwithstanding anything to the contrary contain herein or in the Lease, Tenant (i) may elect to install fit and finishes above the levels specified herein and (ii) has the right, given notification and approval by the Landlord, to install finishes to the level which meet their design intent.

1.0 PARTITIONS

1.1 DEMISING WALL - FULL HEIGHT NON-RATED CONSTRUCTION

Full Height non-rated walls shall be constructed to demise tenant spaces with 3 5/8" x 20 gauge metal studs at 16" O.C. Wall is to extend full height from floor to underside of structure above with 5/8" Type "X" gypsum wallboard on each side of studs. Gypsum wallboard shall be taped and finished with joint compound to a Level 4 finish and painted. The stud cavity shall be filled with sound attenuation insulation.

1.2 INTERIOR PARTITIONS

Interior partitions shall be constructed with 3 5/8" x 20 gauge metal studs at 16" O.C. Walls are to extend 6" above adjacent ceilings with 5/8" gypsum wallboard placed on each side of studs. Gypsum wallboard shall be taped and finished with joint compound to a Level 4 finish, with the stud cavity being filled with sound attenuation insulation in partitions between offices. Where no ceilings occur, partitions to extend full height to underside of structure above.

Conference Rooms: Interior Partitions separating conference rooms from private offices; conference rooms to conference rooms or open office areas shall be Full Height non-rated walls constructed with 3 5/8" x 20 gauge metal studs at 16" O.C. Wall is to extend full height from floor to underside of structure above with (2) layers of 5/8" Type "X" gypsum wallboard on each side of studs. Gypsum wallboard shall be taped and finished with joint compound to a Level 4 finish and painted. The stud cavity shall be filled with sound attenuation insulation. Continuous acoustic silicone sealant shall be installed at the head and sill of these full height sound walls with (2) layers of gypsum drywall.

2.0 WOOD DOORS AND FRAMES

2.1 INTERIOR DOORS

2.1.1 Main suite entry doors shall be non-rated 4" deep 1¾" x 3'-0" x 8'-0" (pair) aluminum storefront/glass system, clear anodized finish.

2.1.2 Laboratory Suite Doors shall be rated where required by code, non-rated elsewhere, 1¾" x 3'-0" x 8'-0". Solid core. Marshfield, Face: plain sliced, walnut; Finish: Clear 0-95. Each lab shall have a pair of doors for large equipment access. Rated doors shall have a narrow lite vision panel not exceeding 100 sq. inches (typical ¼" tempered 4" wide x 25" tall). Nonrated doors shall have a half-lite vision panel consisting of ¼" thick tempered safety glass. Closers, armor plates, automatic door bottoms, and thresholds shall be provided on Lab doors at appropriate locations.

2.1.3 Lab Support Doors, where provided, shall be rated as required by code, non-rated elsewhere, 1¾" x 3'-0" x 8'-0". Solid core. Marshfield, Face: plain sliced, walnut; Finish: Clear 0-95 or equivalent. Rated doors shall have a narrow lite vision panel not exceeding 100 sq. inches (typical ¼" tempered 4" wide x 25" tall). Non-rated doors shall have a half-lite vision panel consisting of ¼" thick tempered safety glass. Closers, armor plates, automatic door bottoms, and thresholds shall be provided on Lab doors at appropriate locations.

2.1.4 Office and Conference Room Doors shall be non-rated, 1¾" x 3'-0" x 8'-0". Solid core. Marshfield, Face: plain sliced, walnut; Finish: Clear 0-95 or equivalent. No lite.

2.1.5 Building Service Types of Doors: shall be either 1¾" x 3'-0" x 8'-0", 1¾" x 3'-0" x 8'-0", or a pair of 1¾" x 3'-0" x 8'-0", heavy-duty hollow metal, SDI A250.8, Level 2. Physical Performance shall be Level B, per SDI A250.4, 1-¾" thick (44.5 mm), uncoated face, cold-rolled steel sheet with a minimum thickness of Inch (1.0 mm). Edge shall be constructed as Model 1, Full Flush. At Vivarium locations, edge shall be construction as Model 2, Seamless. Cores shall be manufactured from Kraft-paper honeycomb, polystyrene, polyurethane, polyisocyanurate, mineral-board, or vertical steel-stiffener core at the manufacturer's discretion.

2.2 DOOR AND WINDOW FRAMES

2.2.1 Door and Window frames shall be extruded aluminum alloy as manufactured by Western Integrated Materials Inc. Frames shall be pre-punched for factory installed 14-gauge butt reinforcement, door strike, and closer hardware. Prefinished frame color to be: Clear anodized aluminum.

2.2.2 Rated doors and window frames shall be as required by code, with label ratings for smoke and fire resistance meeting the requirements established by the Underwriters Laboratory (UL). Doors shall include smoke seals. Door frames shall be extruded aluminum alloy as manufactured by Western Integrated Materials Inc. Frames shall be pre-punched for factory installed 14-gauge butt reinforcement, door strike, and closer hardware. Prefinished frame color to be: Clear anodized aluminum.

2.2.3 Service Types of Frames: shall be uncoated steel sheet, minimum thickness of 0.053 inch (1.3 mm), face-welded. Exception at Vivarium areas-frames shall be full profile welded.

2.3 FINISH HARDWARE

2.3.1 SUITE ENTRY & BUILDING CONFERENCE ROOMS

Access-Controlled Aluminum Storefront System:
Hinges: Three-knuckle, concealed bearing hinges.

a. Manufactures: Ives 3CB1HW 4.5 X 4.5 CB Series

b. Standard weight, 4-1/2 inches high

c. Finish: ANSI A8112 steel with steel pin.

d. One electric HW hinge for electronic access control

Lock set: Mortise Lever Schlage L 9092 Series, electronically unlocked, 17A Style,
Finish: 630, US32D, Satin Stainless steel. FSIC lore, “C” keyway.
Concealed Coordinated Closers: LCN 2031 WMS, Finish 689.
Astragal: 383, aluminum finish, by Zero.
Floor stop: IVES FS439, Finish: US26D Satin chrome plated.

2.3.2 INTERIOR DOORS

For solid core wood office doors:

Hinges: Three-knuckle, concealed bearing hinges.

a. Manufactures: Ives 3CB Series

b. Doors up to 36 inches wide: Standard weight, 4-1/2 inches high

c. Finish: ANSI A8112 steel with steel pin.

Office Set: Schlage L Series Mortise L9056 series, 17A. Finish: 630, US32D,
Satin Stainless steel.
Floor stop: IVES FS439, Finish: US26D Satin chrome plated.

For solid core wood Conference room doors:

Hinges: Three-knuckle, concealed bearing hinges.

a. Manufactures: Ives 3CB Series

b. Doors up to 36 inches wide: Standard weight, 4-1/2 inches high

c. Finish: ANSI A8112 steel with steel pin.

Passage Set: Schlage L Series Mortise L9010 17A. Finish: 630, US32D, Satin Stainless steel.
Floor stop: IVES FS439, Finish: US26D Satin chrome plated.

For solid core wood lab doors:

Hinges: Three-knuckle, concealed bearing hinges.

a. Manufactures: Ives 3CB Series

b. Doors up to 36 inches wide: Standard weight, 4-1/2 inches high

c. Doors over 36 inches wide: Heavy weight, 5 inches high

d. Finish: ANSI A8112 steel with steel pin.

Passage Set: Schlage L Series Mortise L9010 17A. Finish: 630, US32D, Satin Stainless steel.
Wall stop: IVES WS406/407CVX, Finish: 630/US32D Satin stainless steel.
Armor plate, automatic door bottom, and threshold.

Pairs of lab doors: same as lab doors above, except provide:

a. Coordinator by IVES, COR X FL, Finish: 628/US28, “Stain aluminum, clear coated.

b. Closers: LCN 1460 series, Finish 630, US32D, Satin Stainless steel.

For solid core wood service doors (Janitor, IT, Electric, etc.):

Hinges: Three-knuckle, concealed bearing hinges.

a. Manufactures: Ives 3CB Series

b. Doors up to 36 inches wide: Standard weight, 4-1/2 inches high

c. Finish: ANSI A8112 steel with steel pin.

Storeroom Set: Schlage L Series Mortise L9080 T, 17A. Finish: 630, US32D, Satin Stainless steel.

Wall stop: IVES WS406/407CVX, Finish: 630/US32D Satin stainless steel.

Armor plate, perimeter seals.

For Hollow Metal service doors:

Hinges: Three-knuckle, concealed bearing hinges.

a. Manufactures: Ives 3CB Series

b. Finish: ANSI A8112 steel with steel pin.

Storeroom Set: Schlage L Series Mortise L9080 T, 17A. Finish: 630, US32D, Satin Stainless steel.
Wall stop: IVES WS406/407CVX, Finish: 630/US32D Satin stainless steel. Coordinator by IVES, COR X FL, Finish: 628/US28, “Stain aluminum, clear coated.
Closers: LCN 1460 series, Finish 630, US32D, Satin Stainless steel.

Armor plate, astragal, perimeter seals, and thresholds as applicable.

3.0 CEILINGS

3.1 ACOUSTICAL CEILINGS

Private Offices & Conference Rooms: Ceilings shall be 2" x 2" ¾%" Armstrong, Ultima Tegular Fine Texture, Color: White. Glass-fiber based panels to be Type IV mineral based with membrane-faced overlay; form 2, water felted with vinyl overlay on face and back of panel. Performance characteristics to meet the following:

a. LR: Not less than 0.90.

b. NRC: Not less than 0.70.

Acoustical panels are treated with manufacturer's standard antimicrobial formulation that inhibits fungus, mold, mildew, and gram-positive and gram-negative bacteria.
Suspension system: Armstrong Silhouette Narrow 9/16" with ¼" reveal; Color: White.

At Offices and Conference rooms: sound batt insulation shall be installed/laid-in above the grid ceiling system.

3.2 VINYL-FACED CEILINGS

Lab Areas: Ceilings shall be 2" x 4" x ½" Certainteed Saint-Gobain, Vinylrock (#1140 CRF-1), Color: White. Vinyl-faced panels shall be Clean Room 5 compatible; high density, ceramic and mineral base panels with scrubbable finish, resistant to heat, moisture, and corrosive fumes, and sag and mold resistant; with a CAC= 40 and a LR=0.78.

Suspension system: Certainteed Saint-Gobain 15/16" trim edge (square); Color: White

3.3 GYPSUM WALLBOARD SOFFITS

Conference rooms, Break Areas, etc.: Gypsum wallboard soffits shall be constructed with 3 5/8" x 20 gauge unpunched metal studs at 16" O.C., with 5/8" gypsum wallboard placed on exterior side of studs. Gypsum wallboard shall be taped and finished with joint compound to a Level 4 finish.

4.0 LIGHTING FIXTURES

4.1 Light Levels in the building are specified at 3,500 Kevin.

4.2 Lab area light fixtures shall be: recessed 4" wide linear LED type by Nulite Lighting, Regolo 4 LED RG4.

4.3 Office areas shall utilize the lab area light fixtures and also employ 9" round X 18" tall Pendants by Cooper Lighting (LSR8A)

4.4 Lab Support rooms shall have recessed 2'x4' LED fixtures.

4.5 All lighting shall have Title 24 compliant lighting controls and sensors.

5.0 FINISHES

5.1 CARPET

a. Manufacturers: Mannington, Tandas-Centiva.

b. Product Size: As indicated on drawings. 6' Roll Power-bond, 24" x 24" carpet tile, 12" x 48" carpet plank; varies per Finish Option

c. Backing: Per manufacturer's recommendation

d. Face Weight: 24 oz./sq. yd. may vary per Finish Option

e. Pile Height Average: 0.106 inch may vary per Finish Option

f. Fiber System: Textured Pattern Loop, Invista Antron Lumena Type 6 Hollow Filament Nylon with Permanent Stain and Bleach Protection, Static Control

g. Soil/Stain Protection: Suratech or equivalent

5.2 CERAMIC TILE

a. Manufacturer: Daltile

b. Composition: Vitreous, impervious natural clay, or porcelain

c. Face Size: Per Drawings

d. Face Size Variation: Calibrated or rectified

e. Thickness: Manufacturers standard

f. Dynamic Coefficient of Friction: Not less than 0.42.

g. Trim Units: Coordinated with sizes and coursing of adjoining flat tile where applicable and matching characteristics of adjoining flat tile. Architect to select from manufacturer’s full range.

5.3 VINYL COMPOSITION TILE (Lab Areas)

a. Manufacturer: Armstrong World Industries, Inc.

b. Tile Standard: ASTM F 1066, Class 1, solid-color

c. Thickness: 0.125 inches

d. Size: 12 by 12 inches and 12 by 24 inches. As indicated on Drawings.

e. Patterns/Design: as indicated on the Drawings.

5.4 LUXURY VINYL TILE (Break Rooms)

a. Manufacturer: Floorfolio, Striations

b. Tile Standard: ASTM F 1700, Class 3, Type B

c. Thickness: 22 mm, heavy commercial

d. Size: As indicated on drawings

e. Patterns/Design: as indicated on the Drawings.

5.5 BASE

a. Manufacturer: Johnsonite

b. Product Standard: ASTM F 1861, Type TP (rubber, thermoplastic).

1. Group: I (solid, homogeneous).
2. Style and Location: As indicated.

c. Thickness: 0.125 inch

d. Height: 4” high

e. Lengths: Coils in manufacturer’s standard length. Pre-cut lengths are not acceptable.

f. Outside Corners: Job formed or preformed.

g. Inside Corners: Job formed or preformed.

5.6 CORNER GUARDS

Shall be installed at locations determined that could be high-traffic corners; they shall be 18 gauge, #4 finish, type 304 Stainless Steel 3” X 3” and adhered per detailing.

5.7 PAINT

All walls shall receive (2) coats of Sherwin Williams, Eggshell Finish; Color: As indicated on drawings. Designated walls shall receive accent paints, choice of Sherwin Williams, Eggshell Finish, Color: As indicated on drawings.

All ceilings and open to structure areas to receive (2) coats of Sherwin Williams, Flat Finish; Color: As indicated on drawings.

6.0 WINDOW TREATMENT

None. Building was retrofitted with all new exterior glazing system, by View Glass, a special insulated glazing system with integral low voltage tinting, managed by a computer system, to provide room darkening at different points throughout the day. No additional window coverings are being provided or necessary.

7.0 MISCELLANEOUS

7.1 SIGNAGE

One building standard suite number and name plaque per entry door. Restroom signage.

7.2 CODE-REQUIRED NON-ILLUMINATED EXIT SIGNAGE

Building exit route and exit signage with Braille as required per Code

7.3 ILLUMINATED EXIT SIGNS

Lithonia (or Isolite equal) ceiling mounted illuminated Edge Lit Series with single face universal mount, with universal arrows & red letters.

8.0 BREAKROOM CABINETRY

Cabinetry: Plastic laminate base cabinetry with base cabinets and upper cabinets. Plastic laminated base and uppers: Wilsonart, Designer white #D354-01 (gloss finish). Provide PVC edge banding (0.018 to match plastic laminate)

Solid surface counter tops and splash: Livingstone L104 Brisk with glass mosaic tile back splash

Plumbing Fixtures: Sink is to be single bowl stainless steel, undercounter mount, ADA depth, with a ADA single handle deck mounted kitchen faucet with gooseneck spout. Casework to accommodate a Front Approach as defined by the Code, doors shall have integral kicks with base and valves and pipes shall have vinyl protective bibbs.

9.0 LABORATORY CASEWORK AND FUME HOODS

9.1 Casework: Labs shall be furnished with modular, mobile metal laboratory casework manufactured by iLab, Inc. Standard countertop height is +37" AFF; with a mixture of 2/3's being fixed height, and 1/3 being manually adjustable height, in general.

Modular mobile pedestals shall be 50% drawer & door and 50% all drawers, and there shall be one (1) provided per each modular bench or table.

Countertops shall be 1" thick chemical resistant epoxy/phenolic resin: Trespa TopLab Plus, by Trespa; color: Slate Grey.

All lab casework shall be 18 gauge/20 gauge cold rolled steel complying with ASTM A 1008/A 1008M with powder coated finish, color: "E-9132 Appliance White".

All hardware shall be brushed aluminum flush style finish.

Island benches shall be pre-piped for Compressed Air and Lab Vacuum with quick disconnect connections located above the ceiling.

Benches with sinks shall have a single basin epoxy sink (25" x 15" x 10" deep). Sink cabinets shall have a hot and cold water mixing faucet with a counter mounted eyewash. Sinks at island benches shall have a stainless-steel glassware pegboard with drip tray and drain hose. At least one (1) lab sink per "lab area" shall be ADA height (+34" AFF), to meet the Code-required "SIDE APPROACH". Benches shall be pre-wired with factory installed single channel raceways for normal and standby power. Typical power design at island benches is as follows:

a. 8' Benches: Provide (1) 20 amp. normal power circuit & (1) 20 amp. standby power circuit;

b. 14', 16,' & 18' Benches: Provide (2) 20 amp. normal power circuits & (1) 20 amp. standby power circuit;

c. 20', 22,' & 24' Benches: Provide (3) 20 amp. normal power circuits & (1) 20 amp. standby power circuit;

Receptacles shall be GFI at wet benches and color coded for normal (grey) and emergency (red) power uses. Cover plates shall be brushed stainless steel. All receptacles shall be labelled with black text for normal power and red text for standby power.

9.2 Fume Hoods: Fume Hoods shall be 6' wide, bench top hoods with a combination sash. Hoods shall be factory pre-piped and pre-wired for Vacuum, Compressed Air and a normal power duplex at each post. Hoods shall be provided with (1) acid and (1) self-closing flammable storage cabinet bases.

SCHEDULE 2

CONSTRUCTION BACK-UP ITEMS

- General Contractor G702/703 - signed
- Subcontractor G702/703 or equivalent for each sub (Copies of signed & notarized)
- Copies of executed Change Orders or executed Schedule of Valves ("**SOV**") change authorizations (pre GMP)
- Unconditional Lien Releases from GC and Subs for prior payment (Civil Code § 8134)
- Unconditional Lien Releases from the General Contractor for payment request (Civil Code § 8134)
- Conditional Lien Releases from GC and Subs for payment request (Civil Code § 8132)
- Releases from suppliers of materials or equipment of any purchase money security interests
- Stored Material Inventory with appropriate backup (bills of sale, evidence of insurance {with Owner as Certificate Holder and standard additional insureds}, confirmation of location, Affidavit, etc.)
- Change Order Log (need to include all pending change orders and status tracking)
- Clarification of self-performed vs. subcontracted work
- Job Cost Activity or similar tracking of GC general conditions costs
- List of all subcontractors
- List of contracts/subcontracts entered into since the last request
- Changes to SOV Values must be authorized by Owner either through an executed Change Order or an executed letter of authorization (pre GMP). Payapps submitted with unauthorized SOV changes on G703's will not be accepted.

The General Contractor shall provide all items to Landlord's Representative directly.

SCHEDULE 3

TENANT'S INITIAL SPACE PLAN

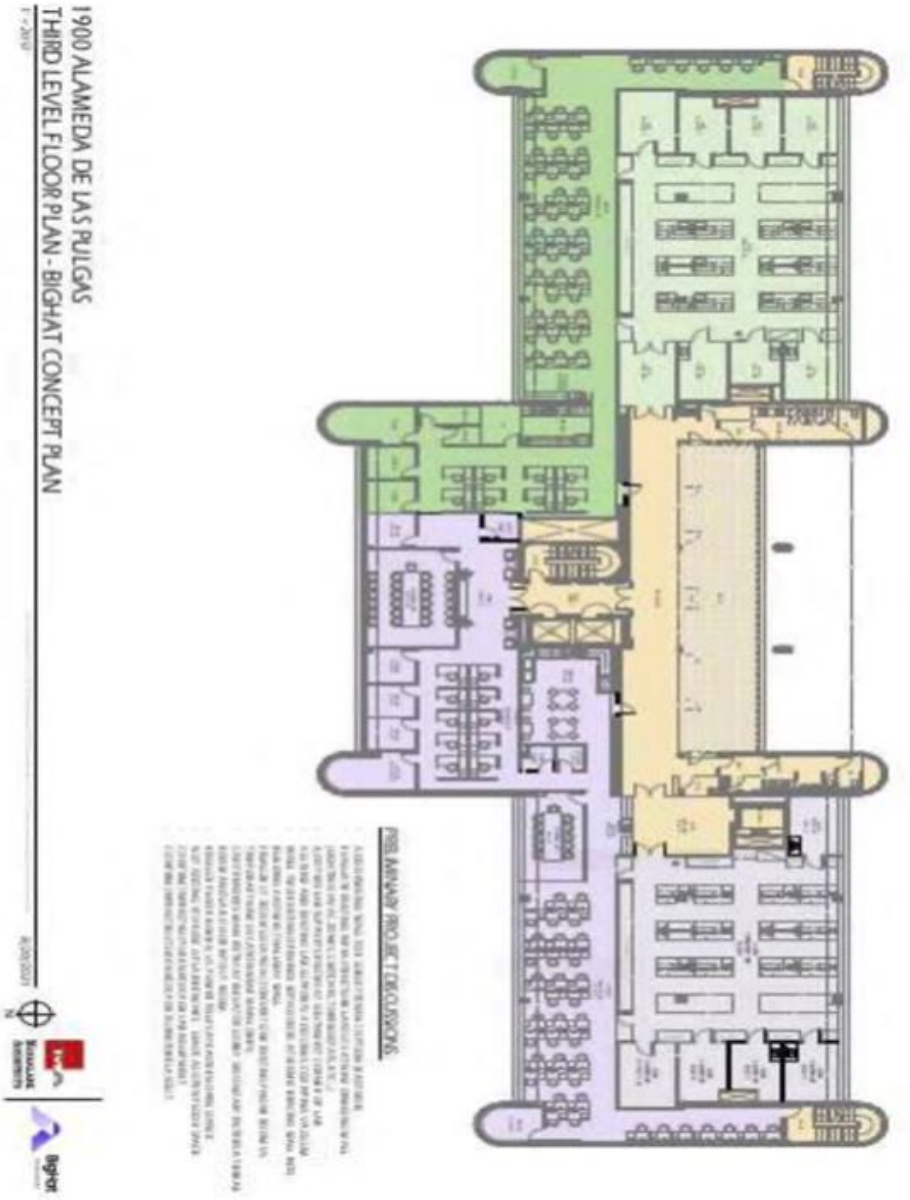


EXHIBIT C

CONFIRMATION OF LEASE TERMS/AMENDMENT TO LEASE

This CONFIRMATION OF LEASE TERMS/AMENDMENT TO LEASE ("**Confirmation/Amendment**") is made and entered into effective as of _____, 20__, by and between BP3-SF6 1900 ADLP LLC, a Delaware limited liability company ("**Landlord**") and BIGHAT BIOSCIENCES, INC., a Delaware corporation ("**Tenant**").

R E C I T A L S :

A. Landlord and Tenant entered into that certain Lease dated as of _____ (the "**Lease**") pursuant to which Landlord leased to Tenant and Tenant leased from Landlord certain "Premises", as described in the Lease, in that certain building located at _____, _____, California _____.

B. Except as otherwise set forth herein, all capitalized terms used in this Amendment shall have the same meaning as such terms have in the Lease.

C. Landlord and Tenant desire to amend the Lease to confirm the commencement and expiration dates of the term, as hereinafter provided.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Confirmation of Dates. The parties hereby confirm that the term of the Lease commenced as of _____ (the "**Lease Commencement Date**") for a term of _____ ending on _____ (unless sooner terminated as provided in the Lease). Tenant shall commence to pay rent on _____, 20__ ("**Rent Commencement Date**").

2. No Further Modification. Except as set forth in this Confirmation/Amendment, all of the terms and provisions of the Lease shall remain unmodified and in full force and effect.

[Remainder of Page Intentionally Left Blank; Signatures Follow]

IN WITNESS WHEREOF, this Confirmation/Amendment has been executed as of the day and year first above written.

"**Landlord**":

BP3-SF6 1900 ADLP LLC,
a Delaware limited liability company

By: _____
Name: _____
Its: _____

"**Tenant**":

BIGHAT BIOSCIENCES, INC.,
a Delaware corporation

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT D

RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations and the Parking Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations and/or the Parking Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Building and/or the Project.

1. Tenant shall not place any lock(s) on any door, or install any security system (including, without limitation, card key systems, alarms or security cameras), in the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, and Landlord shall have the right to retain at all times and to use keys or other access codes or devices to all locks and/or security systems within and to the Premises. A reasonable number of keys to the locks on the entry doors of the Premises shall be furnished by Landlord to Tenant at Tenant's cost, and Tenant shall not make any duplicate keys. All keys shall be returned to Landlord at the expiration or earlier termination of the Lease. Further, if and to the extent Tenant re-keys, re-programs or otherwise changes any locks in or for the Premises, all such locks and key systems must be consistent with the master lock and key system at the Building, all at Tenant's sole cost and expense.

2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises, unless electrical hold backs have been installed. Sidewalks, doorways, passages, entrances, vestibules, halls, stairways and other Common Areas shall not be obstructed by Tenant or used by Tenant for any purpose other than ingress and egress to and from the Premises, and Tenant, its employees and agents shall not loiter in the entrances or corridors.

3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the vicinity of the Building. Tenant and its employees and agents shall ensure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register when so doing. After-hours access by Tenant's authorized employees may be provided by hard-key, card-key access or other procedures adopted by Landlord from time to time; Tenant shall pay for the costs of all access cards provided to Tenant's employees and all replacements thereof for lost, stolen and/or damaged cards. Access to the Building and/or the Project may be refused unless the person seeking access has proper identification or has a previously arranged pass for such access. Landlord and its agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building and/or the Project of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building and/or the Project during the continuance of same by any means it deems appropriate for the safety and protection of life and property.

4. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. All damage done to any part of the Building, its contents, occupants and/or visitors by moving or maintaining any such safe or other property shall be the sole responsibility of Tenant and any expense of said damage or injury shall be borne by Tenant.

5. No furniture, freight, packages, supplies, equipment or merchandise will be brought into or removed from the Building or carried up or down in the elevators, except upon prior notice to Landlord, and in such manner, in such specific elevator, and between such hours as shall be designated by Landlord. Tenant shall provide Landlord with not less than 24 hours' prior notice of the need to utilize an elevator for any such purpose, so as to provide Landlord with a reasonable period to schedule such use and to install such padding or take such other actions or prescribe such procedures as are appropriate to protect against damage to the elevators or other parts of the Building. Tenant shall assume all risk for damage to articles moved and injury to any persons resulting from such activity described herein. If equipment, property, or personnel of Landlord or of any other party is damaged or injured as a result of or in connection with such activity described herein, Tenant shall be solely liable for any resulting damage or loss.

6. Landlord shall have the right to control and operate the public portions of the Building and Project, the public facilities, the heating and air conditioning, and any other facilities furnished for the common use of tenants, in such manner as is customary for comparable buildings in the vicinity of the Building.

7. No signs, advertisements or notices shall be painted or affixed to windows, doors or other parts of the Building, except those of such color, size, style and in such places as are first approved in writing by Landlord. Landlord shall have the right to remove any signs, advertisements, and notices not approved in writing by Landlord without notice to and at the expense of Tenant. Landlord may provide and maintain in the first floor (main lobby) of the Building an alphabetical directory board or other directory device listing tenants, and no other directory shall be permitted unless previously consented to by Landlord in writing.

8. The requirements of Tenant will be attended to only upon application at the management office of the Project or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instruction from Landlord.

9. Tenant shall not disturb (by use of any television, radio or musical instrument, making loud or disruptive noises, creating offensive odors or otherwise), solicit, or canvass any occupant of the Building and/or the Project and shall cooperate with Landlord or Landlord's agents to prevent same.

10. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or invitees, shall have caused it.

11. Tenant shall not overload the floor of the Premises. Tenant shall not mark, drive nails or screws, or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof without Landlord's consent first had and obtained; provided, however, Landlord's prior consent shall not be required with respect to Tenant's placement of pictures and other normal office wall hangings on the interior walls of the Premises (but at the end of the Lease Term, Tenant shall repair any holes and other damage to the Premises resulting therefrom).

12. Except for vending machines intended for the sole use of Tenant's employees and invitees, no vending machine or machines of any description other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of Landlord. Tenant shall not install, operate or maintain in the Premises or in any other area of the Building, electrical equipment that would overload the electrical system beyond its capacity for proper, efficient and safe operation as determined solely by Landlord.

13. Tenant shall not use any method of heating or air conditioning other than that which may be supplied by Landlord, without the prior written consent of Landlord. Tenant shall not furnish cooling or heating to the Premises, including, without limitation, the use of electronic or gas heating devices, portable coolers (such as “move n cools”) or space heaters, without Landlord’s prior written consent, and any such approval will be for devices that meet federal, state and local code.

14. No inflammable, explosive or dangerous fluids or substances shall be used or kept by Tenant in the Premises, Building and/or about the Project, except for those substances as are typically found in similar premises used for general office and/or laboratory purposes and are being used by Tenant in a safe manner and in accordance with all applicable Laws, rules and regulations. Tenant shall not, without Landlord’s prior written consent, use, store, install, spill, remove, release or dispose of, within or about the Premises or any other portion of the Project, any asbestos-containing materials or any solid, liquid or gaseous material now or subsequently considered toxic or hazardous under the provisions of 42 U.S.C. Section 9601 et seq. or any other applicable environmental Laws which may now or later be in effect. Tenant shall comply with all Laws pertaining to and governing the use of these materials by Tenant, and shall remain solely liable for the costs of abatement and removal.

15. Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building and/or the Project by reason of noise, odors, or vibrations, or interfere in any way with other tenants or those having business therewith.

16. Tenant shall not bring into or keep within the Project, the Building or the Premises any animals (except those assisting handicapped persons), birds, fish tanks, bicycles (provided Landlord has provided adequate bike racks) or other vehicles.

17. Tenant shall not use or occupy the Premises in any manner or for any purpose which might injure the reputation or impair the present or future value of the Premises, the Building and/or the Project. Tenant shall not use, or permit any part of the Premises to be used, for lodging, sleeping or for any illegal purpose.

18. No cooking shall be done or permitted by Tenant on the Premises, nor shall the Premises be used for the storage of merchandise or for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, Underwriters’ laboratory-approved equipment and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages, provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances, rules and regulations, and does not cause odors which are objectionable to Landlord and other tenants. Whenever possible, Tenant shall utilize and purchase Energy Star products in their suites. Tenant understands the importance of energy conservation and sustainability to both the Landlord and the Project, and will assist in conserving energy in their suite with regards to practices and equipment.

19. Landlord will approve where and how telephone, Internet and other cabling are to be introduced to the Premises. No boring or cutting for wires shall be allowed without the consent of Landlord. The location of telephone, Internet, intercom, and other office equipment and/or systems affixed to the Premises shall be subject to the approval of Landlord. Tenant shall not use more than its proportionate share of telephone lines and other telecommunication facilities available to service the Building. At Landlord’s election, Tenant shall remove some or all cabling from the Premises on or prior to expiration of the Lease.

20. Landlord reserves the right to exclude or expel from the Building and/or the Project any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations or cause harm to Building occupants and/or property.

21. All contractors, contractor's representatives and installation technicians performing work in the Building or at the Project shall be subject to Landlord's prior approval, which approval shall not be unreasonably withheld, and shall be required to comply with Landlord's standard rules, regulations, policies and procedures, which may be revised from time to time.

22. Tenant shall not employ any person other than the janitor of Landlord for the purpose of cleaning the Premises without prior written consent of Landlord. Tenant shall not cause any unnecessary labor by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness.

23. Tenant shall only employ persons from a list of exclusive vendors selected by Landlord for the removal of hazardous waste materials from the Building and the Project without prior written consent of Landlord.

24. Tenant at all times shall maintain the entire Premises in a neat and clean, first class condition, free of debris. Tenant shall not place items, including, without limitation, any boxes, files, trash receptacles or loose cabling or wiring, in or near any window to the Premises which would be visible anywhere from the exterior of the Premises.

25. Tenant shall not waste electricity, water or air conditioning and agrees to cooperate fully with Landlord to ensure the most effective operation of the Building's heating and air conditioning system, including, without limitation, the use of window blinds to block solar heat load, and shall refrain from attempting to adjust any controls, dampers, or ductwork. Tenant shall comply with and participate in any program for metering or otherwise measuring the use of utilities and services, including, without limitation, programs requiring the disclosure or reporting of the use of any utilities or services. Tenant shall also cooperate and comply with, participate in, and assist in the implementation of (and take no action that is inconsistent with, or which would result in Landlord, the Building and/or the Project failing to comply with the requirements of) any conservation, sustainability, recycling, energy efficiency, and waste reduction programs, environmental protection efforts and/or other programs that are in place and/or implemented from time to time at the Building and/or the Project, including, without limitation, any required reporting, disclosure, rating or compliance system or program (including, but not limited to, any LEED [Leadership in Energy and Environmental Design] rating or compliance system, including those currently coordinated through the U.S. Green Building Council).

26. Tenant shall store all its recyclables, trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of recyclables, trash and garbage in the city in which the Project is located without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as Landlord shall designate.

27. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.

28. Tenant shall assume any and all responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed, when the Premises are not occupied, or when the entry to the Premises is not manned by Tenant on a regular basis.

29. No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises without the prior written consent of Landlord. The sashes, sash doors, skylights, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the windowsills. All electrical ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent and/or of a quality, type, design and bulb color approved by Landlord.

30. The washing and/or detailing of or, the installation of windshields, radios, telephones in or general work on, automobiles shall not be allowed on the Project, except under specific arrangement with Landlord.

31. Food vendors shall be allowed in the Building upon receipt of a written request from Tenant delivered to Landlord; provided, however, no consent is required for food deliveries. The food vendor shall service only the tenants that have a written request on file in the management office of the Project. Under no circumstance shall the food vendor display their products in a public or Common Area including corridors and elevator lobbies. Any failure to comply with this rule shall result in immediate permanent withdrawal of the vendor from the Building. Tenant shall obtain ice, drinking water, linen, barbering, shoe polishing, floor polishing, cleaning, janitorial, plant care or other similar services only from vendors who have registered in the management office of the Project and who have been approved by Landlord for provision of such services in the Premises.

32. Tenant must comply with requests by the Landlord concerning the informing of their employees of items of importance to the Landlord.

33. Tenant shall comply with any non-smoking ordinance adopted by any applicable governmental authority. Neither Tenant nor its agents, employees, contractors, guests or invitees shall smoke or permit smoking in the Premises and/or the Common Areas, unless the Common Areas have been declared a designated smoking area by Landlord, nor shall the above parties allow smoke from the Premises to emanate into the Common Areas or any other part of the Building. Landlord shall have the right to designate the Building (including the Premises) as a non-smoking building.

34. Tenant shall not take any action which would violate Landlord's labor contracts or which would cause a work stoppage, picketing, labor disruption or dispute, or interfere with Landlord's or any other tenant's or occupant's business or with the rights and privileges of any person lawfully in the Building ("Labor Disruption"). Tenant shall take the actions necessary to resolve the Labor Disruption, and shall have pickets removed and, at the request of Landlord, immediately terminate any work in the Premises that gave rise to the Labor Disruption, until Landlord gives its written consent for the work to resume, and Tenant shall have no claim for damages against Landlord or any of its trustees, members, principals, beneficiaries, partners, officers, directors, employees, mortgagees, or agents in connection therewith.

35. No tents, shacks, temporary or permanent structures of any kind shall be allowed on the Project. No personal belongings may be left unattended in any Common Areas.

36. Landlord shall have the right to prohibit the use of the name of the Building or Project or any other publicity by Tenant that in Landlord's sole opinion may impair the reputation of the Building or Project or the desirability thereof. Upon written notice from Landlord, Tenant shall refrain from and discontinue such publicity immediately.

37. Landlord shall have the right to designate and approve standard window coverings for the Premises and to establish rules to assure that the Building presents a uniform exterior appearance. Tenant shall ensure, to the extent reasonably practicable, that window coverings are closed on windows in the Premises while they are exposed to the direct rays of the sun.

38. The work of cleaning personnel shall not be hindered by Tenant after 6:00 p.m. Windows, doors, fixtures, and common areas may be cleaned at any time.

39. Tenant shall comply with all Building security procedures as Landlord may effectuate.

40. Tenant shall at all times cooperate with Landlord in preserving a first-class image for the Building.

PARKING RULES AND REGULATIONS

1. Landlord reserves the right to establish and reasonably change the hours for the Parking Areas, on a non-discriminatory basis, from time to time. Tenant shall not store or permit its employees to store any automobiles in the Parking Areas without the prior written consent of Landlord (and/or the Parking Operator, as the case may be). Except for emergency repairs, Tenant and its employees shall not perform any work on any automobiles while located in the Parking Areas or on the Project. The Parking Areas may not be used by Tenant or its agents for overnight parking of vehicles except while Tenant's personnel are traveling. If it is necessary for Tenant or its employees to leave an automobile in the Parking Areas overnight, Tenant shall provide Landlord (or the Parking Operator as the case may be) with prior notice thereof designating the license plate number and model of such automobile.

2. Tenant (including Tenant's employees and agents) will use the parking spaces solely for the purpose of parking passenger model cars, small vans and small trucks and will comply in all respects with any rules and regulations that may be promulgated by Landlord and/or the Parking Operator from time to time with respect to the Parking Areas.

3. Vehicles must be parked entirely within the stall lines painted on the ground, and only cars that fit comfortably in compact spaces may be parked in areas reserved for compact cars.

4. All directional signs and arrows must be observed.

5. The speed limit shall be 5 miles per hour.

6. Parking spaces reserved for handicapped persons must be used only by vehicles properly designated.

7. Parking is prohibited in all areas not expressly designated for parking, including without limitation:

(a) areas not striped for parking;

(b) aisles;

(c) where "no parking" signs are posted;

(d) ramps; and

(e) loading zones.

8. Parking stickers, key cards and any other devices or forms of identification or entry supplied by Landlord or the Parking Operator shall remain the property of Landlord (or the Parking Operator as the case may be). Such device must be displayed as requested and may not be mutilated in any manner. The serial number of any such parking identification device may not be obliterated. Any parking passes and/or devices supplied by Landlord (or the Parking Operator, as the case may be) are not transferable and any pass or device in the possession of an unauthorized holder will be void.

9. Parking managers or attendants are not authorized to make or allow any exceptions to these Parking Rules and Regulations.

10. Every parker is required to park and lock his/her own car.

11. Loss or theft of parking passes, identification, key cards or other such devices must be reported to Landlord (and/or to the Parking Operator as the case may be) immediately. Any parking devices reported lost or stolen found on any authorized car will be confiscated and the illegal holder will be subject to prosecution. Lost or stolen passes and devices found by Tenant or its employees must be reported to Landlord (and to the Parking Operator, as the case may be) immediately.

12. Washing, waxing, cleaning or servicing of any vehicle by the customer and/or its agents is prohibited.

13. Tenant agrees to acquaint all persons to whom Tenant assigns a parking space with these Parking Rules and Regulations.

14. Neither Landlord nor the Parking Operator (as the case may be), from time to time will be liable for loss of or damage to any vehicle or any contents of such vehicle or accessories to any such vehicle, or any property left in any of the Parking Areas, resulting from fire, theft, vandalism, accident, conduct of other users of the Parking Areas and other persons, or any other casualty or cause. Further, Tenant understands and agrees that: (i) Landlord will not be obligated to provide any traffic control, security protection or Parking Operator for the Parking Areas; (ii) Tenant uses the Parking Areas at its own risk; and (iii) Landlord will not be liable for personal injury or death, or theft, loss of or damage to property. Tenant indemnifies and agrees to hold Landlord, any Parking Operator and their respective agents and employees harmless from and against any and all claims, demands, and actions arising out of the use of the Parking Areas by Tenant and its employees and agents, whether brought by any of such persons or any other person.

15. Tenant will ensure that any vehicle parked in any of the parking spaces will be kept in proper repair and will not leak excessive amounts of oil or grease or any amount of gasoline. If any of the parking spaces are at any time used (i) for any purpose other than parking as provided above, (ii) in any way or manner reasonably objectionable to Landlord, or (iii) by Tenant after default by Tenant under the Lease, Landlord, in addition to any other rights otherwise available to Landlord, may consider such default an event of default under the Lease.

16. Tenant’s right to use the Parking Areas will be in common with other tenants of the Building and with other parties permitted by Landlord to use the Parking Areas. Landlord reserves the right to assign and reassign, from time to time, particular parking spaces for use by persons selected by Landlord, provided that Tenant’s rights under the Lease are preserved. Landlord will not be liable to Tenant for any unavailability of Tenant’s designated spaces, if any, nor will any unavailability entitle Tenant to any refund, deduction, or allowance. Tenant will not park in any space designated as: RESERVED, HANDICAPPED, VISITORS ONLY, or LIMITED TIME PARKING (or similar designation).

17. If the Parking Area(s) is/are damaged or destroyed, or if the use of the Parking Area(s) is/are limited or prohibited by any governmental authority, or the use or operation of the Parking Area(s) is/are limited or prevented by strikes or other labor difficulties or other causes beyond Landlord's reasonable control, Tenant's inability to use the parking spaces will not subject Landlord (and/or the Parking Operator, as the case may be) to any liability to Tenant and will not relieve Tenant of any of its obligations under the Lease and the Lease will remain in full force and effect. Tenant will pay to Landlord upon demand, and Tenant indemnifies Landlord against, any and all loss or damage to the Parking Areas, or any equipment, fixtures, or signs used in connection with the Parking Areas and any adjoining buildings or structures caused by Tenant or any of its employees and agents.

18. Tenant has no right to assign or sublicense any of its rights in the parking passes, except as part of a permitted assignment or sublease of the Lease; however, Tenant may allocate the parking passes among its employees.

Tenant shall be responsible for the observance of all of the Rules and Regulations and Parking Rules and Regulations in this **Exhibit D** by Tenant's employees, agents, clients, customers, invitees and guests. Landlord may waive any one or more of the Rules and Regulations and/or Parking Rules and Regulations for the benefit of any particular tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations and/or Parking Rules and Regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing any such Rules or Regulations and/or Parking Rules and Regulations against any or all tenants of the Building and/or the Project. Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations and/or the Parking Rules and Regulations, or to make such other and further reasonable Rules and Regulations and/or Parking Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises, Building and Project, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Tenant shall be deemed to have read these Rules and Regulations and Parking Rules and Regulations and to have agreed to abide by them as a condition of its occupancy of the Premises.

COMMON AREA AMENITIES

1. Tenant understands that Landlord may provide certain common area amenities for Tenant's non-exclusive use. Such amenities are for the use of tenants during regular business hours and shall be reserved through the management office in advance. Tenant and Tenant's agents, employees and invitees shall adhere to all rules Landlord sets forth in respect to use of the amenities, which may change from time to time.

2. Tenant understands and agrees that: (i) Tenant uses the amenities at its own risk; and (ii) Landlord will not be liable for personal injury or death, or theft, loss of or damage to property. Tenant indemnifies and agrees to hold Landlord and its agents and employees harmless from and against any and all claims, demands, and actions arising out of the use of the amenities by Tenant and its agents, employees and invitees, whether brought by any of such persons or any other person.

3. All amenities offered shall remain at the locations designated by Landlord all times. Tenant must use the equipment only in the manner intended. Subject to Landlord's obligations as set forth in the Lease, Landlord reserves the right to limit Tenant's use of any equipment or amenities to ensure the equitable use of the equipment and amenities by all tenants. Tenant shall not move or modify the equipment in any manner whatsoever. If Tenant has reason to believe that any equipment is malfunctioning, Tenant shall notify Landlord immediately.

4. Tenant shall be responsible for the cost or repairs or replacements of any amenities that are not returned to management after use or are damaged during the use of any such amenity by Tenant or Tenant's agents, employees or invitees and Tenant shall reimburse Landlord for any such cost within thirty (30) days after receipt of an invoice therefor.

5. Tenant shall conduct themselves in a quiet and well-mannered fashion when on or about the amenities and not cause any disturbances or interfere with the use or enjoyment of the amenities by other tenants.

6. No alcoholic beverages shall be permitted at the amenities at any time.

7. Neither Tenant nor its agents, employees or invitees shall smoke or permit smoking in the amenity areas at any time.

FITNESS CENTER RULES

Tenant shall cause its employees to comply with the following Fitness Center rules and regulations (subject to change from time to time as Landlord may solely determine):

1. Only Tenant's employees are entitled to use the Fitness Center, and no guests will be permitted to use the Fitness Center.

2. Landlord shall determine in its sole discretion what hours the Fitness Center will be open (which shall not be less than 7 am - 7 pm each business day), and Fitness Center Users shall have no right to enter the Fitness Center at other times.

3. All Fitness Center Users must execute Landlord's waiver of liability prior to use of the Fitness Center and agree to all terms and conditions outlined therein. Landlord shall have the right from time to time to require Fitness Center Users to execute new waivers of liability.

4. All Fitness Center Users must have a pre-authorized keycard to enter the Fitness Center. Access keycards to the Fitness Center shall not be shared and shall only be used by the individual to whom such keycard is issued.

5. If a Fitness Center User violates these rules Landlord shall have the right to immediately and permanently prohibit the use of the Fitness Center by such Fitness Center User.

EXHIBIT E

**FORM OF SUBORDINATION,
NON-DISTURBANCE AND ATTORNMENT AGREEMENT**

After Recording, Return to:

Seyfarth Shaw, LLP
Two Seaport Lane, Suite 300
Boston, MA 02210-0228
Attn: Andrew M. Pearlstein, Esq.

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

This SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "**Agreement**") is made as of _____, 20__, by and between CITIZENS BANK, NATIONAL ASSOCIATION, a national banking association, whose address for notice under this Agreement is 28 State Street, MS1570, Boston, Massachusetts 02109, Attention: Alex Hofstetter, as Administrative Agent for itself and the other lenders holding an interest in the Loan (as hereinafter defined) from time to time (collectively, "**Lender**"), and BIGHAT BIOSCIENCES, INC., a Delaware corporation, whose address for notice under this Agreement is 33 Industrial Road, San Carlos, CA 94070, Attention: Business Operations, before it relocates to the Premises and the Premises, Attention: Business Operations, after it relocates to the Premises ("**Tenant**").

Statement of Background

A. Lender has made a loan (the "**Loan**") to BP3-SF6 1900 ADLP LLC, a Delaware limited liability company ("**Landlord**"), which is evidenced by one or more promissory notes (collectively, the "**Note**") made by Landlord to order of Lender and is secured by, among other things, a mortgage/deed of trust/debt to secure debt, security agreement, assignment of rents and leases and fixture filing (the "**Security Instrument**") made by Landlord for the benefit of Lender covering the land (the "**Land**") described on **Exhibit A** attached hereto and all improvements (the "**Improvements**") now or hereafter located on the Land (the Land and the Improvements hereinafter collectively referred to as the "**Property**").

B. Tenant is the tenant or lessee under a lease dated as of [_____] (which lease, as the same may have been amended and supplemented as of the date hereof, is hereinafter called the "**Lease**"), covering approximately [_____] square feet of space located in the Improvements (the "**Premises**"). Landlord holds all rights of landlord or lessor under the Lease.

C. The parties hereto desire to make the Lease subject and subordinate to the Security Instrument in accordance with the terms and provisions of this Agreement.

Statement of Agreement

For and in consideration of the mutual covenants herein contained and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and notwithstanding anything in the Lease to the contrary, it is hereby agreed as follows:

1. Lender, Tenant and Landlord do hereby covenant and agree that the Lease with all rights, options (including options to acquire or lease all or any part of the Premises), liens and charges created thereby, is and shall continue to be subject and subordinate in all respects to the Security Instrument and to any renewals, modifications, consolidations and extensions thereof and to all advancements made thereunder.

2. Lender does hereby agree with Tenant that, in the event Lender becomes the owner of the Premises by foreclosure, conveyance in lieu of foreclosure or otherwise, so long as Tenant is not in default under the Lease beyond applicable notice, grace and cure periods, if any, (a) the Lease shall continue in full force and effect as a direct Lease between the succeeding owner of the Property and Tenant, upon and subject to all of the terms, covenants and conditions of the Lease, for the balance of the term of the Lease, and Lender will not disturb the possession of Tenant, and (b) the Premises shall be subject to the Lease and Lender shall recognize Tenant as the tenant of the Premises for the remainder of the term of the Lease in accordance with the provisions thereof; provided, however, nothing contained herein shall prevent Lender from naming Tenant in any foreclosure or other action or proceeding initiated by Lender pursuant to the Security Instrument to the extent necessary under applicable law in order for Lender to avail itself of and complete the foreclosure or other remedy.

3. Tenant does hereby agree with Lender that, in the event Lender becomes the owner of the Premises by foreclosure, conveyance in lieu of foreclosure or otherwise, then Tenant shall attorn to and recognize Lender as the landlord under the Lease for the remainder of the term thereof, and Tenant shall perform and observe its obligations thereunder, subject only to the terms and conditions of the Lease. Tenant further covenants and agrees to execute and deliver upon request of Lender an appropriate commercially reasonable agreement of attornment to Lender and any subsequent titleholder of the Premises.

4. Tenant agrees that, in the event Lender succeeds to the interest of Landlord under the Lease, Lender shall not be:

(a) liable for any act or omission of any prior landlord (including, without limitation, the then defaulting Landlord) except to the extent Tenant shall have given notice to Lender pursuant hereto of such act or omission and such act or omission continues after the date Lender succeeds to the interest of Landlord under the Lease;

(b) subject to any defense or offsets (other than those offsets which may be expressly permitted by the Lease) which Tenant may have against any prior Landlord (including, without limitation, the then defaulting Landlord) except to the extent Tenant shall have given notice to Lender pursuant hereto of the state of facts or circumstances under which such offset or defense arose continue after the date Lender succeeds to the interest of Landlord under the Lease;

(c) bound by any payment of rent or additional rent which Tenant might have paid for more than one month in advance of the due date under the Lease to any prior Landlord (including, without limitation, the then defaulting Landlord) unless such prepayment is actually received by Lender;

(d) bound by any obligation to make any payment to Tenant which was required to be made prior to the time Lender succeeded to any prior Landlord’s interest unless such obligation was agreed upon by Landlord and Tenant in writing and consented to in writing by Lender, with Lender acknowledging such obligations;

(e) accountable for any monies deposited with any prior Landlord (including security deposits), except to the extent such monies are actually received by Lender; or

(f) bound by any surrender, termination, amendment or modification of the Lease made without the consent of Lender if such amendment or modification (i) reduces the amount of rent payable under the Lease, (ii) shortens the term of the Lease or (iii) materially increases the obligations of Landlord or decreases the obligations of Tenant under the Lease, unless such modification, amendment or waiver merely memorializes or gives effect to the exercise by Tenant of any express right which Tenant may have pursuant to the Lease as of the date hereof or which Tenant may hereafter acquire pursuant to any subsequent amendment of the Lease which is consented to in writing by Lender.

5. Tenant acknowledges that Landlord has executed and delivered to Lender an Assignment of Leases and Rents (the "**Assignment of Leases**"), which assigns the Lease and the rent and all other sums due thereunder to Lender as security for the Loan, and Tenant hereby expressly consents to such assignment. Tenant acknowledges that the interest of the Landlord under the Lease has been assigned to Lender solely as security for the purposes specified in said assignments, and Lender shall have no duty, liability or obligation whatsoever under the Lease or any extension or renewal thereof, either by virtue of said assignments or by any subsequent receipt or collection of rents thereunder, unless Lender shall specifically undertake such liability in writing or unless Lender or its designee or nominee becomes the fee owner of the Premises. Tenant further agrees that upon receipt of a written notice from Lender of a default by Landlord under the Loan, Tenant will thereafter, if requested by Lender, pay rent to Lender in accordance with the terms of the Lease. Landlord shall have no claim against Tenant for any amounts paid to Lender pursuant to any such notice.

6. Tenant hereby agrees to give to Lender copies of all notices of Landlord default(s) under the Lease in the same manner as Tenant shall give any such notice of default to Landlord, and no such notice of default shall be deemed given to Landlord unless and until a copy of such notice shall have been so delivered to Lender. Lender shall have the right to remedy any Landlord default under the Lease, or to cause any default of Landlord under the Lease to be remedied, and for such purpose Tenant hereby grants Lender such additional period of time as may be reasonable to enable Lender to remedy, or cause to be remedied, any such default in addition to the period given to Landlord for remedying, or causing to be remedied, any such default. Tenant shall accept performance by Lender of any term, covenant, condition or agreement to be performed by Landlord under the Lease with the same force and effect as though performed by Landlord. No Landlord default under the Lease shall exist or shall be deemed to exist (i) as long as Lender, in good faith, shall have commenced to cure such default within the above referenced time period and shall be prosecuting the same to completion with reasonable diligence, subject to force majeure, or (ii) if possession of the Premises is required in order to cure such default, or if such default is not susceptible of being cured by Lender, as long as Lender, in good faith, shall have notified Tenant that Lender intends to institute proceedings to have a receiver appointed under the Security Instrument, and, thereafter, as long as such proceedings shall have been instituted and shall be prosecuted with reasonable diligence. Lender shall have the right, without Tenant's consent, to foreclose the Security Instrument or to accept a deed in lieu of foreclosure or to exercise any other remedies under the Security Instrument, subject to Section 2 above.

7. Subject to Section 4(d) above, Lender shall have no obligation or incur any liability with respect to the construction or completion of the improvements in which the Premises are located or for completion of the Premises or any improvements for Tenant's use and occupancy

8. Tenant acknowledges, without limitation, that the subordinations provided hereby include a full and complete subordination by Tenant of any options it may have to purchase all or any portion of the Property, rights of first refusal or similar rights to purchase, whether such rights are provided in the Lease or elsewhere. Tenant hereby further agrees that any such option to purchase or right of first refusal to purchase shall be expressly inapplicable to any foreclosure of the Security Instrument or acquisition of the Property or any interest therein by Lender or any designee of Lender by conveyance in lieu thereof or similar transaction. In the event that Lender shall acquire title to the Premises or the Property, Lender shall

have no obligation, nor incur any liability, beyond the amount of Lender's then equity interest, if any, in the Property and all proceeds thereof, and Tenant shall look exclusively to the amount of such equity interest of Lender, if any, in the Property for the payment and discharge of any obligations or liability imposed upon Lender hereunder, under the Lease or under any new lease of the Premises.

9. If any portion or portions of this Agreement shall be held invalid or inoperative, then all of the remaining portions shall remain in full force and effect, and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion or portions held to be invalid or inoperative.

10. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Property is located.

11. Lender shall not, either by virtue of the Security Instrument, the Assignment of Leases or this Agreement, be or become a mortgagee in possession or be or become subject to any liability or obligation under the Lease or otherwise until Lender shall have acquired the interest of Landlord in the Premises, by foreclosure or otherwise, and then, except to the extent expressly set forth in Section 4 above, such liability or obligation of Lender under the Lease shall extend only to those liability or obligations accruing subsequent to the date that Lender has acquired the interest of Landlord in the Premises as modified by the terms of this Agreement.

12. All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given if (a) mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested; (b) by delivering same in person to the intended addressee; or (c) by delivery to an independent third party commercial overnight delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee. Notice so mailed shall be effective three (3) business days after its deposit with the United States Postal Service or any successor thereto; notice sent by a commercial delivery service shall be effective one (1) business day after delivery to such commercial delivery service; notice given by personal delivery shall be effective only if and when received by the addressee; and notice given by other means shall be effective only if and when received at the office or designated address of the intended addressee. For purposes of notice, the addresses of the parties shall be as set forth on the first page; provided, however, that every party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of ten (10) days' notice to the other parties in the manner set forth herein.

13. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, successors-in-title and assigns. When used herein, the term "**Landlord**" refers to Landlord and to any successor to the interest of Landlord under the Lease, and the term "**Lender**" refers to Lender and to any successor-in-interest of Lender under the Security Instrument.

14. This Agreement may be executed in any number of counterparts, each of which shall be effective only upon delivery and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more additional signature pages.

[THE REMAINDER OF THE PAGE IS INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal to be effective as of the date set forth in the first paragraph hereof.

LENDER:

CITIZENS BANK, NATIONAL ASSOCIATION, a national banking association

By: _____
Name: _____
Title: _____

[CHANGE NOTARY FORM AS MAY BE REQUIRED]

STATE OF _____ §
§
COUNTY OF _____ §

This instrument was ACKNOWLEDGED before me on the __ day of _____, 20__ by,_____, the _____ of CITIZENS BANK, NATIONAL ASSOCIATION, a national banking association, on behalf of said national banking association.

[S E A L]

_____
Notary Public, State of _____

My Commission Expires:

_____

_____
Printed Name of Notary Public

TENANT:

BIGHAT BIOSCIENCES, INC., a Delaware corporation

By: _____
Name: _____
Title: _____

[CHANGE NOTARY FORM AS MAY BE REQUIRED]

STATE OF _____ §
§
COUNTY OF _____ §

This instrument was ACKNOWLEDGED before me on _____, by_____, the _____ of _____, a _____, on behalf of said _____.

[S E A L]

_____
Notary Public, State of _____

My Commission Expires:

_____

_____
Printed Name of Notary Public

The undersigned Landlord hereby consents to the foregoing Agreement and confirms the facts stated in the foregoing Agreement.

LANDLORD:

BP3 SF6 1900 ADLP LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____)

County of _____)

On _____ before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____(Seal)
Signature of Notary Public

[DELETE IF INAPPLICABLE] _____, as guarantor of the obligations of Tenant under the Lease, has executed this Agreement under seal for the purpose of acknowledging and consenting to the same and confirming to Lender the ongoing existence and enforceability of Guarantor's guaranty obligation.

GUARANTOR:

_____

Name: _____

[DELETE IF INAPPLICABLE] The undersigned, or holder of that certain Security Instrument entitled _____ _____, dated _____, hereby enters into this Agreement for the purpose of subordinating its interest in the Property and all improvements and fixtures thereon, to the interests of Lender. The foregoing shall be binding upon the undersigned to the same extent as the Tenant.

LEASEHOLD MORTGAGE LENDER:

By: _____
Name: _____
Title: _____

Exhibit A

PROPERTY LEGAL DESCRIPTION

Real property in the City of South San Francisco. County of San Mateo. State of California, described as follows:

PARCEL A:

PARCEL 1 AS SHOWN ON THAT CERTAIN MAP ENTITLED, “PARCEL MAP 08-0001, BEING A RESUBDIVISION OF PARCEL 1 AS SAID PARCEL IS SHOWN ON THAT CERTAIN MAP ENTITLED ‘PARCEL MAP 01-020’ FILED FOR RECORD ON MAY 19, 2006 IN BOOK 76 OF PARCEL MAPS AT PAGES 94 AND 95”, WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE CITY OF SOUTH SAN FRANCISCO, COUNTY OF SAN MATEO, STATE OF CALIFORNIA ON SEPTEMBER 18, 2008 IN BOOK 78 OF PARCEL MAPS, AT PAGES 67-68, INCLUSIVE.

PARCEL B:

NON-EXCLUSIVE EASEMENTS AS DESCRIBED AND GRANTED TO MYERS PENINSULA VENTURE, LLC, IN THAT CERTAIN AGREEMENT GRANTING EASEMENT RECORDED MARCH 1, 2007 AS INSTRUMENT NO. 2007-031676 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, CALIFORNIA;

PARCEL C:

NON-EXCLUSIVE EASEMENTS AS DESCRIBED AND AS GRANTED TO MYERS PENINSULA VENTL1RE, LLC IN THAT CERTAIN DECLARATION OF EASEMENTS RECORDED SEPTEMBER 18, 2008, AS INSTRUMENT NO. 105133 OF OFFICIAL RECORDS; AND THAT CERTAIN FIRST AMENDMENT TO DECLARATION OF EASEMENTS RECORDED NOVEMBER 18, 2015 AS INSTRUMENT NO. 2015-121411, ALL IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, CALIFORNIA;

PARCEL D:

NON-EXCLUSIVE EASEMENTS AS SET FORTH IN THAT CERTAIN DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS OF CENTENNIAL TOWERS DATED MAY 5, 2008 AND RECORDED ON SEPTEMBER 18, 2008 AS INSTRUMENT NO. 2008-105136; AND THAT CERTAIN FIRST AMENDMENT TO DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS OF CENTENNIAL TOWERS RECORDED NOVEMBER 18, 2015 AS INSTRUMENT NO. 2015-121410; AND THAT CERTAIN SECOND AMENDMENT TO DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS OF CENTENNIAL TOWERS RECORDED NOVEMBER 18, 2015 AS INSTRUMENT NO. 2015-121417, ALL OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, CALIFORNIA;

PARCEL E:

NON-EXCLUSIVE EASEMENT AS SET FORTH IN THAT CERTAIN AGREEMENT GRANTING EASEMENT DATED JANUARY 22, 2009 AND RECORDED ON FEBRUARY 3, 2009 AS INSTRUMENT NO. 2009-010537 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, CALIFORNIA;

PARCEL F:

NON-EXCLUSIVE EASEMENTS AS SET FORTH IN THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF CENTENNIAL TOWERS DATED MARCH 27, 2009 AND RECORDED ON APRIL 3, 2009 AS INSTRUMENT NO. 2009-038658, AS AMENDED BY THAT CERTAIN FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF CENTENNIAL TOWERS DATED APRIL 20, 2010 AND RECORDED MAY 12, 2010 AS INSTRUMENT NO. 2010-051876; AND AS AMENDED BY THAT CERTAIN SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF CENTENNIAL TOWERS DATED NOVEMBER 17, 2015 AND RECORDED NOVEMBER 18, 2015 AS INSTRUMENT NO. 2015-121409, ALL OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, CALIFORNIA.

For Information Only:
APN: 007-650-180-8
JPN: 121-065-000-406 T
121-065-000-407 T
121-065-000-408 T
132-049-000-76 T

EXHIBIT F

FORM OF LETTER OF CREDIT

[TO BE ATTACHED]

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____

ISSUE DATE: _____

ISSUING BANK:

SILICON VALLEY BANK
3003 TASMAN DRIVE
2ND FLOOR, MAIL SORT HF210
SANTA CLARA, CA 95054

BENEFICIARY:

BP3-SF6 1900 ADLP LLC
4380 LA JOLLA VILLAGE DRIVE, SUITE 230
SAN DIEGO, CA 92122
ATTENTION: W. NEIL FOX, III, CEO

APPLICANT:

BIGHAT BIOSCIENCES, INC.
1900 ALAMEDA DE LAS PULGAS, SUITE 300
SAN MATEO, CA 94403

AMOUNT: US$540,871.94 (FIVE HUNDRED FORTY THOUSAND EIGHT HUNDRED SEVENTYONE AND 94/100)

EXPIRATION DATE: _____ (SVB WILL PUT A SPECIFIC DATE HERETHAT'S 1 YEAR FROM ISSUANCE DATE)

PLACE OF EXPIRATION: ISSUING BANK'S COUNTERS AT ITS ABOVE ADDRESS

DEAR SIR/MADAM:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. SVBSF _____ IN YOUR FAVOR AVAILABLE BY PAYMENT AGAINST YOUR PRESENTATION TO US OF THE FOLLOWING DOCUMENT:

ALL THE DETAILS SET FORTH HEREIN IN THIS LETTER OF CREDIT DRAFT ARE APPROVED BY APPLICANT. IF THERE IS ANY DISCREPANCY BETWEEN THE DETAILS OF THIS LETTER OF CREDIT DRAFT AND THE LETTER OF CREDIT APPLICATION, BETWEEN APPLICANT AND SILICON VALLEY BANK, THE DETAILS HEREOF SHALL PREVAIL.

_____ _____

APPLICANT'S SIGNATURE(S) DATE

1. BENEFICIARY'S SIGNED AND DATED STATEMENT STATING AS FOLLOWS:

"AN EVENT OF DEFAULT (AS DEFINED IN THE LEASE) HAS OCCURRED UNDER THAT CERTAIN LEASE BETWEEN _____, AS TENANT, AND _____ AS LANDLORD, AS AMENDED, SUPPLEMENTED OR OTHERWISE MODIFIED TO DATE. THE UNDERSIGNED HEREBY CERTIFIES THAT: (I) THE UNDERSIGNED IS AN AUTHORIZED REPRESENTATIVE OF LANDLORD; (II) LANDLORD IS THE BENEFICIARY OF LETTER OF CREDIT NO. _____ ISSUED BY _____ BANK; (III) LANDLORD HAS GIVEN WRITTEN NOTICE TO TENANT TO CURE THE DEFAULT PURSUANT TO THE TERMS OF THE LEASE; (IV) SUCH DEFAULT HAS NOT BEEN CURED UP TO THIS DATE OF DRAWING UNDER THE LETTER OF CREDIT; AND (V) LANDLORD IS AUTHORIZED TO DRAW DOWN UNDER THE LETTER OF CREDIT IN THE REQUESTED AMOUNT. THE AMOUNT HEREBY DRAWN UNDER THE LETTER OF CREDIT IS US$_____, WITH PAYMENT TO BE MADE TO THE FOLLOWING ACCOUNT: [INSERT WIRE INSTRUCTIONS (TO INCLUDE NAME AND ACCOUNT NUMBER OF THE BENEFICIARY);"

OR

"THE UNDERSIGNED HEREBY CERTIFIES THAT WE HAVE RECEIVED A WRITTEN NOTICE OF [Insert Bank Name]'S ELECTION NOT TO EXTEND ITS STANDBY LETTER OF CREDIT NO. _____ AND HAVE NOT RECEIVED A REPLACEMENT LETTER OF CREDIT WITHIN AT LEAST THIRTY (30) DAYS PRIOR TO THE PRESENT EXPIRATION DATE. THE AMOUNT HEREBY DRAWN UNDER THE LETTER OF CREDIT IS US$_____, WITH PAYMENT TO BE MADE TO THE FOLLOWING ACCOUNT: [INSERT WIRE INSTRUCTIONS (TO INCLUDE NAME AND ACCOUNT NUMBER OF THE BENEFICIARY)];"

OR

"THE UNDERSIGNED HEREBY CERTIFIES THAT BENEFICIARY IS ENTITLED TO DRAW DOWN THE FULL AMOUNT OF LETTER OF CREDIT NO. _____ AS THE RESULT OF THE FILING OF A VOLUNTARY PETITION UNDER THE U.S. BANKRUPTCY CODE OR A STATE BANKRUPTCY CODE BY THE TENANT UNDER THAT CERTAIN LEASE DATED [Insert Lease Date], AS THE SAME MAY HAVE BEEN AMENDED (COLLECTIVELY, THE "LEASE"), WHICH FILING HAS NOT BEEN DISMISSED AT THE TIME OF THIS DRAWING. THE AMOUNT HEREBY DRAWN UNDER THE LETTER OF CREDIT IS US$_____ , WITH PAYMENT TO BE MADE TO THE FOLLOWING ACCOUNT: [INSERT WIRE INSTRUCTIONS (TO INCLUDE NAME AND ACCOUNT NUMBER OF THE BENEFICIARY)];"

OR

"THE UNDERSIGNED HEREBY CERTIFIES THAT BENEFICIARY IS ENTITLED TO DRAW DOWN THE FULL AMOUNT OF LETTER OF CREDIT NO. _____ AS THE RESULT OF AN INVOLUNTARY PETITION HAVING BEEN FILED UNDER THE U.S. BANKRUPTCY CODE OR A STATE BANKRUPTCY CODE AGAINST THE TENANT UNDER THAT CERTAIN LEASE DATED [Insert Lease Date], AS THE SAME MAY HAVE BEEN AMENDED (COLLECTIVELY, THE "LEASE"), WHICH FILING HAS NOT BEEN DISMISSED THE LATER OF SIXTY (60) DAYS THEREAFTER OR AT THE TIME OF THIS DRAWING. THE AMOUNT HEREBY DRAWN UNDER THE LETTER OF CREDIT IS US$_____, WITH PAYMENT TO BE MADE TO THE FOLLOWING ACCOUNT: [INSERT WIRE INSTRUCTIONS (TO INCLUDE NAME AND ACCOUNT NUMBER OF THE BENEFICIARY)];"

ALL THE DETAILS SET FORTH HEREIN IN THIS LETTER OF CREDIT DRAFT ARE APPROVED BY APPLICANT. IF THERE IS ANY DISCREPANCY BETWEEN THE DETAILS OF THIS LETTER OF CREDIT DRAFT AND THE LETTER OF CREDIT APPLICATION, BETWEEN APPLICANT AND SILICON VALLEY BANK, THE DETAILS HEREOF SHALL PREVAIL.

_____ _____

APPLICANT'S SIGNATURE(S) DATE

OR

"THE UNDERSIGNED HEREBY CERTIFIES THAT BENEFICIARY IS ENTITLED TO DRAW DOWN THE FULL AMOUNT OF LETTER OF CREDIT NO. _____ AS THE RESULT OF THE REJECTION, OR DEEMED REJECTION, OF THAT CERTAIN LEASE DATED [Insert Lease Date], AS THE SAME MAY HAVE BEEN AMENDED, UNDER SECTION 365 OF THE U.S. BANKRUPTCY CODE. THE AMOUNT HEREBY DRAWN UNDER THE LETTER OF CREDIT IS US$_____, WITH PAYMENT TO BE MADE TO THE FOLLOWING ACCOUNT: [INSERT WIRE INSTRUCTIONS (TO INCLUDE NAME AND ACCOUNT NUMBER OF THE BENEFICIARY)]."

PARTIAL DRAWS AND MULTIPLE PRESENTATIONS ARE ALLOWED.

THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY EXTENDED FOR ADDITIONAL PERIODS OF ONE YEAR, WITHOUT AMENDMENT, FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE UNLESS AT LEAST 60 DAYS PRIOR TO THE THEN CURRENT EXPIRATION DATE WE SEND TO YOU A NOTICE BY REGISTERED OR CERTIFIED MAIL OR OVERNIGHT COURIER SERVICE AT THE ABOVE ADDRESS THAT THIS LETTER OF CREDIT WILL NOT BE EXTENDED BEYOND THE THEN CURRENT EXPIRATION DATE. IN NO EVENT SHALL THIS LETTER OF CREDIT BE AUTOMATICALLY EXTENDED BEYOND JANUARY 31, 2030. IN THE EVENT WE SEND SUCH NOTICE OF NON-EXTENSION, YOU MAY DRAW HEREUNDER BY YOUR PRESENTATION TO US OF YOUR SIGNED AND DATED STATEMENT STATED ABOVE.

ALL DEMANDS FOR PAYMENT SHALL BE MADE BY PRESENTATION OF THE REQUIRED DOCUMENTS ON A BUSINESS DAY AT OUR OFFICE (THE "BANK'S OFFICE") AT: SILICON VALLEY BANK, 3003 TASMAN DRIVE, MAIL SORT HF 210, SANTA CLARA, CA 95054, ATTENTION: GLOBAL TRADE FINANCE. AS USED IN THIS LETTER OF CREDIT, "BUSINESS DAY" SHALL MEAN ANY DAY OTHER THAN A SATURDAY, SUNDAY OR A DAY ON WHICH BANKING INSTITUTIONS IN THE STATE OF CALIFORNIA ARE AUTHORIZED OR REQUIRED BY LAW TO CLOSE.

FACSIMILE PRESENTATIONS ARE ALSO PERMITTED. EACH FACSIMILE TRANSMISSION SHALL BE MADE AT: (408) 496-2418 OR (408) 969-6510; AND UNDER CONTEMPORANEOUS TELEPHONE ADVICE TO: (408) 450-5001 OR (408) 654-7176, ATTENTION: GLOBAL TRADE FINANCE. ABSENCE OF THE AFORESAID TELEPHONE ADVICE SHALL NOT AFFECT OUR OBLIGATION TO HONOR ANY DRAW REQUEST.

ALL THE DETAILS SET FORTH HEREIN IN THIS LETTER OF CREDIT DRAFT ARE APPROVED BY APPLICANT. IF THERE IS ANY DISCREPANCY BETWEEN THE DETAILS OF THIS LETTER OF CREDIT DRAFT AND THE LETTER OF CREDIT APPLICATION, BETWEEN APPLICANT AND SILICON VALLEY BANK, THE DETAILS HEREOF SHALL PREVAIL.

_____ _____

APPLICANT'S SIGNATURE(S) DATE

THIS LETTER OF CREDIT IS TRANSFERABLE IN WHOLE BUT NOT IN PART ONE OR MORE TIMES, BUT IN EACH INSTANCE ONLY TO A SINGLE BENEFICIARY AS TRANSFEREE AND FOR THE THEN AVAILABLE AMOUNT, ASSUMING SUCH TRANSFER TO SUCH TRANSFEREE WOULD BE IN COMPLIANCE WITH THEN APPLICABLE LAW AND REGULATION, INCLUDING BUT NOT LIMITED TO THE REGULATIONS OF THE U.S. DEPARTMENT OF TREASURY AND U.S. DEPARTMENT OF COMMERCE. AT THE TIME OF TRANSFER, THE ORIGINAL LETTER OF CREDIT AND ORIGINALS OR COPIES OF ALL AMENDMENTS, IF ANY, TO THIS LETTER OF CREDIT MUST BE SURRENDERED TO US AT OUR ADDRESS INDICATED IN THIS LETTER OF CREDIT TOGETHER WITH OUR TRANSFER FORM ATTACHED HERETO AS EXHIBIT A DULY EXECUTED. APPLICANT SHALL PAY OUR TRANSFER FEE OF ¼ OF 1% OF THE TRANSFER AMOUNT (MINIMUM US$250.00) UNDER THIS LETTER OF CREDIT. EACH TRANSFER SHALL BE EVIDENCED BY EITHER (1) OUR ENDORSEMENT ON THE REVERSE OF THE LETTER OF CREDIT AND WE SHALL FORWARD THE ORIGINAL OF THE LETTER OF CREDIT SO ENDORSED TO THE TRANSFEREE OR (2) OUR ISSUING A REPLACEMENT LETTER OF CREDIT TO THE TRANSFEREE ON SUBSTANTIALLY THE SAME TERMS AND CONDITIONS AS THE TRANSFERRED LETTER OF CREDIT (IN WHICH EVENT THE TRANSFERRED LETTER OF CREDIT SHALL HAVE NO FURTHER EFFECT).

IF THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT NO. SVBSF _____ IS LOST, STOLEN OR DESTROYED, WE WILL ISSUE YOU A "CERTIFIED TRUE COPY" OF THIS STANDBY LETTER OF CREDIT NO. SVBSF _____ UPON OUR RECEIPT OF YOUR INDEMNITY LETTER TO SILICON VALLEY BANK WHICH WILL BE SENT TO YOU UPON OUR RECEIPT OF YOUR WRITTEN REQUEST THAT THIS STANDBY LETTER OF CREDIT NO. SVBSF _____ IS LOST, STOLEN, OR DESTROYED.

IF ANY INSTRUCTIONS ACCOMPANYING A DRAWING UNDER THIS LETTER OF CREDIT REQUEST THAT PAYMENT IS TO BE MADE BY TRANSFER TO YOUR ACCOUNT WITH ANOTHER BANK, WE WILL ONLY EFFECT SUCH PAYMENT BY FED WIRE TO A U.S. REGULATED BANK, AND WE AND/OR SUCH OTHER BANK MAY RELY ON AN ACCOUNT NUMBER SPECIFIED IN SUCH INSTRUCTIONS EVEN IF THE NUMBER IDENTIFIES A PERSON OR ENTITY DIFFERENT FROM THE INTENDED PAYEE.

THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (ISP98), INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 590.

IF YOU HAVE ANY QUESTIONS REGARDING THIS TRANSACTION, PLEASE CONTACT: _____ AT 408-_____, ALWAYS QUOTING OUR LETTER OF CREDIT NO. SVBSF _____.

(*FOR BANK USE*) (*FOR BANK USE*)

_____ _____

AUTHORIZED SIGNATURE AUTHORIZED SIGNATURE

ALL THE DETAILS SET FORTH HEREIN IN THIS LETTER OF CREDIT DRAFT ARE APPROVED BY APPLICANT. IF THERE IS ANY DISCREPANCY BETWEEN THE DETAILS OF THIS LETTER OF CREDIT DRAFT AND THE LETTER OF CREDIT APPLICATION, BETWEEN APPLICANT AND SILICON VALLEY BANK, THE DETAILS HEREOF SHALL PREVAIL.

_____ _____

APPLICANT'S SIGNATURE(S) DATE

EXHIBIT A

TRANSFER FORM

DATE: _____

TO: SILICON VALLEY BANK
3003 TASMAN DRIVE
SANTA CLARA, CA 95054
ATTN: GLOBAL TRADE FINANCE
STANDBY LETTERS OF CREDIT

RE: IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____
ISSUED BY SILICON VALLEY BANK, SANTA CLARA
L/C AMOUNT: _____

GENTLEMEN:

FOR VALUE RECEIVED, THE UNDERSIGNED BENEFICIARY HEREBY IRREVOCABLY TRANSFERS TO:

_____
(NAME OF TRANSFEREE)

_____
(ADDRESS)

ALL RIGHTS OF THE UNDERSIGNED BENEFICIARY TO DRAW UNDER THE ABOVE LETTER OF CREDIT UP TO ITS AVAILABLE AMOUNT AS SHOWN ABOVE AS OF THE DATE OF THIS TRANSFER.

BY THIS TRANSFER, ALL RIGHTS OF THE UNDERSIGNED BENEFICIARY IN SUCH LETTER OF CREDIT ARE TRANSFERRED TO THE TRANSFEREE. TRANSFEREE SHALL HAVE THE SOLE RIGHTS AS BENEFICIARY THEREOF, INCLUDING SOLE RIGHTS RELATING TO ANY AMENDMENTS, WHETHER INCREASES OR EXTENSIONS OR OTHER AMENDMENTS, AND WHETHER NOW EXISTING OR HEREAFTER MADE. ALL AMENDMENTS ARE TO BE ADVISED DIRECTLY TO THE TRANSFEREE WITHOUT NECESSITY OF ANY CONSENT OF OR NOTICE TO THE UNDERSIGNED BENEFICIARY.

THE ORIGINAL OF SUCH LETTER OF CREDIT IS RETURNED HEREWITH, AND WE ASK YOU TO EITHER (1) ENDORSE THE TRANSFER ON THE REVERSE THEREOF, AND FORWARD IT DIRECTLY TO THE TRANSFEREE WITH YOUR CUSTOMARY NOTICE OF TRANSFER, OR (2) ISSUE A REPLACEMENT LETTER OF CREDIT TO THE TRANSFEREE ON SUBSTANTIALLY THE SAME TERMS AND CONDITIONS AS THE TRANSFERRED LETTER OF CREDIT (IN WHICH EVENT THE TRANSFERRED LETTER OF CREDIT SHALL HAVE NO FURTHER EFFECT).

SINCERELY,

_____
(BENEFICIARY'S NAME)

_____
(SIGNATURE OF BENEFICIARY)

_____
(NAME AND TITLE)

SIGNATURE AUTHENTICATED

The name(s), title(s), and signature(s) conform to that/those on file with us for the company and the signature(s) is/are authorized to execute this instrument.

_____
(Name of Bank)

_____
(Address of Bank)

_____
(City, State, ZIP Code)

_____
(Authorized Name and Title)

_____
(Authorized Signature)

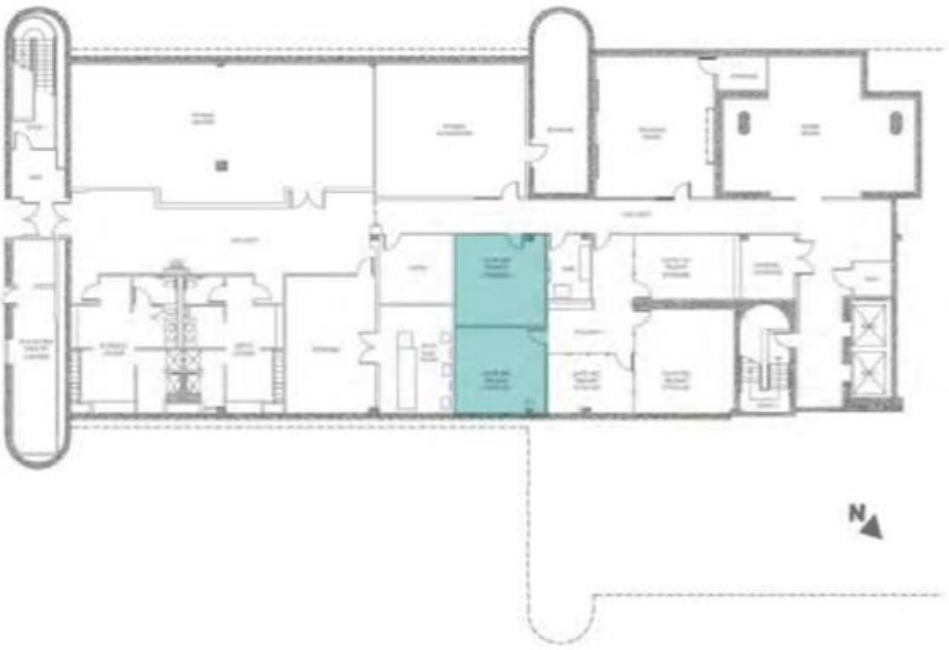
EXHIBIT G

STORAGE AREAS

[See Attached]

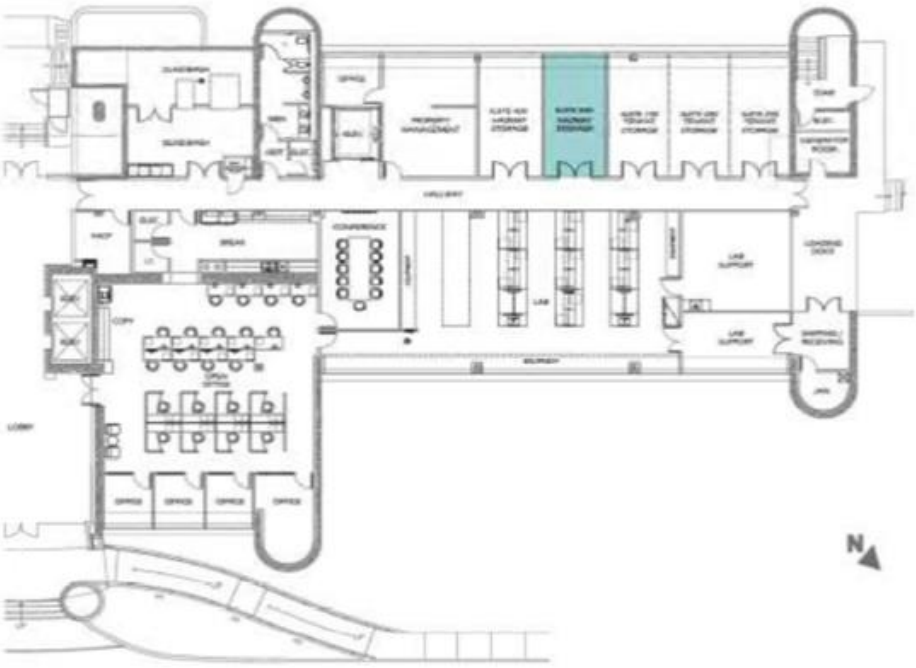
STORAGE AREA

Suite 300



STORAGE AREA

Suite 300



RIDER 1

EXTENSION OPTION RIDER

This EXTENSION OPTION RIDER ("**Extension Rider**") is attached to and made a part of the Lease by and between Landlord and Tenant. The agreements set forth in this Extension Rider shall have the same force and effect as if set forth in the Lease. To the extent the terms of this Extension Rider are inconsistent with the terms of the Lease, the terms of this Extension Rider shall control.

1. Extension Option. Landlord hereby grants Tenant one (1) option (the "**Extension Option**") to extend the Lease Term for a period of five (5) years (the "**Option Term**"), which option shall be exercisable only by written Exercise Notice (as defined below) delivered by Tenant to Landlord as provided below. Upon the proper exercise of the Extension Option, the Lease Term shall be extended for the Option Term. Notwithstanding the foregoing, at Landlord's option, in addition to any other remedies available to Landlord under the Lease, at law or in equity, the Extension Option shall not be deemed properly exercised if as of the date of delivery of the Exercise Notice (as defined below) by Tenant, Tenant has previously been in default under the Lease beyond all applicable notice and cure periods in the preceding twelve (12) month period. The Extension Option is personal to the original Tenant executing the Lease (the "**Original Tenant**") and any Affiliate Assignee and may only be exercised by the Original Tenant or any Affiliate Assignee (and not any other assignee, sublessee or other transferee of Tenant's interest in the Lease).

2. Option Rent. The annual Base Rent payable by Tenant during the Option Term (the "**Option Rent**") shall be equal to the greater of: (i) the annual Base Rent payable by Tenant during the last year of the initial Lease Term; or (ii) the Fair Market Rental Rate for comparable office/laboratory space in the South San Francisco/Brisbane market. As used herein, the "**Fair Market Rental Rate**" shall mean the annual base rent at which tenants, as of the commencement of the Option Term, will be leasing non-sublease space comparable in size, location (including views) and quality to the Premises for a comparable term as the Option Term, which comparable space is located in the Building and in other comparable first-class biotechnology buildings located within a radius of fifteen (15) miles from the Building ("**Comparable Buildings**"), taking into consideration all free rent and other out-of-pocket concessions generally being granted at such time for such comparable space for the Option Term (including, without limitation, any tenant improvement allowance provided for such comparable space and that Tenant will not be receiving such concessions). All other terms and conditions of the Lease shall apply throughout the Option Term; however, Tenant shall, in no event, have the option to extend the Lease Term beyond the Option Term described in Section 1 above.

3. Exercise of Option. The Extension Option shall be exercised by Tenant, if at all, only in the following manner: (i) Tenant shall deliver written notice ("**Interest Notice**") to Landlord not more than fifteen (15) months nor less than fourteen (14) months prior to the expiration of the initial Lease Term stating that Tenant may be interested in exercising the Extension Option; (ii) Landlord, after receipt of Tenant's notice, shall deliver notice (the "**Option Rent Notice**") to Tenant not less than thirteen (13) months prior to the expiration of the initial Lease Term setting forth the Option Rent; and (iii) if Tenant wishes to exercise the Extension Option, Tenant shall, on or before the date (the "**Exercise Date**") which is twelve (12) months prior to the expiration of the initial Lease Term, exercise the Extension Option by delivering written notice ("**Exercise Notice**") thereof to Landlord. Tenant's failure to deliver the Interest Notice or Exercise Notice on or before the applicable delivery dates therefore specified hereinabove shall be deemed to constitute Tenant's waiver of the Extension Option.

4. Determination of Option Rent. If Tenant timely and appropriately objects in its Exercise Notice to Landlord to the Fair Market Rental Rate for the Option Term initially determined by Landlord, then Landlord and Tenant shall attempt in good faith to agree upon the Fair Market Rental Rate. If Landlord and Tenant fail to reach agreement within thirty (30) days following Tenant's delivery of such Exercise Notice (the "**Outside Agreement Date**"), then each party shall submit to the other party a separate written determination of the Fair Market Rental Rate within fifteen (15) business days after the Outside Agreement Date, and such determinations shall be submitted to arbitration in accordance with the provisions of Sections 4.1 through 4.6 below; provided, however, Landlord shall not submit an amount in excess of that set forth in the Option Rent Notice. The failure of Tenant or Landlord to submit a written determination of the Fair Market Rental Rate within such fifteen (15) business day period shall conclusively be deemed to be such party's approval of the Fair Market Rental Rate submitted within such fifteen (15) business day period by the other party.

4.1 Landlord and Tenant shall each appoint one (1) arbitrator who shall by profession be an independent real estate broker who shall have no ongoing relationship with Tenant or Landlord and who shall have been active over the five (5) year period ending on the date of such appointment in the leasing of Comparable Buildings. The determination of the arbitrators shall be limited solely to the issue of whether Landlord's or Tenant's submitted Fair Market Rental Rate is the closer to the actual Fair Market Rental Rate as determined by the arbitrators, taking into account the requirements with respect thereto set forth in Section 2 above. Each such arbitrator shall be appointed within fifteen (15) days after the Outside Agreement Date.

4.2 The two (2) arbitrators so appointed shall, within fifteen (15) days of the date of the appointment of the last appointed arbitrator, agree upon and appoint a third arbitrator who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) arbitrators.

4.3 The three (3) arbitrators shall, within thirty (30) days of the appointment of the third arbitrator, reach a decision as to which of Landlord's or Tenant's submitted Fair Market Rental Rate is closer to the actual Fair Market Rental Rate and shall select such closer determination as the Fair Market Rental Rate and notify Landlord and Tenant thereof.

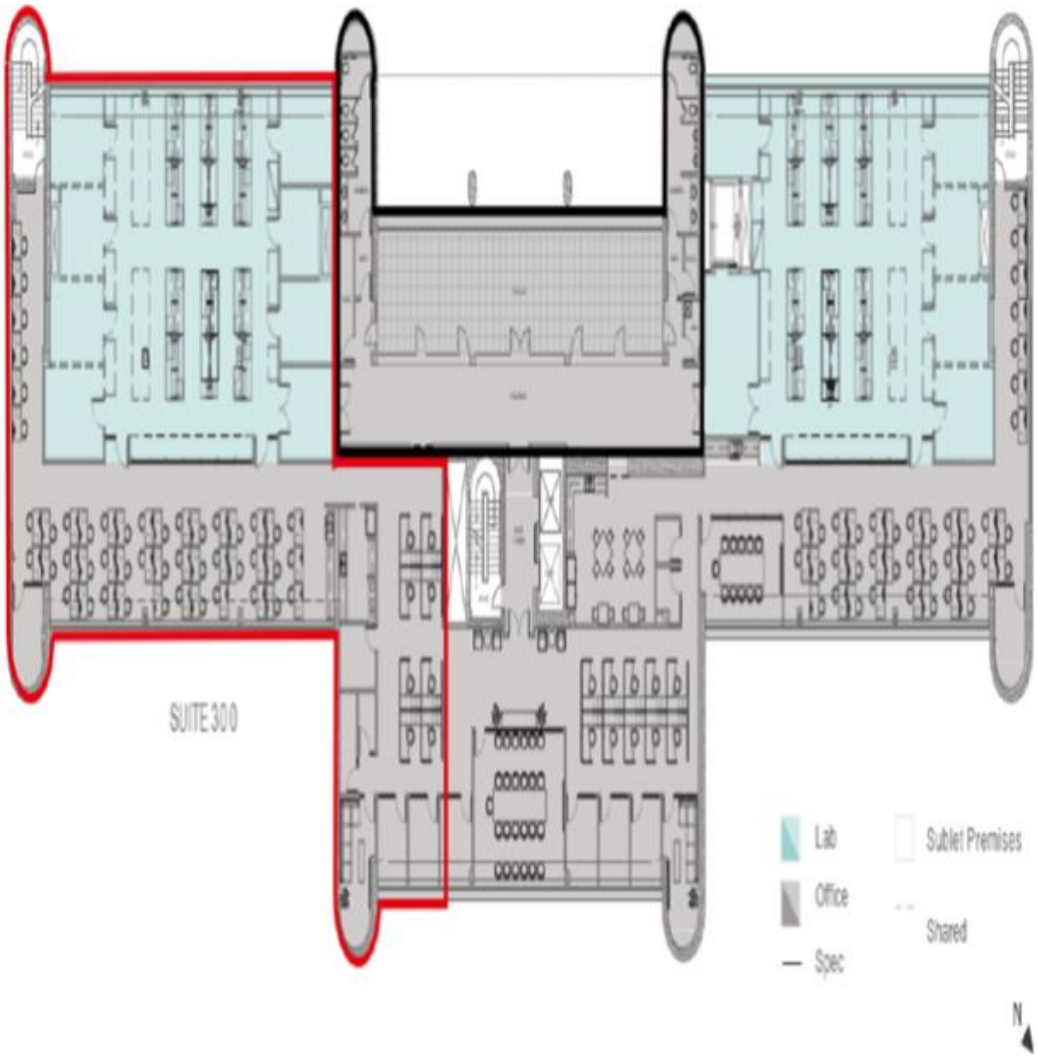
4.4 The decision of the majority of the three (3) arbitrators shall be binding upon Landlord and Tenant.

4.5 If either Landlord or Tenant fails to appoint an arbitrator within the time period specified in Section 4.1 hereinabove, the arbitrator appointed by one of them shall reach a decision, notify Landlord and Tenant thereof, and such arbitrator's decision shall be binding upon Landlord and Tenant.

4.6 If the two (2) arbitrators fail to agree upon and appoint a third arbitrator, within the time period provided in Section 4.2 above, then the parties shall mutually select the third arbitrator. If Landlord and Tenant are unable to agree upon the third arbitrator within ten (10) days after the fifteen (15) day period described in Section 4.2 above, then either party may, upon at least five (5) days' prior written notice to the other party, request the Presiding Judge of the San Mateo County Superior Court, acting in his private and nonjudicial capacity, to appoint the third arbitrator. Following the appointment of the third arbitrator, the panel of arbitrators shall within thirty (30) days thereafter reach a decision as to whether Landlord's or Tenant's submitted Fair Market Rental Rate shall be used and shall notify Landlord and Tenant thereof. Landlord and Tenant shall each pay the costs of its own arbitrator and fifty percent (50%) of the cost of the third arbitrator.

SUBLEASE EXHIBIT B

SUBLEASED PREMISES



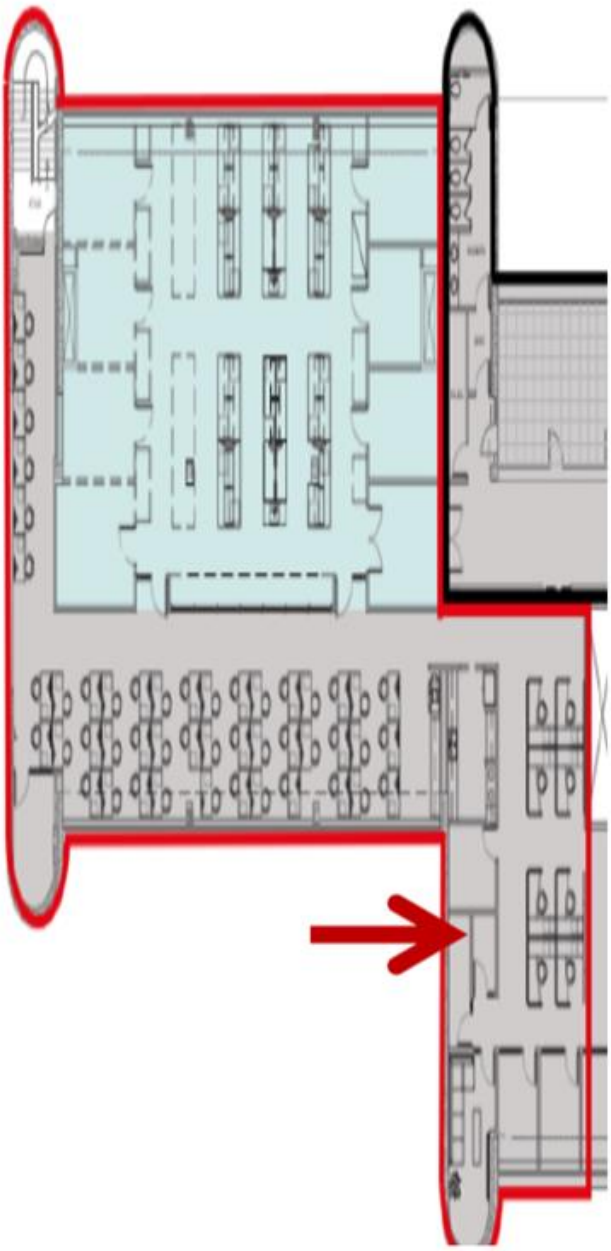
SUBLEASE EXHIBIT C

SUBLESSEE'S HAZARDOUS MATERIALS LIST

Dimethyl sulfoxide
Formaldehyde
2-mercaptoethanol
Methanol
Ethanol
Isopropanol
Sodium hydroxide
Sodium hypochlorite/bleach
Sulfuric acid
Trypan blue
Guanidinium hydrochloride
Guanidinium isothiocyanate
Acetic acid
Filtered human serum

SUBLEASE EXHIBIT D

WALL



FIRST AMENDMENT TO SUBLEASE

THIS FIRST AMENDMENT TO SUBLEASE (this "Amendment") is made as of August 17, 2022 by and between BigHat Biosciences, Inc., a Delaware corporation ("Sublessor") and Syncopation Life Sciences, Inc., a Delaware corporation ("Sublessee"), with reference to the following facts and objectives:

RECITALS

A. Sublessor, as tenant, and BP3-SF6 1900 ADLP LLC, as landlord ("Master Lessor"), are parties to that certain Lease dated as September 3, 2021 (the "Master Lease"), with respect to premises currently consisting of approximately 31,117 rentable square feet (the "3rd Floor Premises") located on the third (3rd) floor of the building located at 1900 Alameda de las Pulgas, San Mateo, California (the "Building").

B. Sublessor and Sublessee are parties to a Sublease dated November 4, 2021 (as amended hereby, the "Sublease"), with respect to a portion of the 3rd Floor Premises consisting of approximately 15,400 rentable square feet (the "Existing Subleased Premises").

C. Sublessor and Master Lessor are negotiating an amendment to the Master Lease to expand the premises leased thereunder to also include all of the rentable square feet on the fourth (4th) floor of the Building (the "Master Lease Amendment") consisting of approximately 33,008 rentable square feet.

D. Sublessor and Sublessee desire to expand the Existing Subleased Premises to include the remainder of the 3rd Floor Premises (the "Expansion Subleased Premises") and further modify the Sublease as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Expansion Subleased Premises. On the last to occur of (a) January 1, 2023, (b) the date by which both Sublessor has obtained the Required Consent (as defined below) and (c) fifteen (15) business days after Sublessor delivers possession of the Expansion Subleased Premises to Sublessee with Sublessor's Work (as defined below) completed and with the lab portions of the Expansion Subleased Premises fully decommissioned with respect to Sublessor's use of Hazardous Materials (the "Expansion Commencement Date"), the Subleased Premises shall be increased to include the Expansion Subleased Premises so that Sublessee subleases the entire 3rd Floor Premises. For the avoidance of doubt, the Expansion Subleased Premises shall be deemed delivered when Sublessor vacates the Expansion Subleased Premises, completes the Sublessor's Work and such decommissioning of the lab portions and provides Sublessee keys or other means of access thereto. Following the Expansion Commencement Date, all references in the Sublease to the "Subleased Premises" shall be deemed to include the entire 3rd Floor Premises and Exhibit B to the Sublease shall include all of the 3rd Floor Premises and the Subleased Premises shall be deemed to consist of approximately 31,117 rentable square feet. The Expansion Subleased Premises shall remain part of the Subleased Premises through the

Expiration Date of the Sublease, which the parties acknowledge is November 10, 2024. The terms of Paragraph 3(B) of the Sublease shall continue to apply to the Subleased Premises, as expanded by this Amendment. Sublessor shall use commercially reasonable efforts to deliver possession of the Expansion Subleased Premises to Sublessee with Sublessor's Work (as defined below) completed and with the lab portions of the Expansion Subleased Premises fully decommissioned as described above on or before December 20, 2022. In the event such delivery is delayed beyond February 1, 2023, as such date shall be extended due to delays due to Force Majeure, then commencing on the Expansion Commencement Date, Sublessee shall be entitled to one (1) day of abatement of Base Rent, Operating Expenses and Tax Expenses for each day such delivery is delayed beyond such date; provided, however, in no event shall Sublessee be entitled to Rent abatement under this sentence if it is temporarily occupying any of the Expansion Subleased Premises or fourth floor of the Building pursuant to the remainder of this paragraph. If for any reason Sublessor is unable to deliver possession of the Expansion Subleased Premises to Sublessee on or before January 1, 2023, Sublessor shall nonetheless permit Sublessee to access the lab and office spaces from and after January 1, 2023 for construction planning purposes and permit Sublessee to temporarily occupy portions of the Expansion Subleased Premises consisting of a minimum of one small conference room, one large conference room and ten (10) workstations until the Expansion Commencement Date. Such access and temporary occupancy shall be pursuant to all of the provisions of the Sublease other than the obligation to pay Base Rent, Operating Expenses, Tax Expenses or Utilities Costs with respect to the Expansion Subleased Premises. In lieu of providing such temporary occupancy in the Expansion Subleased Premises, Sublessor may provide the same on the fourth floor of the Building on the same terms; provided, however, in such case, Sublessee must vacate such temporary space within three (3) days after Sublessor delivers the Expansion Subleased Premises to Sublessee as described in the first sentence of this Paragraph 1 and surrender such temporary space in the condition described in Paragraph 14 of the Sublease (as applied to such space) and Sublessee's failure to do so shall be considered a holdover with respect to such space and be subject to the terms of Paragraph 6 of the Sublease with respect to such space.

2. Early Access. In the fifteen (15) business day period after Sublessor delivers possession of the Expansion Subleased Premises to Sublessee with Sublessor's Work completed, Sublessee shall have the right to enter the Expansion Subleased Premises for the purpose of preparing the Expansion Subleased Premises for occupancy (but not for the purpose of conducting any business therein prior to January 1, 2023); provided, that Sublessee has delivered to Sublessor the increased Security Deposit and first month of Base Rent payable with respect to the Expansion Subleased Premises as required below. Such access shall be pursuant to all of the provisions of the Sublease other than the obligation to pay Base Rent, Operating Expenses, Tax Expenses or Utilities Costs with respect to the Expansion Subleased Premises.

3. Base Rent. Sublessee shall pay Base Rent for the Expansion Subleased Premises commencing on the Expansion Commencement Date in the amounts set forth below and in the manner described in Paragraph 4(A) of the Sublease; provided, however, Sublessee shall deliver the first month's payment of Base Rent with respect to the Expansion Subleased Premises to Sublessor concurrently with its execution of this Amendment. Sublessee shall continue to pay Base Rent for the Existing Subleased Premises in the amounts and in the manner described in Paragraph 4(A) of the Sublease.

Period	Base Rent
Expansion Commencement Date -	
November 10, 2023	$117,877.50
November 11, 2023 -	
Expiration Date	$122,003.21

4. Additional Rent. As of the Expansion Commencement Date, Sublessee's Share shall be deemed to be 27.46% of the Building (and 48.53% of the Premises under the Master Lease). Throughout the Term, Sublessee shall continue to pay all Rent payable under the Sublease, including, without limitation, Operating Expenses, Tax Expenses and Utilities Costs, in accordance with the terms of the Sublease.

5. As-Is. Prior to delivery of the Expansion Subleased Premises to Sublessee, Sublessor at Sublessor's sole cost shall install a cased opening in the wall between Suites 300 and 350 ("Sublessor's Work"). Sublessor shall perform the Sublessor's Work in a good and workmanlike manner and in compliance with applicable laws. In addition, Sublessor shall deliver the lab portions of the Expansion Subleased Premises fully decommissioned as described above. The parties acknowledge and agree that, except as set forth in this Amendment, Sublessee is subleasing the Expansion Subleased Premises on an "as is" basis (in the condition existing as of the date of this Amendment, reasonable wear and tear and repairs that are not Sublessor's responsibility excepted), and that Sublessor has made no representations or warranties with respect to the condition of the Expansion Subleased Premises. In no event shall Sublessee be required to remove or restore at the expiration or earlier termination of the Sublease the Sublessor's Work or any other alterations or improvements existing in the Expansion Subleased Premises as of the date the Expansion Subleased Premises are delivered or otherwise not constructed by Sublessee or its agents, employees, contractors, invitees or licensees.

6. Security Deposit. The amount of the Security Deposit required under the Sublease is hereby increased to Four Hundred Sixty-Six Thousand Seven Hundred Fourteen and 10/100 Dollars ($466,714.10). Concurrently with Sublessee's execution of this Amendment, Sublessee shall deliver to Sublessor an additional Two Hundred Forty-Four Thousand Six and 42/100 Dollars ($244,006.42) to be applied to the increased Security Deposit.

7. Required Consents. This Amendment and Sublessor's and Sublessee's obligations hereunder are conditioned upon the written consent hereto of Master Lessor (the "Required Consent") and the full execution and delivery of the Master Lease Amendment substantially concurrently therewith. Each party shall use commercially reasonable efforts to obtain the Required Consent. Nothing herein shall require Sublessor to negotiate or enter into the Master Lease Amendment. If the Required Consent and the fully executed Master Lease Amendment are not received within fifteen (15) days following the full execution and delivery of this Amendment, this Amendment may be terminated by either party upon delivery of written notice to the other party prior to the receipt of the Required Consent and the fully executed Master Lease Amendment.

8. Parking. Commencing on of the Expansion Commencement Date, the number of parking spaces as to which Sublessee has parking rights shall increase from thirty-nine (39) to seventy-eight (78).

9. Furniture, Fixtures and Equipment. Commencing on the Expansion Commencement Date, the "Furniture" that Sublessee may use during the Sublease Term at no additional charge by Sublessor shall include the work stations described in Exhibit A hereto (the "Expansion Furniture"), as such exhibit may be updated by Sublessor to add additional items currently in the Expansion Subleased Premises before October 1, 2022. The third sentence of Paragraph 26 of the Sublease shall not apply with respect to the Expansion Furniture. Except for the Expansion Furniture, Sublessor shall remove all of its furniture and personal property upon delivery of the Expansion Subleased Premises to Sublessee.

10. Deleted Provisions. On the Expansion Commencement Date, the provisions regarding the Shared Areas shall be deleted and of no further force or effect, as Sublessee shall from and after the Expansion Commencement Date have the exclusive right to use such areas. Sublessee shall continue to have the non-exclusive right to use, subject to Master Lessor's rules and regulations, the shared glasswash and autoclave and all other amenities of the Building, including, without limitation, the gym, so long as such amenities are provided by Master Lessor for the use of all Building occupants.

11. Certified Access Specialist. For purposes of Section 1938 of the California Civil Code, Sublessor hereby discloses to Sublessee, and Sublessee hereby acknowledges, that Sublessor has not had an inspection of the Subleased Premises performed by a Certified Access Specialists (CASp). As required by Section 1938(e) of the California Civil Code, Sublessor hereby states as follows: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

12. Broker. Sublessee and Sublessor each represent that it has dealt with no real estate brokers, finders, agents or salesmen other than Jones Lang LaSalle Brokerage, Inc. in connection with this Amendment. Each party agrees to hold the other party harmless from and against all claims for brokerage commissions, finder's fees or other compensation made by any other agent, broker, salesman or finder as a consequence of such party's actions or dealings with such agent, broker, salesman, or finder.

13. Miscellaneous. This Amendment shall in all respects be governed by and construed in accordance with the laws of the State of California. If any term of this Amendment is held to be invalid or unenforceable by any court of competent jurisdiction, then the remainder of this Amendment shall remain in full force and effect to the fullest extent possible under the law, and shall not be affected or impaired. If either party brings any action or legal proceeding with respect to this Amendment, the prevailing party shall be entitled to recover reasonable attorneys' fees, experts' fees, and court costs. This Amendment, together with the Sublease, constitutes the entire agreement between Sublessor and Sublessee regarding the Sublease and the subject matter contained herein and supersedes any and all prior and/or contemporaneous oral or written negotiations, agreements or understandings. This Amendment shall be binding upon and inure to the benefit of Sublessor and Sublessee and their respective heirs, successors and assigns. No subsequent change or addition to this Amendment shall be binding unless in writing and duly executed by both Sublessor and Sublessee. Except as specifically amended hereby, all of the terms and conditions of the Sublease are and shall remain in full force and effect and are hereby ratified and confirmed. Any capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Sublease or the Master Lease, as applicable. Sublessee and Sublessor each represent and warrant to the other that each person executing this Amendment on behalf of such party is duly authorized to execute and deliver this Sublease on behalf of that party. This Amendment may be executed in counterparts. Signature pages may be detached from the counterparts and attached to a single copy of this Amendment to physically form one document. In addition, the parties hereto consent and agree that this Amendment may be signed using electronic signature technology (e.g., via DocuSign or similar electronic signature technology), and that such signed electronic record shall be valid and as effective to bind the party so signing as a paper copy bearing such party's handwritten signature.

[SIGNATURES ARE ON THE FOLLOWING PAGE]

SUBLESSOR:

BIGHAT BIOSCIENCES, INC.,
a Delaware corporation

By: /s/ Mark DePristo
Name: Mark DePristo
Its: CEO

SUBLESSEE:

SYNCOPATION LIFE SCIENCES, INC.,
a Delaware corporation

By: /s/ Anup Radhakrishnan
Name: Anup Radhakrishnan
Its: Chief Financial Officer

EXHIBIT A

FURNITURE

Item	Make	Quantity
Height adjustable Workstation	AMQ	At least 23

September 22, 2023

OFFER LETTER

Ginna Laport

[****]

Dear Ginna:

On behalf of CARGO Therapeutics, Inc, a Delaware corporation (the **"Company"**), I am pleased to offer you employment with the Company. The purpose of this letter (the **"Agreement''**) is to summarize the terms of your employment with the Company, should you accept our Offer:

1. ***Role, Reporting Relationship & Responsibilities.*** You will be employed to serve on a full-time basis as Chief Medical Officer**,** effective October 11, 2023. As Chief Medical Officer , you will report to Gina Chapman, CEO, and will work in coordination with the Company's Executive Team and Board of Directors (the **"Board"**) to support the Company's efforts to achieve its corporate goals.

2. ***Cash Compensation.*** Your base salary will be at an annual rate of $490,000.00, which will be paid semi-monthly in accordance with the Company's regular payroll schedule, subject to tax and other withholdings as required by law. Such base salary may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company. You will be eligible to receive a discretionary annual Bonus, based on your performance, of up to 35% of your base salary (the **"Bonus"**), as determined in the sole discretion of the Company. The Bonus, if awarded, will be payable on or before March 15th following the calendar year for which the Bonus was based. Any Bonus will not be earned until paid, and except as otherwise provided in this Agreement, you must be employed with the Company at the time of payment to be eligible to receive such payment, provided that if your employment is terminated by the Company without Cause (as defined below) or if you terminate your employment for Good Reason (as defined below), in each case after the Bonus is approved by the Company but prior to the payment date, you would be entitled to payment of your Bonus when it is paid to similarly situated executives provided you have signed a legal release as more described below. Your 2023 Bonus will be prorated based on your hire date.

3. ***Equity Grants***. Subject to Board approval, you will be granted an option (the "**Option**") to purchase 2,600,000 shares of the Company's common stock with an exercise price per share equal to the fair market value per share of common stock as of the date of grant, as determined by the Board, in its sole discretion. Subject to your continued employment with the Company, the Option will vest and become exercisable as to 25% of the underlying shares on the first anniversary of the commencement of your employment with the Company and in 36 substantially equal monthly installments thereafter such that, subject to your continuous employment, your Option will be fully vested and exercisable on the fourth anniversary of the commencement of your employment with the Company. Your Option will be subject to the terms and conditions of the equity incentive plan pursuant to which it is granted (the

"**Plan**") and the Company's standard option agreement. Please note that in the event the Company undergoes an equity restructuring, recapitalization, forward or reverse stock split or other similar event, the number of shares underlying the option reflected in this offer letter will be proportionately adjusted and, if the option has already been granted as of the date of such equity restructuring, the exercise price per share similarly will be proportionately adjusted, in each case, consistent with the requirements of the plan and applicable tax law.

4. ***Signing Bonus.*** You will also receive a Signing Bonus in the total amount of $100,000.00, minus customary deductions for federal and state taxes and the like, payable in two (2) separate lump sum installments (the **"Signing Bonus"**). You will receive $50,000.00 paid through normal payroll procedures in the pay period following your 30th calendar day of employment, minus customary deductions for federal and state taxes and the like ("First Installment"). After you have completed twelve (12) months of employment with the Company, you will receive $50,000.00 paid through normal payroll procedures, minus customary deductions for federal and state taxes and the like, thirty (30) calendar days after your initial employment anniversary date ("Second Installment"). To the fullest extent permitted by applicable law, (1) the First Installment is subject to clawback by the Company in full if your employment is terminated for any reason, other than a reorganization, position elimination, or your disability or death, within the first twelve (12) months of your employment, and you are ineligible to receive the Second Installment as of your termination; and (2) the Second Installment is subject to clawback by the Company in full if your employment is terminated for any reason, other than a reorganization, position elimination, or your disability or death, within the second twelve (12) months of your employment. Further, to the fullest extent permitted by applicable law, you agree that the Company may deduct up to an amount equal to the applicable installment (i.e., First or Second Installments) of the Signing Bonus from your final paycheck, provided however that your final paycheck will not be less than the applicable minimum wage. In the event the Company is unable to withhold the full amount of the applicable Installment of your Signing Bonus from your final paycheck, you agree to repay to the Company or its designee the full amount of any remaining portion of the applicable Installment of your Signing Bonus within thirty (30) calendar days following the end of your employment.

5. ***Employee Benefits.*** You shall be entitled to such other benefits, including the participation in the Company's health insurance, vision insurance and dental insurance under the Company's group health plan available to similarly situated employees in your position and for which you are eligible in accordance with any benefit plan or policy adopted by the Company during your employment. Your rights under any benefit policies or plans adopted by the Company shall be governed solely by the terms of such policies or plans. Participation in the Company's health insurance, vision insurance and dental insurance is effective the first of the month after your start date. The Company reserves to itself or its designated administrator the exclusive authority and discretion to determine all issues of eligibility, interpretation, and administration of each such benefit plan or policy. The Company or its designated administrator reserves the right to modify or terminate each benefit plan or program, and benefit plans or programs may be modified as required by the laws of the jurisdiction in which you reside.

6. ***Obligations upon Termination.*** If the Company or you terminate your employment with the Company at any time (the date of such termination, your "**Date of Termination**"), then you shall be entitled to the following:

(a) **Resignation without Good Reason or Termination for Cause**: If your employment with the Company terminates by reason of your voluntary resignation from the Company without Good Reason, or if your employment with the Company is terminated by the Company for Cause, then you shall be entitled to receive only the following: (i) any base salary earned through the Date of Termination and reimbursement of any unpaid business expenses incurred and documented in accordance with the Company's policies; and (ii) any vested benefits you may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans.

(b) **Termination in Connection with Sale Event.** In the event your employment is terminated by the Company without Cause or you resign from your employment for Good Reason, in each case, within the period commencing **three (3) months prior to the closing of a Sale Event (as defined in the Plan) and ending on the twelve (12) month anniversary of the closing of the** Sale Event (such period, the **"Corporate Transaction Period"**), then, subject to your execution and delivery to the Company of a Release (as defined below) that becomes effective and irrevocable within sixty (60) days following such Date of Termination, the Company shall pay or provide to you: (i) the sum of **any awarded but unpaid Bonus for the prior year and your target Bonus for the year in which the Date of Termination occurs, and** (ii) **an amount equal to your annual base salary as of the Date of Termination multiplied by 1;** (iii) should you timely elect to continue health and dental insurance coverage following the Date of Termination in accordance with the provisions of COBRA, the Company will reimburse you for the full monthly premium for such coverage for the period beginning on the Date of Termination and ending on the earliest to occur of (A) the date on which you obtain coverage under another health and dental insurance plan, (B) the end of your COBRA health continuation period, as required by law, or (C) the date **twelve (12) months** after the Date of Termination; and (iv) notwithstanding anything to the contrary in the Plan or any applicable option agreement or stock-based award agreement, (A) the vesting of **all outstanding stock options** and other stock-based awards held by you as of your Date of Termination with **time-based vesting** will immediately accelerate and the shares underlying such stock options and other stock-based awards shall be released from the Company's repurchase option, if any, and such stock options and stock-based awards will become **fully exercisable or nonforfeitable** as of your Date of Termination (or the date of the Sale Event, if later), (B) any outstanding stock options or other stock-based awards held by you with solely performance-based vesting shall be treated as specified in the applicable award agreement; and (C) the time for exercising any options shall be extended until the earlier of (A) **three (3) months** following the Date of Termination or (B) the original expiration date applicable to such option. As a condition to COBRA reimbursement, you agree that you will provide prompt written notice of the date on which you obtain coverage under another health and dental insurance plan following the Date of Termination.

Provided that a release has been signed, the amounts payable under Sections 6(a)(i) and (ii) shall be paid out in a single lump sum within sixty (60) days after the Date of Termination; provided, however, that if the sixty (60) day period begins in one calendar year and ends in a second calendar year, the amounts shall be paid in the second calendar year by the last day of such 60-day period.

(c) **Termination without Cause or for Good Reason Not in Connection with a Sale Event.** In the event your employment is terminated by the Company **without Cause** or you resign from your employment with the **Company for Good Reason,** in either case other than during a Corporate Transaction Period, then subject to your execution and delivery to the Company of a Release that becomes effective and irrevocable within sixty (60) days following such Date of Termination, the Company will pay or provide to you: (i) your then-current **Base Salary multiplied by 0.75** if such

qualifying termination occurs after the first anniversary of the date you commence employment with the Company (**or multiplied by 1** if such qualifying termination occurs on or prior to the first anniversary of the date you commence employment with the Company); (ii) **the vesting of all outstanding time-based vesting Company stock options and other stock-based awards held by you that would have vested within three (3) months following** the Date of Termination if your employment with the Company had not terminated will be accelerated, (iii) should you timely elect to continue health and dental insurance coverage following the Date of Termination in accordance with the provisions of COBRA, the Company will reimburse you for the full monthly premium for such coverage for the period beginning on the Date of Termination and ending on the earliest to occur of (A) the date on which you obtain coverage under another health and dental insurance plan, (B) the end of your COBRA health continuation period, as required by law or (C) the date **nine (9) months** after the Date of Termination; and (iv) **any awarded but unpaid Bonus for the prior year.** The amounts payable under Sections 6(c)(i) and (iv) shall be paid out in a single lump sum within sixty (60) days after the Date of Termination; *provided*, *however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, the amounts shall be paid in the second calendar year by the last day of such 60-day period. As a condition to COBRA reimbursement, you agree that you will provide prompt written notice of the date on which you obtain coverage under another health and dental insurance plan following the Date of Termination.

(d) **Conditions to Severance**. Notwithstanding anything to the contrary herein, payment of the severance benefits described in Sections 6(b) and (c) are subject to (i) your execution and delivery to the Company of a waiver and general release of claims (**"Release"**) in favor of the Company in a form acceptable to the Company that becomes effective and irrevocable within sixty (60) days following the date of your termination of employment and (ii) your continued compliance with your obligations under Section 7 of this Agreement (collectively, the **"Restrictive Covenants"**). The Release will not waive: (1) any rights to indemnification and/or contribution, advancement or payment of related expenses you may have pursuant to the Company's Bylaws or other organizing documents, under any written indemnification or other agreement between you and the Company, and/or under applicable law; (2) any rights you may have to insurance coverage under any directors and officers liability insurance, other insurance policies of the Company, COBRA or any similar state law; (3) any claims for worker's compensation benefits, disability or unemployment insurance, or any other claims that cannot be released as a matter of applicable law; (4) your rights to any vested equity or vested benefits under any written agreement with the Company or Company benefit plan, subject to the terms and conditions of such plan and applicable law; and (5) any claims arising after the date you sign the Release.

(e) **Definitions**. For the purposes of this Agreement, the following terms shall have the following definitions:

(i) **"Cause"** means any of the following, as determined in good faith by the Board: (a) your conviction of, or plea of guilty or *nolo contendere* with respect to, any (x) felony or (y) misdemeanor involving moral turpitude, fraud, misrepresentation, embezzlement or theft; (b) your willful act of misappropriation, embezzlement or fraud in the performance of your duties; (c) your willful and continued refusal to perform your duties in any material respect that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); (d) your willful misconduct or gross negligence in the performance of your duties

and responsibilities to the Company that is, or could reasonably be expected to be, harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates); (e) your willful violation of any state or federal law relating to the workplace environment (including, without limitation, laws relating to sexual harassment or age, sex or other prohibited discrimination) or any Company policy related thereto; (f) your material breach of this Agreement (including your breach of any of the Restrictive Covenants), or any material Company policy that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); (g) your willfully engaging in any activity that is, or could reasonably be expected to be harmful in any material respect to the Company or its affiliates monetarily or otherwise (including with respect to the reputation, business or business relationships of the Company or any of its affiliates), that is not cured within thirty (30) days after receipt of specific written notice from the Board (if curable); or (h) your willful violation of any material law or regulation applicable to your work for the Company, that is not cured within thirty (30) after receipt of specific written notice from the Board (if curable).

(ii) **"Good Reason"** means any of the following done without your consent: (i) a material diminution in your duties, authorities or responsibilities; (ii) a material diminution in your base salary (other than a reduction in base salary of not more than ten percent (10%) that is consistent with reductions in base salary for all other senior executives of the Company (including a reduction due to any economic downturn, market dislocation or volatility or other financial crisis)); (iii) any requirement by the Board that you engage in illegal conduct; (iv) a material breach by the Company of this Agreement or any other written agreement between you and the Company or (v) a change in the geographic location at which you provide services to the Company that increases your one-way commute by more than 50 miles; *provided, however,* that Good Reason shall not exist unless you provide the Company with written notice within sixty (60) days following the initial existence of one or more of the conditions described in clauses (i) through (v), the Company fails to cure such event or condition, if curable, within thirty (30) days following such written notice, and your employment terminates within thirty (30) days after expiration of the Company's applicable cure period.

7. ***Restrictive Covenants.*** You will be required to execute a Confidentiality and Proprietary Rights Agreement in the form attached as **Exhibit A,** as a condition of employment.

8. ***Miscellaneous Provisions.*** You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing (or that purports to prevent) you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement.

You agree to provide to the Company, within three (3) days of your hire date, documentation of your eligibility to work in the United States, as required by the Immigration Reform and Control Act of 1986. You may need to obtain a work visa in order to be eligible to work in the United States. If that is the case, your employment with the Company will be conditioned upon your obtaining a work visa in a timely manner as determined by the Company.

This Agreement shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at will under which both you and the Company remain free to terminate the employment relationship, with or without cause, at any time, with or without notice. Although your job duties, title, compensation, and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at-will" nature of your employment may only be changed by a written agreement signed by you and the Chief Executive Officer of the Company, which expressly states the intention to modify the at-will nature of your employment. Similarly, nothing in this Agreement shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company.

In return for the compensation payments set forth in this Agreement, you agree to devote your full business time, best efforts, skill, knowledge, attention, and energies to the advancement of the Company's business and interests and to the performance of your duties and responsibilities as an employee of the Company and not to engage in any other business activities without prior approval from the Company.

The Company may obtain Background reports both pre-employment and from time to time during your employment with the Company, as necessary.

As an employee of the Company, you will be required to comply with all Company policies and procedures. Violations of the Company's policies may lead to immediate termination of your employment. Further, the Company's premises, including all workspaces, furniture, documents, and other tangible materials, and all information technology resources of the Company (including computers, data and other electronic files, and all internet and email) are subject to oversight and inspection by the Company at any time. Company employees should have no expectation of privacy with regard to any Company premises, materials, resources, or information.

9. ***Section 409A.*** Notwithstanding anything else provided herein, to the extent any payments provided under this Agreement in connection with your termination of employment constitute deferred compensation as defined in Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (**"Section 409A"**), and you are deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six (6)-month period measured from your separation from service from the Company or (ii) the date of your death following such a separation from service; *provided, however*, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to you including, without limitation, the additional tax for which you would otherwise be liable under Section 409A(a)(l)(B) in the absence of such a deferral. The first payment thereof will include a catch-up payment covering the amount that would have otherwise been paid during the period between your termination of employment and the first payment date but for the application of this provision, and the balance of the installments (if any) will be payable in accordance with their original schedule. To the extent that any provision of this Agreement is ambiguous as to its

compliance with Section 409A, the provision will be read in such a manner so that all payments hereunder comply with Section 409A. To the extent any payment under this Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this Agreement are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations. Any references to a Sale Event shall only constitute a Sale Event for "deferred compensation" (within the meaning of Section 409A) if the event constitutes a "change in control event" for the purposes of U.S. Treasury Regulation 1.409A-3(i)(5)(v) or (vii). Notwithstanding anything contained herein to the contrary, you shall not be considered to have terminated employment with the Company in respect of any "deferred compensation" unless you would be considered to have incurred a "separation from service" from the Company within the meaning of U.S. Treasury Regulation § 1.409A-1 (h)(l)(ii). To the extent that any reimbursements payable pursuant to this Agreement are subject to Section 409A, such reimbursements shall be paid to you no later than December 31 of the year following the year in which the expense was incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, and your right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

This Agreement is your formal offer of employment and supersedes any and all prior or contemporaneous agreements, discussions and understandings, whether written or oral, relating to the subject matter of this Agreement or your employment with the Company. The resolution of any disputes under this Agreement will be governed by the laws of the State of California.

If you agree with the provisions of this Agreement, please sign this Agreement in the space provided below and return it to Kari Leetch by September 25, 2023. If you do not accept this Offer by September 25, 2023, this Offer will be revoked.

Very Truly Yours,

CARGO THERAPEUTICS, INC.

By: /s/ Gina Chapman
Gina Chapman
Chief Executive Officer
9/22/2023

The foregoing correctly sets forth the terms of my employment by CARGO Therapeutics, Inc.

Date: 9/27/2023

Signature: /s/ Ginna Laport
Ginna Laport

EXHIBIT A

CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

CARGO THERAPEUTICS, INC.

CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENT

This Confidentiality and Proprietary Rights Agreement (this "**Agreement**") is made effective as of the earlier of the date this agreement is signed and the date of the undersigned employee's or consultant's first day of employment with or service as a consultant to (the "**Effective Date**") CARGO Therapeutics, Inc., a Delaware corporation (the "**Company**").

In consideration for the Company employing or engaging me or continuing to employ or engage me, as the case may be, as an employee or consultant and my receipt of the compensation now and hereafter paid to me by the Company, I agree as follows:

1. **Definition of Confidential Information**. I acknowledge that I may be, or have been, furnished and/or have access to confidential, proprietary and/or trade secret information relating to the Company's past, present or future (a) products, processes, formulas, patterns, compositions, compounds, projects, specifications, know how, research data, clinical data, personnel data, compilations, programs, devices, methods, techniques, inventions, software, and improvements thereto; (b) research and development activities; (c) designs and technical data; (d) marketing and business development activities, including without limitation prospective or actual bids or proposals, pricing information and financial information; (e) customers or suppliers; and/or (f) other administrative, management, planning, financial, marketing, purchasing or manufacturing activities. All of this type of information, whether it belongs to the Company or was provided to the Company by a third party with the understanding that it be kept confidential, and any documents, storage media (whether electronic or physical), or other materials or items containing this type of information, are proprietary, confidential and/or trade secrets to the Company ("**Confidential Information**").

2. **Obligations**. I will protect the confidentiality of Confidential Information both during and after my employment (or consultancy) with or by the Company. In addition, I will not, at any time during the term of this Agreement or thereafter, (a) disclose or disseminate Confidential Information to any third party, including, without limitation, employees or consultants of the Company without a legitimate business need to know such Confidential Information; (b) remove Confidential Information from the Company's premises or make copies of Confidential Information, except as required to perform my job; or (c) use Confidential Information for my own benefit or for the benefit of any third party. I also agree to take all actions necessary to avoid unauthorized disclosure and otherwise to maintain the confidential, proprietary or trade secret nature of such Confidential Information. If I am not certain whether or not information is confidential, proprietary and/or a trade secret, I will treat that information as Confidential Information until I have verification from an officer of the Company that the information is not Confidential Information.

3. **Exceptions**. The obligations in Section 2 do not apply to any information that I can establish through written records (a) has become publicly known without (i) a breach of this Agreement by me or (ii) a third party's breach of an agreement to maintain the confidentiality of the information; (b) was disclosed by me as permitted by the policies and procedures of the Company, or (c) was developed by me prior to the Effective Date, and prior to the date any earlier

confidentiality agreement of the Company was signed by me (or any earlier effective date of such agreement), if the date of development can be established by documentary evidence. Notwithstanding anything in this Agreement, I may disclose, without violating the terms of this Agreement, Confidential Information that I am specifically required by court order, subpoena or law to disclose, but I agree to disclose only that portion of Confidential Information that is legally required to be disclosed and further agree, to the extent permitted under applicable law, that prior to disclosure when compelled by applicable law, I shall provide prior written notice to the Company. I further understand and acknowledge that nothing in this Agreement or any other agreement or policy prohibits me from reporting possible violations of federal or state law or regulation to any governmental agency or entity or self-regulatory organization (including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General), cooperating with any such governmental agency or entity or self-regulatory organization in connection with any such possible violation, or making other disclosures or taking other actions (including, without limitation, receiving any whistleblower award provided for under such laws or regulations) that are protected under the whistleblower provisions of federal or state law or regulation (collectively "**Protected Activity**"), in each case without any notice to or authorization from the Company. I further understand that "Protected Activity" does not include the disclosure of any Company attorney-client privileged communications. As required by the Defend Trade Secrets Act of 2016 ("**DTSA**"), 18 U.S.C. § 1833(b), I acknowledge that I will not be held criminally liable or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made under circumstances described therein, including: (1) in confidence to a government official or an attorney for the sole purpose of reporting or investigating a suspected violation of law; (2) in a complaint or other document filed in a legal proceeding, so long as such document is filed under seal; or (3) should I file a lawsuit against the Company for purported retaliation for reporting a suspected violation of law, then to my attorney, or in that court proceeding, so long as any document I file containing the trade secret is filed under seal and I do not disclose the trade secret except pursuant to court order. Unless expressly provided, the DTSA does not authorize, or limit liability for, an act that is otherwise prohibited by law, such as the unlawful access of material by unauthorized means.

4. **Former Employer Information**. I will not, during my employment (or consultancy) with or by the Company, improperly use or disclose any confidential information, proprietary information or trade secrets of any former or current employer or any other person or entity and that I will not bring onto the premises of the Company, or incorporate into my work for the Company, any unpublished document or confidential information, proprietary information or trade secret belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

5. **Inventions and Works Retained and Licensed**. I have attached hereto, as Exhibit A, a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were authored, created, conceived, reduced to practice or made by me, alone or jointly with others, prior to my employment (or consultancy) with or by the Company, which belong to me, which relate to the Company's business, products, or research and development (collectively referred to as "**Prior Works or Inventions**"), and which are not assigned to the Company hereunder, or, if no such list is attached, I represent that there are no such Prior Works or Inventions. If, in the course of my employment (or consultancy) with or by the Company, I incorporate into a Company product, process or machine a Prior Work or Invention

owned by me or in which I have an interest, the Company is hereby granted and shall have a nonexclusive, royalty-free, assignable, sublicensable, irrevocable, perpetual, worldwide license to make, have made, copy, distribute, modify, use, import, offer to sell and sell such Prior Work or Invention as part of or in connection with such product, process or machine.

6. **Ownership of Works**.

a. The Company owns all right, title and interest, including without limitation all trade secrets, patents and copyrights, in the following works that I create, make, conceive or reduce to practice, solely or jointly: (i) works that are created using the Company's facilities, supplies, information, trade secrets or time; (ii) works that relate directly or indirectly to or arise out of the actual or proposed business of the Company, including, without limitation the research and development activities of the Company; (iii) works that relate directly or indirectly to or arise out of any task assigned to me or work I perform for the Company and/or (iv) works that are based on Confidential Information (collectively "**Works**").

b. Because these Works will inevitably be based upon or somehow involve the Company's business, products, services or methodologies, I agree that the Works will belong to the Company even if I create, make, conceive or reduce them to practice on my own time, using my own equipment, on the Company's premises or elsewhere or after termination of my employment (or consultancy) with or by the Company. I will promptly provide full written disclosure to an officer of the Company of any Works I create, make, conceive or reduce to practice, solely or jointly. To the extent that the Works do not qualify as works made for hire under U.S. copyright law, I irrevocably assign to the Company the ownership of, and all rights of copyright in, the Works.

c. The Company will have the right to hold in its own name all rights in the Works, including without limitation all rights of copyright, trade secrets and trademark. I also waive all claims to moral rights in any Works. I acknowledge and agree that any and all patents, patent applications or other intellectual property rights relating to the Works are to be the exclusive property of the Company.

7. **Ownership of Inventions**.

a. I hereby irrevocably assign and agree to assign to the Company my entire right, title and interest in any idea, invention, modification, design, program code, software, documentation, formula, data, know how, technique, process, method, device, discovery, improvement, developments, or works of authorship, and all related patents, patent applications, copyrights and copyright applications, whether patentable or not, authored, created, made, conceived or reduced to practice, solely or jointly by me, whether or not during normal working hours or on my own time, whether or not using my own equipment, on the premises of the Company or elsewhere, or after termination of my employment (or consultancy) with or by the Company, that (i) is authored, created, made, conceived or reduced to practice using the Company's facilities, supplies, information, trade secrets or time; (ii) relates directly or indirectly to or arises out of the actual or proposed business, including without limitation the research and development activities, of the Company; (iii) relates directly or indirectly to or arises out of any task assigned to me or work I perform for the Company and/or (iv) is based on Confidential

Information (collectively "**Inventions**"), and all intellectual property rights therein. I will promptly make full written disclosure to an officer of the Company of any Inventions I create, make, conceive or reduce to practice, solely or jointly. I also waive all claims to moral rights in any Inventions. I acknowledge and agree that any and all patents, patent applications or other intellectual property rights relating to the Inventions are the exclusive property of the Company.

b. I agree to cooperate fully with the Company, both during and after my employment (or consultancy) with or by the Company, with respect to the procurement, maintenance and enforcement of copyrights, patents and other intellectual property rights (both in the United States and foreign countries) relating to Works and/or Inventions. I agree to execute and deliver all papers, including, without limitation, copyright applications, patent applications, declarations, oaths, formal assignments, assignments of priority rights, and powers of attorney, which the Company may deem necessary or desirable to protect its rights and interests in any Works and/or Inventions. I further agree that if the Company is unable, after reasonable effort, to secure my signature on any such papers, any executive officer of the Company shall be entitled to execute any such papers as my agent and attorney-in-fact, and I hereby irrevocably designate and appoint each officer of the Company as my agent and attorney-in-fact to execute any such papers on my behalf, and to take any and all actions as the Company may deem necessary or desirable to protect its rights and interests in any Works and/or Inventions, under the conditions described in this sentence.

c. I understand that the provisions of this Agreement requiring assignment of Inventions to the Company do not apply to any invention which qualifies fully under the provisions of California Labor Code Section 2870 (attached as Exhibit B). I will advise the Company promptly in writing of any inventions that I believe meet the criteria in California Labor Code Section 2870 and are not otherwise disclosed on Exhibit A and such disclosed inventions shall be received by the Company in confidence pursuant to Labor Code section 2871.

8. **Maintenance of Records**. I will keep and maintain adequate and current written records of all Works and Inventions made by me (solely or jointly with others) during the term of my employment (or consultancy) with or by the Company. The records will be in the form of notes, sketches, drawings, and any other format that may be specified by the Company. The records will be available to and remain the sole property of the Company at all times.

9. **Return of Confidential Information**. I will return to the Company all Confidential Information in my possession, custody or control immediately upon termination of my employment (or consultancy) with the Company, or earlier if the Company requests.

10. **Notification of New Employer**. If I leave the employ of the Company or cease to serve as a consultant to the Company, I hereby grant consent to notification by the Company to my new employer or any person or entity that engages my services as a consultant or otherwise about my rights and obligations under this Agreement.

11. **Non-Solicitation**. I acknowledge and agree that:

a. During my employment (or consultancy) and for one (1) year after termination of my employment (or consultancy) or engagement for any reason, I shall not, directly or indirectly solicit or recruit any employee of, or consultant to, the Company to work for a party other than the Company or engage in any activity that would cause any employee or consultant to violate any agreement with the Company.

b. During my employment (or consultancy), I shall not, directly or indirectly, solicit, divert or appropriate or attempt to solicit, divert or appropriate, for the purpose of competing with the Company, any customers, suppliers, licensees, licensors or other business partners of the Company, or any prospective customers suppliers, licensees, licensors or other business partners of the Company.

12. **Representations and Warranties**. I represent and warrant that (a) I am able to perform the duties of my position and that my ability to work for the Company is not limited or restricted by any agreements or understandings between me and other persons or companies; (b) I will not disclose to the Company, its employees, consultants, clients, partners or suppliers, or induce any of them to use or disclose, any confidential information or material belonging to others, except with the written permission of the owner of the information or material; and (c) any information, material or product I create or develop for, or any advice I provide to, the Company, its employees, consultants, clients, partners or suppliers, will not rely or be based on confidential information, proprietary information or trade secrets I obtained or derived from a source other than the Company. I agree to indemnify and hold the Company harmless from damages, claims, costs and expenses based on or arising from the breach of any agreement or understanding between me and another person or company or from my use or disclosure of any confidential information, proprietary information or trade secrets I obtained from sources other than the Company.

13. **Damages and Injunctive Relief**. I acknowledge and agree that:

a. My obligations under this Agreement have a unique and substantial value to the Company and I remain obligated even if I voluntarily or involuntarily leave the Company's employment (or consultancy). I understand that if I violate this Agreement during or after my employment (or consultancy) or engagement, the Company may be able to recover monetary damages from me and/or the other relief described below.

b. A violation or even a threatened violation of this Agreement is likely to result in irreparable harm to the Company and monetary damages alone would not completely compensate the Company for the harm. Accordingly, the Company may obtain an injunction prohibiting me from violating this Agreement, an order requiring me to render specific performance of the Agreement, and/or other appropriate equitable remedies, without the necessity of the Company obtaining a bond.

c. If a court determines that I have breached or attempted or threatened to breach this Agreement, I consent to the granting of an injunction restraining me from further breaches or attempted or threatened breaches of this Agreement, compelling me to comply with this Agreement, and/or prescribing other equitable remedies.

14. **At-Will Employment**. If I am an employee of the Company, (a) I understand that this Agreement does not create an obligation on the Company or any other person or entity to continue my employment; (b) I acknowledge that I am employed by the Company on an at- will basis and that either the Company or I may terminate my employment at any time and for any reason, and (c) while no written or oral commitments have been made to or by me to suggest other than at-will employment, I specifically acknowledge that this supersedes any prior representation or agreement to the contrary and that the at-will nature of my employment may not be amended, modified or waived except by a fully executed written agreement with the Company.

15. **Miscellaneous Provisions**.

a. *Applicability*. The provisions of this Agreement are applicable to Confidential Information, Works and Inventions disclosed, created, developed or proprietary before or after I sign this Agreement. I agree that if and to the extent that, during any period I was engaged by the Company to provide services prior to the date of this Agreement: (i) I received access to any information from or on behalf of the Company that would have been "Confidential Information" (as defined above) if I received access to such information during the period of my employment with Company under this Agreement; or (ii) I conceived, created, authored, invented, developed or reduced to practice any item, including any intellectual property rights with respect thereto, that would have been an "Invention" (as defined above) if conceived, created, authored, invented, developed or reduced to practice during the period of my employment with Company under this Agreement; then any such information shall be deemed "Confidential Information" hereunder and any such item shall be deemed an "Invention" hereunder, and this Agreement shall apply to such information or item as if conceived, created, authored, invented, developed or reduced to practice under this Agreement.

b. *Notices*. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not during normal business hours of the recipient, then on the next business day; (iii) five (5) calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the other party to this Agreement at such party's address hereinafter set forth on the signature page hereof, or at such other address as such party may designate by ten (10) days' advance written notice to the other party hereto.

c. *Assignment*. Neither this Agreement nor any of my rights or obligations hereunder shall be assignable by me, and any assignment by me shall be null and void. The Company may assign this Agreement or any of its obligations hereunder to any subsidiary of the Company, or to any successor (whether by merger, purchase or otherwise) to all or substantially all of the equity, assets or business of the Company. This Agreement is intended to bind and inure to the benefit of and be enforceable by me and the Company and the Company's permitted successors and assigns.

d. *Governing Law; Venue*. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties agree that any action brought by either party to interpret or enforce any provision of this Agreement shall be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court in the county in which I last worked on a regular basis for the Company.

e. *Entire Agreement; Amendment*. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each of the parties hereto. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

f. *Severability*. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

g. *Counterparts*. This Agreement may be executed in two 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, Uniform Electronic Transactions Act or other applicable law) 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.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

Signature: /s/ Ginna Laport
Name: Ginna Laport
Address: [***]
Date: 9/27/2023

CARGO THERAPEUTICS, INC.

By: /s/ Gina Chapman
Name: Gina Chapman
Title: Chief Executive Officer
Date: 9/22/2023

EXHIBIT A

PRIOR WORKS OR INVENTIONS

TO: **CARGO Therapeutics, Inc.**

FROM: Ginna Laport

DATE: 9/27/2023

SUBJECT: Prior Inventions

1. Except as listed in Section 2 below, the following is a complete list of all inventions, works of authorship, developments, trade secrets or improvements relevant to the subject matter of my employment by CARGO Therapeutics, Inc., (the "**Company**") that have been authored, created, made or conceived or first reduced to practice by me, alone or jointly with others, prior to my engagement by the Company:

☐ No inventions or improvements.

☐ See below:

_____

_____

_____

☐ Additional sheets attached.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure under Section 1 above with respect to inventions, works of authorship, developments, trade secrets or improvements generally listed below, the proprietary rights and duty of confidentiality with respect to which I owe to the following party(ies):

	Invention or Improvement	Party(ies)	Relationship
1.			
2.			
3.			

☐ Additional sheets attached.

EXHIBIT B

CALIFORNIA LABOR CODE SECTION 2870 EMPLOYMENT AGREEMENTS; ASSIGNMENT OF RIGHTS

"(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable."

CARGO THERAPEUTICS, INC.
NON-EMPLOYEE DIRECTOR COMPENSATION PROGRAM

This Cargo Therapeutics, Inc. (the "***Company***") Non-Employee Director Compensation Program (this "***Program***") has been adopted under the Company's 2023 Incentive Award Plan (the "***Plan***") and shall be effective upon the closing of the Company's initial public offering of its common stock (the "***Effective Date***"). Capitalized terms not otherwise defined herein shall have the meaning ascribed in the Plan.

Cash Compensation

Commencing on the Effective Date, annual retainers will be paid in the following amounts to Non-Employee Directors:

Non-Employee Director:	$ 40,000
Chair:	$30,000
Audit Committee Chair:	$15,000
Compensation Committee Chair:	$10,000
Nominating and Governance Committee Chair:	$ 9,000
Audit Committee Member (non-Chair):	$ 7,500
Compensation Committee Member (non-Chair):	$ 5,000
Nominating and Governance Committee Member (non-Chair):	$ 4,500

All annual retainers are additive and will be paid in cash quarterly in arrears promptly following the end of the applicable calendar quarter, but in no event more than 30 days after the end of such quarter. In the event a Non-Employee Director does not serve as a Non-Employee Director, or in the applicable positions described above, for an entire calendar quarter, the retainer paid to such Non-Employee Director shall be prorated for the portion of such calendar quarter actually served as a Non-Employee Director, or in such position, as applicable. In the event the Effective Date does not occur on the first day of a calendar quarter, the retainer paid to each Non-Employee Director for the calendar quarter during which the Effective Date occurs will be prorated for the portion of such calendar quarter occurring on and after the Effective Date.

Equity Compensation

Initial Stock Option Grant:	Each Non-Employee Director who is initially elected or appointed to serve on the Board on or after the Effective Date shall be granted an Option under the Plan or any other applicable Company equity incentive plan then-maintained by the Company to purchase 50,000 shares of Common Stock (the "***Initial Option***"), *provided*, that in the event the grant date fair value of the Initial Option exceeds $800,000, the number of shares subject to the Initial Option automatically shall be reduced to the maximum number of shares that results in the Initial Option having a grant date fair value of $800,000 or less, in each case, with grant date fair value determined consistently with the Company's financial statements.

	The Initial Option will be automatically granted on the date on which such Non-Employee Director commences service on the Board, and will vest as to 1/36th of the shares subject thereto on each monthly anniversary of the applicable date of grant such that the shares subject to the Initial Option are fully vested on the third anniversary of the date of grant, subject to the Non-Employee Director continuing in service on the Board through each such vesting date.
Annual Stock Option Grant:	On the date of each annual meeting of the Company's stockholders after the Effective Date (each, an "***Annual Meeting***"), each Non-Employee Director who will continue to serve as a Non-Employee Director immediately following such meeting, shall be granted an Option under the Plan or any other applicable Company equity incentive plan then-maintained by the Company to purchase 25,000 shares of Common Stock (the "***Annual Option***"), *provided*, that in the event the grant date fair value of the Annual Option exceeds $400,000, the number of shares subject to the Annual Option automatically shall be reduced to the maximum number of shares that results in the Annual Option having a grant date fair value of $400,000 or less, in each case, with grant date fair value determined consistently with the Company's financial statements. The Annual Option will be automatically granted on the date of the applicable Annual Meeting, and will vest in full on the earlier of (i) the first anniversary of the date of grant and (ii) immediately prior to the Annual Meeting following the date of grant, subject to the Non-Employee Director continuing in service on the Board through such vesting date.

The per share exercise price of each Option granted to a Non-Employee Director shall equal the Fair Market Value of a share of Common Stock on the date the Option is granted.

The term of each Option granted to a Non-Employee Director shall be ten years from the date the Option is granted, subject to earlier termination in connection with cessation of Board service.

Members of the Board who are employees of the Company or any parent or subsidiary of the Company who subsequently terminate their employment with the Company and any parent or subsidiary of the Company and remain on the Board will not receive an Initial Option, but to the extent that they are otherwise eligible, will be eligible to receive, after termination from employment with the Company and any parent or subsidiary of the Company, Annual Options as described above.

Change in Control

Upon a Change in Control of the Company, all outstanding equity awards granted under the Plan and any other equity incentive plan maintained by the Company that are held by a Non-Employee Director shall become fully vested and/or exercisable, irrespective of any other provisions of the Non-Employee Director's Award Agreement.

Reimbursements

The Company shall reimburse each Non-Employee Director for all reasonable, documented, out-of-pocket travel and other business expenses incurred by such Non-Employee Director in the performance of his or her duties to the Company in accordance with the Company's applicable expense reimbursement policies and procedures as in effect from time to time.

Miscellaneous

The other provisions of the Plan shall apply to the Options granted automatically pursuant to this Program, except to the extent such other provisions are inconsistent with this Program. All applicable terms of the Plan apply to this Program as if fully set forth herein, and all grants of Options hereby are subject in all respects to the terms of the Plan. The grant of any Option under this Program shall be made solely by and subject to the terms set forth in a written agreement in a form to be approved by the Board and duly executed by an executive officer of the Company.

*** * * * ***

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement No. 333-275113 on Form S-1 of our report dated September 1, 2023, (November 6, 2023, as to the effects of the reverse stock split described in Note 15) relating to the financial statements of Cargo Therapeutics, Inc. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

San Francisco, California

November 6, 2023

Exhibit 107

Calculation of Filing Fee Tables

Form S-1
(Form Type)

CARGO Therapeutics, Inc.
(Exact Name of Registrant as Specified in its Charter)

Table 1: Newly Registered Securities

	Security Type	Security Class Title	Fee Calculation Rule	Amount Registered	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price[1]	Fee Rate	Amount of Registration Fee
Fees to be Paid	Equity	Common stock, $0.001 par value per share	Rule 457(a)	21,562,500	$17.00[2]	$366,562,500[2]	$147.6 per $1,000,000	$54,104.63
Fees Previously Paid	Equity	Common stock, $0.001 par value per share	Rule 457(o)	—	—	$100,000,000[3]	$147.6 per $1,000,000	$14,760.00
		Total Offering Amounts				$366,562,500		$54,104.63
		Total Fees Previously Paid					$147.6 per $1,000,000	$14,760.00
		Total Fee Offsets						—
		Net Fee Due						$39,344.63

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(a) of the Securities Act of 1933, as amended (the "Securities Act"). Includes 2,812,500 shares that the underwriters have the option to purchase to cover over-allotments, if any. See "Underwriting."

(2) Calculated pursuant to Rule 457(a) of the Securities Act, based on an estimate of the proposed maximum aggregate offering price.

(3) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act.