

**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**

**OF**

**AZEVAN PHARMACEUTICALS, INC.**

Azevan Pharmaceuticals, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"),

DOES HEREBY CERTIFY:

FIRST: That the name of the Corporation is Azevan Pharmaceuticals, Inc. The Corporation was originally incorporated under the same name; and the original Certificate of Incorporation, a Certificate of Designation, Rights, Preferences, Privileges and Restrictions, a Certificate of Correction, a Certificate of Amendment, an Amended and Restated Certificate of Incorporation and a Certificate of Amendment were filed with the Secretary of State of the State of Delaware on June 14, 2005, July 7, 2005, August 18, 2005, April 25, 2008, February 26, 2009, and May 22, 2012, respectively.

SECOND: That by unanimous written consent of the Board of Directors of the Corporation, filed with the minutes of the Corporation, resolutions were duly adopted setting forth the proposed amendment and restatement of the Certificate of Incorporation, as amended, of the Corporation and declaring said amendment and restatement to be advisable. The resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation, as amended, of the Corporation be, and it hereby is, amended and restated in its entirety to read as set forth in the attached Amended and Restated Certificate of Incorporation.

THIRD: That thereafter, pursuant to resolution of its Board of Directors, the stockholders of the Corporation took action by executing a written consent in lieu of a meeting in accordance with Section 228 of the General Corporation Law of the State of Delaware to approve such amendment and restatement. The holders of a majority of the outstanding shares of common stock, par value \$.001 per share, the holders of at least two-thirds of the outstanding shares of Series A Convertible Participating Preferred Stock, par value \$.001 per share, and the holders of at least two thirds of the outstanding shares of Series B Convertible Participating Preferred Stock, par value \$.001 per share, entitled to consent thereto have granted written consent with respect to such stock in favor of said amendment and restatement.

FOURTH: That said amendment and restatement was duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware. This Amended and Restated Certificate of Incorporation amends and restates the provisions of the Certificate of Incorporation, as amended, of the Corporation.

IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation to be signed by its duly authorized officer, this 1st day of October, 2013.

**AZEVAN PHARMACEUTICALS, INC.**

By: 

Name: Neal G. Simon

Title: Chief Executive Officer

# **AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**

## **OF**

### **AZEVAN PHARMACEUTICALS, INC.**

#### **ARTICLE I**

The name of this corporation is Azevan Pharmaceuticals, Inc. (the "Corporation").

#### **ARTICLE II**

The address of the registered office of this Corporation in the State of Delaware is 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Service Company.

#### **ARTICLE III**

The nature of the business of this Corporation and the objects or purposes to be transacted, promoted or carried on by it are 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 "General Corporation Law").

#### **ARTICLE IV**

##### **a. Classes of Stock**

This Corporation is authorized to issue a total of fifty million (50,000,000) shares, divided into two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The number of shares of Common Stock that this Corporation is authorized to issue is thirty million (30,000,000) shares, each with a par value of \$0.001 per share. The total number of shares of Preferred Stock that this Corporation is authorized to issue is twenty million (20,000,000) shares, each with a par value of \$0.001 per share.

##### **b. Rights, Preferences and Restrictions of Preferred Stock**

The Preferred Stock authorized by this Amended and Restated Certificate of Incorporation may be issued from time to time in one or more series. The rights, preferences, privileges, and restrictions granted to and imposed on the Series A Convertible Participating Preferred Stock, which series shall consist of six million five hundred thousand (6,500,000) shares (the "Series A Preferred Stock"), the Series B Convertible Participating Preferred Stock, which series shall consist of five million (5,000,000) shares (the "Series B Preferred Stock"), and the Series C Convertible Participating Preferred Stock, which series shall consist of eight million (8,000,000) shares (the "Series C Preferred Stock"), are as set forth below in this Article IV.b. Subject to compliance with applicable protective voting rights which have been or may be granted to the Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock set forth in this Amended and Restated Certificate of Incorporation ("Protective Provisions"), the

Board of Directors expressly is authorized to provide by resolution and by filing a certificate of designation pursuant to the General Corporation Law for the issuance from time to time of the shares of Preferred Stock in one or more series, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences, privileges and other rights of the shares of each such series and to fix the qualifications, limitations and restrictions thereon, including, but without limiting the generality of the foregoing, the following: (i) the number of shares constituting that series and the distinctive designation of that series; (ii) the dividend rate on the shares of that series, whether dividends will be cumulative and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series; (iii) whether that series will have voting rights, in addition to the voting rights provided by law and, if so, the terms of such voting rights; (iv) whether that series will have conversion privileges and, if so, the terms and conditions of any conversion, including provision for adjustment of the conversion rate in such events as the Board of Directors shall determine; (v) whether or not the shares of that series will be redeemable and, if so, the terms and conditions of such redemption, including the dates upon or after which they will be redeemable, and the amount per share payable in the event of redemption, which amount may vary under different conditions and at different redemption dates; (vi) whether that series will have a sinking fund for the redemption or purchase of shares of that series and, if so, the terms and amount of such sinking fund; (vii) the rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of this Corporation, and the relative rights of priority, if any, of payment of shares of that series; and (viii) any other relative powers, preferences, privileges and rights of that series, and the qualifications, limitations and restrictions on that series. Subject to compliance with applicable Protective Provisions, but notwithstanding any other rights of the Preferred Stock or any series thereof, the powers, preferences, privileges, other rights, and the qualifications, limitations and restrictions of any such additional series may be subordinated to, pari passu with (including, without limitation, with respect to liquidation preferences, redemption and/or approval of matters by vote or written consent), or senior to any of those of any present or future class or series of Preferred Stock or Common Stock. Subject to compliance with applicable Protective Provisions, the Board of Directors is also authorized to increase or decrease the number of shares of any series of Preferred Stock prior or subsequent to the issue of that series, but not below the number of shares of such series then outstanding. If the number of shares of any series of Preferred Stock is so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series. The standard provisions contained in each of Annex A, Annex B and Annex C attached hereto are incorporated herein by reference in their entirety and shall be deemed a part of this Amended and Restated Certificate of Incorporation to the same extent as if such provisions had been set forth in full herein.

**c. Common Stock Rights**

The dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights of the holders of the Preferred Stock of any series as may be designated by the Board of Directors upon any issuance of the Preferred Stock or any such series. The holders of the Common Stock are entitled to one vote for each share held at all meetings of stockholders. There shall be no cumulative voting. Dividends may be declared and paid on Common Stock from funds lawfully available therefore as and when determined by the

Board of Directors and subject to any preferential dividend rights of any then outstanding Preferred Stock. Upon dissolution or liquidation of the Corporation, whether voluntary or involuntary, holders of the Corporation will be entitled to receive ratably all assets of the Corporation available for distribution to stockholders, subject to any preferential rights of any then outstanding Preferred Stock.

#### **ARTICLE V**

Subject to Protective Provisions and the General Corporation Law, the Board of Directors is expressly authorized to make, alter or repeal the Bylaws of this Corporation; provided, however, that the stockholders of this Corporation may change or repeal any Bylaw adopted by the Board of Directors by the affirmative vote of the percentage of holders of capital stock as provided therein; and, provided further, that no amendment or supplement to the Bylaws adopted by the Board of Directors shall vary or conflict with this Amended and Restated Certificate of Incorporation or any amendment or supplement thus adopted by the stockholders.

#### **ARTICLE VI**

The management of the business and the conduct of the affairs of this Corporation are vested in its Board of Directors. The Board of Directors will consist of five members. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

#### **ARTICLE VII**

Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of the General Corporation Law or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of the General Corporation Law order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization will, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

#### **ARTICLE VIII**

A director of this Corporation shall, to the fullest extent permitted by the General Corporation Law as it now exists or as it may hereafter be amended, not be personally liable to this Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

Any amendment, repeal or modification of this Article VIII, or the adoption of any provision of this Amended and Restated Certificate of Incorporation inconsistent with this Article, shall not adversely affect any right or protection of a director of this Corporation existing at the time of such amendment, repeal, modification or adoption.

## **ARTICLE IX**

To the fullest extent permitted by the General Corporation Law, this Corporation may fully indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that such person is or was an employee, director or agent of the Corporation, or is or was serving at the request of this Corporation as an employee, director or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorneys' fees), judgment, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding. This Corporation may advance expenses (including attorneys' fees) incurred by a director or officer in advance of the final disposition of such action, suit or proceeding upon the receipt of an undertaking by or on behalf of the director or officer to repay such amount if it is ultimately determined that such director or officer is not entitled to indemnification. This Corporation may advance expenses (including attorneys' fees) incurred by an employee or agent in advance of the final disposition of such action, suit or proceeding upon such terms and conditions, if any, as the Board of Directors deems appropriate.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer 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, employee benefit plan or other enterprise 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 or the obligation to indemnify him or her against such liability under the provisions of this Article IX or Section 145 of the General Corporation Law.

Any amendment, repeal or modification of this Article IX, or the adoption of any provision of this Certificate of Incorporation inconsistent with this Article IX, shall not adversely affect any right or protection existing at the time of such amendment, repeal, modification or adoption.

## **ARTICLE X**

Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of this Corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of this Corporation.

## **ARTICLE XI**

Subject to Protective Provisions, this Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed herein and by statute, and all rights

conferred upon stockholders herein are granted subject to this reservation; provided, however, that no amendment, alteration, change or repeal may be made to Article V, Article VIII or Article XI without the affirmative vote of the holders of at least 66 2/3% of the outstanding voting stock of the Corporation, voting together as a single class.

## **ARTICLE XII**

This Corporation will have perpetual existence.

## **ARTICLE XIII**

In the event that any provision of this Amended and Restated Certificate of Incorporation (including any provision within a single section, paragraph or sentence) is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions are severable and will remain enforceable to the fullest extent permitted by law.

Standard Provisions of the  
Series A Convertible Participating Preferred Stock

**1. Dividend Provisions**

(a) Subject only to the priority of the dividends payable on the Class C Preferred Stock pursuant to Section 1(a) of Annex C (the “Series C Dividend Preference”), the holders of shares of Series A Preferred Stock are entitled to receive cash dividends, out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock of this Corporation) on the Common Stock of this Corporation, at the rate of 8% of the Original Issue Price (as defined below), per share per annum (as adjusted for any stock splits, subdivisions, stock dividends, combinations, recapitalizations and the like (collectively, “Recapitalizations”)), payable quarterly on the first day of January, April, July and October of each year. Notwithstanding the above, in lieu of cash payments and at the discretion of this Corporation, the dividends owed hereunder or any portion thereof may accrue and cumulate to the benefit of the holders of the Series A Preferred Stock until (i) the payment of dividends on Common Stock or other Preferred Stock (if any), or (ii) the occurrence of a Liquidation Event (as defined below), conversion of the Series A Preferred Stock, or a redemption thereof (all pursuant to the provisions of this Certificate); in which event, the accrued and unpaid dividends shall be paid to the holders of the Series A Preferred Shares in the manner provided for below with respect to the relevant event. Until actually paid, the dividends owed hereunder will accrue on each share of Series A Preferred Stock from the date of issuance, and will accrue from day to day, whether or not earned or declared. Such dividends will be cumulative so that, if such dividends in respect of any previous or current annual dividend period, at the annual rate specified above, have not been paid the deficiency will first be fully paid before any dividend or other distribution is paid on or declared and set apart for the Common Stock or other Preferred Stock (if any), except for the Series C Dividend Preference. Any accumulation of dividends on the Series A Preferred Stock will not bear interest.

(b) After the Series C Dividend Preference and after payment of any dividends pursuant to Sections 1(a) above, any additional dividends, if so declared at the discretion of this Corporation, will be distributed among all holders of Common Stock and all holders of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock in proportion to the number of shares of Common Stock which would be held by each such holder if all shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock were converted to Common Stock at the respective conversion price for such Preferred Stock as then in effect.

(c) Each dividend owed under Section 1(a) above and each dividend declared by the Board of Directors pursuant to Section 1(b) above, will be paid to holders of record of shares of the Series A Preferred Stock as they appear on the stock register of the



Corporation on the record date, which will be 15 days before the dividend payment date. Dividends in arrears for any past dividend period may be declared and paid at any time fixed by the Board of Directors, whether or not a regular dividend payment date, to holders of record of shares of Series A Preferred Stock as they appear on the stock register on the record date (which will be 15 days before the anticipated payment date) and all such dividend payments will be applied in the order in which such accumulated and unpaid dividends were originally due.

## **2. Liquidation Preference**

(a) In the event of a Liquidation Event following the distribution of assets in respect of the Series C Preferred Stock pursuant to Section 2(a) of Annex C (the “Series C Liquidation Preference”), the holders of Series A Preferred Stock are entitled to receive on a pari passu basis with the holders of Series B Preferred Stock and prior and in preference to any distribution of any of the assets of this Corporation to the holders of Common Stock and holders of any other stock ranking junior on liquidation to the Series A Preferred Stock by reason of their ownership thereof (but excluding the Series C Liquidation Preference), out of the assets of the Corporation available for distribution to its shareholders, an amount per share equal to the sum of (A) the Original Issue Price for each outstanding share of Series A Preferred Stock (i.e., excluding shares of Series A Preferred Stock already converted) and (B) the amount of accumulated and unpaid dividends (whether or not declared) on such share (subject to adjustment for Recapitalizations). If upon the occurrence of such event, the assets and funds thus distributed among the holders of the Series A Preferred Stock and the Series B Preferred Stock are insufficient to permit the payment to such holders of the full preferential amounts to which they are entitled upon a Liquidation Event under this Amended and Restated Certificate of Incorporation, then the entire assets and funds of this Corporation legally available for distribution to stockholders will be distributed ratably among the holders of the Series A Preferred Stock and the Series B Preferred Stock in proportion to the full preferential amount each such holder is otherwise entitled to receive.

(b) Upon completion of the Series C Liquidation Preference and the distribution required by Section 2(a), all of the remaining assets of this Corporation available for distribution to stockholders will be distributed among the holders of Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock and Common Stock pro rata based on the number of shares of Common Stock held or deemed held by each (assuming full conversion into shares of Common Stock of all such outstanding Preferred Stock).

(c) (i) For purposes of this Section 2, a “Liquidation Event” will be deemed to be occasioned by, or to include:

(A) the acquisition of this Corporation by another entity by means of any one transaction or a series of related transactions (including, without limitation, any merger, reorganization or consolidation, but excluding any merger effected exclusively for the purpose of changing the domicile of this Corporation) in which this Corporation’s stockholders of record as constituted immediately prior to such acquisition do not, immediately after such acquisition (by virtue of securities issued as consideration for this

Corporation's acquisition or otherwise), hold at least 50% of the voting power of the resulting or surviving corporation following such acquisition; (B) any transaction or a series of transactions in which majority control of this Corporation is transferred to any one or more persons or entities through a transfer to such persons or entities of more than 50% of the Common Stock, on a fully diluted basis; (C) the sale, lease, pledge or other disposition to any one or more persons or entities of all or substantially all of the assets of this Corporation in one transaction or a series of related transactions; (D) the grant or pledge of an exclusive license to any one or more persons or entities to all or a substantial part of this Corporation's intellectual property that is used to generate all or a substantial part of the Corporation's revenues; (E) the closing by this Corporation of a firm commitment underwritten public offering of the Common Stock pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Act") (other than a registration statement relating either to the sale of securities to employees of this Corporation pursuant to its stock option, stock purchase or similar plan or a transaction pursuant to Rule 145 promulgated under the Act), the public offering price of which is not less than \$5.00 per share (appropriately adjusted for recapitalizations effected after the date hereof) and in which the aggregate net proceeds (after, without limitation, deductions of underwriters' commissions and offering expenses) to this Corporation exceed \$27,000,000, which securities are deemed "covered securities" as such term is defined in Section 18 of the Act (a "Qualified Public Offering"); or (F) a Triggering Event (as defined below). The term "Triggering Event" means any of the following events:

(1) the signing by an authorized officer of this Corporation of a petition for relief under Title 11, United States Code, as currently in effect or as amended;

(2) the commencement of any involuntary bankruptcy case or other proceeding against this Corporation under Title 11, United States Code, as currently in effect or as amended (provided that if such case or proceeding is dismissed within 60 days after the date of such commencement, then a Triggering Event arising solely pursuant to this clause as a result of such case or proceeding will be dismissed) or the appointment of a trustee, receiver, liquidator, custodian or sequestrator (or other similar official) for this Corporation or any substantial part of its property;

(3) the making by this Corporation of an assignment for the benefit of creditors generally; or

(4) the failure or inability of this Corporation to pay its debts generally as they become due.

(ii) If this Corporation receives consideration in a Liquidation Event and such consideration is other than cash, its value will be deemed its fair market value as determined below:

(A) Securities not subject to an investment letter or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate):

(1) if traded on a national securities exchange, the value will be deemed to be the average of the closing prices of the securities on such market over the 30-day period ending five days prior to the closing of the Liquidation Event;

(2) if actively traded over-the-counter other than through the Nasdaq National Market, the value will be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the 30-day period ending five days prior to the closing of the Liquidation Event; and

(3) if there is no active public market, the value will be the fair market value thereof, as determined in good faith by a majority of the Board of Directors.

(B) The method of valuation of securities subject to an investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) will be to make an appropriate discount from the value determined as above in Section 2(c)(ii)(A) to reflect the approximate fair market value thereof, as determined in good faith by a majority of the Board of Directors.

(C) The value of assets other than securities will be their fair market value as determined in good faith by the majority of the Board of Directors.

(iii) In the event that the requirements of this Section 2(c) are not complied with (except with respect to a Triggering Event), this Corporation will forthwith either:

(A) cause the closing of the Liquidation Event to be postponed until such time as the requirements of this Section 2(c) have been complied with; or

(B) cancel such transaction, in which event the powers, preferences, privileges and other rights and the qualifications, limitations and restrictions of the Series A Preferred Stock will revert to and be the same as such powers, preferences, privileges and other rights and the qualifications, limitations and restrictions existing immediately prior to the date of the first notice referred to in Section 2(c)(iv) hereof.

(iv) This Corporation shall give each holder of record of Series A Preferred Stock written notice of an impending Liquidation Event (except for a Triggering Event) not later than 30 days prior to the stockholders' meeting called to approve such transaction, or 30 days prior to the closing of such transaction, whichever is earlier, and

shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction and this Corporation will thereafter give such holders prompt notice of any material changes. The transaction will in no event take place sooner than 20 days after this Corporation has given the first notice provided for herein or sooner than 10 days after this Corporation has given notice of any material changes provided for herein provided, however, that such periods may be shortened upon the written consent of the holders of the Series A Preferred Stock that are entitled to such notice rights or similar notice rights and that represent at least a majority of the voting power of all then outstanding shares of Series A Preferred Stock voting as a separate class.

### **3. Conversion**

The holders of shares of Series A Preferred Stock will have conversion rights as follows (the "Conversion Rights"):

(a) Right to Convert. Each share of Series A Preferred Stock is convertible, at the option of the holder thereof and without payment of any additional consideration, at any time after the date of issuance of such share at the office of this Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the applicable Original Issue Price per share (as defined below) by the Conversion Price (determined as hereafter provided) in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share is \$1.00 (the "Original Issue Price"). The initial Conversion Price will be subject to adjustment as set forth in Section 3(e).

(b) Automatic Conversion. Each share of Series A Preferred Stock will automatically and without further action on the part of this Corporation or any holder of Series A Preferred Stock be converted into shares of Common Stock at the Conversion Price at the time in effect for the Series A Preferred Stock immediately upon the earlier of (i) the closing of a Qualified Public Offering or (ii) the date specified by written consent or agreement of the holders of at least sixty percent (60%) of the then outstanding shares of Series A Preferred Stock.

(c) Accumulated Dividends. Accumulated dividends with respect to a share of Series A Preferred Stock which are accrued and unpaid will, upon conversion of such share to Common Stock, be paid to the extent assets are legally available therefor and any amounts for which assets are not legally available will be paid promptly as assets become legally available therefor; any partial payment will be made pro rata among the holders of Series A Preferred and Series B Preferred Stock, as the case may be, then entitled thereto. Such payment of accrued dividends upon conversion shall be made in cash, or, at the individual option of each converting stockholder, in Common Stock based on a price per share of Common Stock equivalent to its then fair market value as determined in good faith by the majority of the Board of Directors. Notwithstanding the above if, in connection with an automatic conversion as provided in Section 3(b)(i) above, the lead underwriter of the Qualified Public Offering determines that payment of such dividends in cash would be materially detrimental to the success of such Qualified Public Offering, then regardless of the choice of the individual stockholder, accrued and unpaid dividends shall be paid in cash only to the extent deemed necessary or desirable by the lead underwriter.

(d) Mechanics of Conversion. Before any holder of Series A Preferred Stock will be entitled to convert the same into shares of Common Stock pursuant to Section 4(a) hereof, he, she or it must surrender the certificate or certificates therefor, duly endorsed, at the office of this Corporation or of any transfer agent for the Series A Preferred Stock, give written notice to this Corporation at its principal corporate office, of the election to convert the same and state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued; provided, however, that in the event that the holder of Series A Preferred Stock notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed, the Corporation shall convert such holder's Series A Preferred Stock into shares of Common Stock provided that, such holder executes an agreement reasonably satisfactory to the Corporation to indemnify the Corporation from any loss incurred in connection with such certificates. This Corporation will, as soon as practicable thereafter, issue and deliver at such office to such holder of Series A Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder is entitled as aforesaid. With respect to conversion pursuant to Section 3(a) hereof, such conversion will be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series A Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion will be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date; and with respect to conversion pursuant to Section 3(b) hereof, such conversion will be deemed to have been made upon the closing of a Qualified Public Offering or immediately prior to the close of business on the date specified by the holders of at least two-thirds of the then outstanding shares of Series A Preferred Stock, as the case may be, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion will be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date.

(e) Conversion Price Adjustments of Preferred Stock. The Conversion Prices of the Series A Preferred Stock will be subject to adjustment from time to time as follows:

(i) (A) If this Corporation issues, after the date upon which the shares of Series A Preferred Stock were first issued (the "Purchase Date"), any Additional Stock (as defined below) without consideration or for a consideration per share less than the Conversion Price in effect immediately prior to the issuance of such Additional Stock, then the Conversion Price for Series A Preferred Stock in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in this Section 3(e)(i)) be adjusted to a price equal to the quotient obtained by dividing the total computed under clause (x) below by the total computed under clause (y) below:

(x) an amount equal to the sum of:

(1) the aggregate purchase price of the shares of Series A Preferred Stock sold pursuant to the agreement(s) under which such Series A Preferred Stock were first issued (the "Stock Purchase Agreement(s)"), plus

(2) the aggregate consideration, if any, received by this Corporation for all Additional Stock for which this adjustment is made;

(y) an amount equal to the sum of:

(1) the aggregate purchase price of the shares of Series A Preferred Stock sold pursuant to the Stock Purchase Agreement(s) divided by the initial Conversion Price in effect at the Purchase Date, plus

(2) the number of shares of Additional Stock issued for which this adjustment is made.

(B) No adjustment of the Conversion Price will be made in an amount less than one cent per share, provided that any adjustments that are not required to be made by reason of this sentence will be carried forward and shall be either taken into account in any subsequent adjustment made prior to three years from the date of the event giving rise to the adjustment being carried forward, or will be made at the end of three years from the date of the event giving rise to the adjustment being carried forward. Except to the limited extent provided for in Sections 3(e)(i)(E)(3) and 3(e)(i)(E)(4), no adjustment of such Conversion Price pursuant to this Section 3(e)(i) shall have the effect of increasing the Conversion Price above the Conversion Price in effect immediately prior to such adjustment.

(C) In the case of the issuance of Common Stock for cash, the consideration will be deemed to be the amount of cash paid therefor before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by this Corporation for any underwriting or otherwise in connection with the issuance and sale thereof.

(D) In the case of the issuance of the Common Stock for consideration in whole or in part other than cash, the consideration other than cash will be deemed to be the fair value thereof as determined in good faith by a majority of the Board of Directors irrespective of any accounting treatment.

(E) In the case of the issuance (whether on or after the Purchase Date) of warrants, options to purchase or rights to subscribe for Common Stock, securities by their terms convertible into or exchangeable for Common Stock or warrants, options to purchase or rights to subscribe for such convertible or exchangeable securities, the following provisions will apply for all purposes of this Section 3(e)(i) and Section 3(e)(ii):

(1) The aggregate maximum number of shares of Common Stock deliverable upon exercise (assuming the satisfaction of any conditions to exercisability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) of such warrants, options to purchase or rights to subscribe for Common Stock will be deemed to have been issued at the time such warrants, options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections 3(e)(i)(C) and 3(e)(i)(D)), if any, received by this Corporation upon the issuance of such warrants, options or rights plus the minimum exercise price provided in such warrants, options or rights (without taking into account potential antidilution adjustments) for the Common Stock covered thereby.

(2) The aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange (assuming the satisfaction of

any conditions to convertibility or exchangeability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) for any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof will be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration, if any, received by this Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by this Corporation (without taking into account potential antidilution adjustments) upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections 3(e)(i)(C) and 3(e)(i)(D)).

(3) In the event of any change in the number of shares of Common Stock deliverable or in the consideration payable to this Corporation upon exercise of such options or rights or upon conversion of or in exchange for such convertible or exchangeable securities, including, but not limited to, a change resulting from the antidilution provisions thereof, the Conversion Price, to the extent in any way affected by or computed using such options, rights or securities, will be recomputed to reflect such change, but no further adjustment will be made for the actual issuance of Common Stock or any payment of such consideration upon the exercise of any such options or rights or the conversion or exchange of such securities.

(4) Upon the expiration of any such options or rights, the termination of any such rights to convert or exchange or the expiration of any options or rights related to such convertible or exchangeable securities, the Conversion Price, to the extent in any way affected by or computed using such options, rights or securities or options or rights related to such securities, will be recomputed to reflect the issuance of only the number of shares of Common Stock (and convertible or exchangeable securities that remain in effect) actually issued upon the exercise of such options or rights, upon the conversion or exchange of such securities or upon the exercise of the options or rights related to such securities.

(5) The number of shares of Common Stock deemed issued and the consideration deemed paid therefor pursuant to Sections 3(e)(i)(E)(1) and 3(e)(i)(E)(2) will be appropriately adjusted to reflect any change, termination or expiration of the type described in either Section 3(e)(i)(E)(3) or 3(e)(i)(E)(4).

(ii) “Additional Stock” means any shares of Common Stock issued (or deemed to have been issued pursuant to Section 3(e)(i)(E)) by this Corporation after the Purchase Date other than:

(A) shares of Common Stock issued pursuant to a transaction described in Section 3(e)(iii) hereof;

(B) shares of Common Stock issued or issuable pursuant to a stock option plan, restricted stock plan, agreements or other incentive stock

arrangements approved by the stockholders and a majority of the Board of Directors of this Corporation;

(C) shares of Common Stock issued or issuable to persons or entities with which the Company has strategic business relationships provided such issuances are for other than primarily equity financing purposes and have been approved by the majority of the Board of Directors of this Corporation;

(D) shares of Common Stock issued at the discretion of the majority of the Board of Directors, to vendors, service providers or suppliers to this Corporation provided such issuances are for other than primarily equity financing purposes;

(E) shares of Common Stock issued at the discretion of the Board of Directors to financial institutions or lessors in connection with commercial credit arrangements, equipment financings or similar transactions provided such issuances are for other than primarily equity financing purposes;

(F) shares of Common Stock issued pursuant to the conversion, exchange or exercise of convertible or exercisable securities outstanding as of the date hereof (including shares issued or to be issued to Life Sciences Greenhouse of Central PA or LSGH, LLC ("LSGC") and/or to Ben Franklin Technology Partners ("Ben Franklin") pursuant to agreements entered into, or warrants issued, prior to the Purchase Date) or subsequently issued pursuant to this Section 3(e)(ii); or

(G) shares of Common Stock the issuance of which was approved by a majority of the Board of Directors; provided, that the holders of 60% of the then outstanding shares of Series A Preferred Stock consent to the exclusion of such shares from the definition of Additional Stock.

Shares described under Section 3(e)(ii)(A) through 3(e)(ii)(G) above shall be referred to herein as "Excluded Shares."

(iii) In the event this Corporation should at any time or from time to time after the Purchase Date fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or other securities or rights convertible into, exchangeable for, or entitling the holder thereof to receive directly or indirectly, additional shares of Common Stock (the "Common Stock Equivalents") without payment of any consideration by such holder for the additional shares of Common Stock or the Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Conversion Price will be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of Series A Preferred Stock will be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding and those issuable with respect to such Common Stock Equivalents; provided, however, that if such record date is fixed and such dividend is not paid or if such distribution is not fully made on the date fixed



therefor, the Conversion Price will be re-computed accordingly as of the close of business on such record date and thereafter the Conversion Price will be adjusted pursuant to this Section 4 to reflect the actual payment of such dividend or distribution.

(iv) If the number of shares of Common Stock outstanding at any time after the Purchase Date is decreased by a combination of the outstanding shares of Common Stock, then, following the record date of such combination, the Conversion Price will be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of such series will be decreased in proportion to such decrease in outstanding shares.

(f) Other Distributions. In the event this Corporation declares a distribution payable in securities of other persons, evidences of indebtedness issued by this Corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 3(e)(ii), then, in each such case for the purpose of this Section 3(f), the holders of Series A Preferred Stock will be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of this Corporation into which their shares of such Series A Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of this Corporation entitled to receive such distribution.

(g) Reclassifications. If at any time or from time to time the Common Stock of this Corporation is changed into the same or a different number of shares of any class or classes of stock whether by Recapitalization or otherwise (other than a Recapitalization, reclassification, exchange, reorganization, substitution or merger or sale of assets provided for elsewhere in Section 2 hereof or this Section 3), provision will be made so that the holders of Series A Preferred Stock be entitled to receive upon conversion of such shares the kind and number of shares of stock or other securities or property of this Corporation or otherwise, to which a holder of the number of shares of Common Stock deliverable upon conversion of the Series A Preferred Stock held by such holder would have been entitled on such Reclassification. In any such case, appropriate adjustment will be made in the application of the provisions of this Section 3 with respect to the rights of the holders of Series A Preferred Stock after the capital reorganization such that the provisions of this Section 3 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of the Series A Preferred Stock) will be applicable after that event as nearly equivalent as may be practicable.

(h) No Impairment. This Corporation will not, by amendment of this Certificate or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 3 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of Series A Preferred Stock against impairment.

(i) No Fractional Shares and Certificate as to Adjustments.

(i) No fractional shares will be issued upon the conversion of any share or shares of Series A Preferred Stock, and the number of shares of Common Stock to be issued will be rounded to the nearest whole share. The number of shares of Common Stock to be issued upon such conversion will be determined on the basis of the total number of shares of Series A Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section 3, this Corporation, at its expense, will promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. This Corporation will, upon the written request at any time of any holder of Series A Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price at the time in effect, and (C) the number of shares of Common Stock and the amount, if any, of other property that at the time would be received upon the conversion of a share of Series A Preferred Stock.

(j) Notices of Record Date. In the event of any taking by this Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, this Corporation will mail to each holder of Series A Preferred Stock, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(k) Reservation of Stock Issuable Upon Conversion, Exercise or Exchange. This Corporation will at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of Series A Preferred Stock, such number of its shares of Common Stock as will from time to time be sufficient to effect the conversion of all outstanding shares of Series A Preferred Stock, and if at any time the number of authorized but unissued shares of Common Stock is not sufficient to effect the conversion of all then outstanding shares of Series A Preferred Stock, in addition to such other remedies as are available to the holder of the Series A Preferred Stock, this Corporation will take such corporate action as it deems necessary to increase its authorized but unissued shares of Common Stock to such number of shares as will be sufficient for such purposes, including, without limitation, using its commercially reasonable efforts to obtain the requisite stockholder approval of any necessary amendment to this Corporation's Certificate of Incorporation.

(l) Notices. Any notice required by the provisions of this Section 4 to be given to the holders of shares of Series A Preferred Stock will be deemed given if deposited in the United States mail, postage prepaid, and (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered

or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All notices shall be addressed to each holder of record at his address appearing on the books of this Corporation.

#### **4. Voting Rights**

The holder of each share of Series A Preferred Stock will have the right to one vote for each share of Common Stock into which such share of Series A Preferred Stock could then be converted, and with respect to such vote, such holder will have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and will be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the Bylaws of this Corporation, and will be entitled to vote, together with holders of Common Stock, with respect to any matter upon which holders of Common Stock have the right to vote. Fractional votes will not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Series A Preferred Stock held by each holder could be converted) will be rounded to the nearest whole number (with one-half being rounded upward).

#### **5. Protective Provisions**

(a) Subject to the provision of Section 5(c) hereof, so long as any shares of Series A Preferred Stock are outstanding, this Corporation will not without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least 60% of the then outstanding shares of Series A Preferred Stock and this Corporation's Series B Convertible Participating Preferred Stock acting collectively as a single class with voting power determined as provided in Section 4.

(i) effect or enter into any plan of liquidation for this Corporation, any reorganization, consolidation or merger of this Corporation with (or into) any other entity or third party, or any sale of all or a substantial portion of the stocks or assets of this Corporation;

(ii) effect any Liquidation Event (except for a Triggering Event);

(iii) alter or change the rights, preferences or privileges of, or the qualifications, limitations or restrictions that provide for the benefit of, the shares of Series A Preferred Stock so as to affect adversely such shares whether by merger, consolidation, Recapitalization or otherwise;

(iv) authorize or issue additional shares of Series A Preferred Stock;

(v) authorize, create or issue, or obligate itself to issue, any other equity security, including any other security (equity or non-equity) convertible into or exercisable or exchangeable for any equity security having a preference (including with respect to registration rights) over, or being on a parity with, the Series A Preferred Stock;

(vi) effect any reclassification or recapitalization of another series or class of stock which places such series or class in preference to, or on a parity with, the Series A Preferred Stock; and

(vii) effect any reclassification of, or cancel, any outstanding shares of Series A Preferred Stock.

(b) So long as any shares of Series A Preferred Stock are outstanding, this Corporation will not without first obtaining the approval of the majority of the Board of Directors:

(i) declare or pay dividends on stock of this Corporation (except as expressly provided herein under Section 1);

(ii) redeem, purchase or otherwise acquire (or pay into or set aside for a sinking fund for such purpose) any shares of Common Stock, options to purchase shares of Common Stock or any other series of Preferred Stock;

(iii) amend this Corporation's Amended and Restated Certificate of Incorporation (including pursuant to Article IV.b thereof) or By-Laws;

(iv) create any subsidiary;

(v) authorize or issue or reserve for issuance shares of Common Stock allocated to employees in excess of 3,000,000 shares of Common Stock;

(vi) effect an initial public offering or public offering of debt securities of this Corporation;

(vii) select underwriters for the Qualified Public Offering;

(viii) effect any acquisition or investment in another business entity;

(ix) effect any transaction between this Corporation and any affiliate thereof (i.e., a person or entity that is in control of, under common control as, or under the control of, the Company) and/or approve or enter into any agreement to which any officer, director, employee or stockholder of this Corporation is directly or indirectly a party or beneficiary (other than the payment of salary or related compensation in the ordinary course of business), including any employee benefit, bonus or stock plan if such will provide more benefits than are then provided to such person;

(x) expend capital expenditures in an aggregate amount greater than \$100,000 in any one year;

(xi) enter into any material lease outside the ordinary course of this Corporation's business;

(xii) incur any material debt outside this Corporation's ordinary course of business; or

(xiii) effect any other material change in, or deviate in a material manner from, this Corporation's business plan as in effect on the Purchase Date.

(c) Notwithstanding the foregoing, no consent or approval of the holders of Series A Preferred Stock under Section 5(a) shall be required for the issuance of Excluded Shares to be issued to: (i) LSGC and/or Ben Franklin pursuant to agreements entered into, or warrants issued, prior to the Purchase Date; or (ii) under any plan, agreement or arrangement that has been approved in accordance with the terms of this Amended and Restated Certificate of Incorporation or the Investors' Rights Agreement, by and among this Corporation and the persons named therein, dated as of September 22, 2013, as may be amended or restated from time to time.

## **6. Preemptive Rights**

Subject to the terms and conditions specified in this Section, each holder of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and each of the Founders (as defined below, and collectively for the purposes of this Section, a "Preferred Holder") has a right of first refusal with respect to future sales by this Corporation of any Shares (as hereinafter defined). Each time this Corporation proposes to offer any shares of, or securities convertible into or exchangeable or exercisable for any shares of, any class of its capital stock (the "Shares"), this Corporation will first make an offering of such Shares to each Preferred Holder in accordance with the following provisions:

(a) Not less than 30 days prior to such offering, this Corporation will deliver a notice (the "Notice") to each Preferred Holder of record stating (i) its bona fide intention to offer such Shares, (ii) the number of such Shares to be offered, (iii) the price (which must be in cash) and terms upon which it proposes to offer such Shares and (iv) the manner of sale.

(b) By written notification received by this Corporation, within 20 days after receipt of the Notice, the Preferred Holder may elect to purchase or obtain, at the price and on the terms specified in the Notice, that portion of such Shares that equals the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion of the Series A Preferred Stock then held, by such Preferred Holder bears to the total number of shares of Common Stock of this Corporation then outstanding (assuming full conversion of the Series A Preferred Stock and Series B Preferred Stock). This Corporation shall promptly, in writing, inform each Preferred Holder which purchases all the shares available to it ("Fully-Exercising Holder") of any other Shares available due to any Preferred Holder's election not to purchase any or all of the Shares available to such holder. During the 10-day period commencing after receipt of such information, each Fully-Exercising Holder will be entitled to obtain an amount of Shares of the entire offering which were not subscribed for by other Preferred Holders which is equal to the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion of the shares of Preferred Stock then held, by such Fully-Exercising Holder bears to the total number of shares of Common Stock issued and held, or issuable upon

conversion of the shares of Preferred Stock then held, by all Fully-Exercising Holders who wish to purchase some of the unsubscribed shares.

(c) If all Shares that Preferred Holders are entitled to obtain pursuant to Section 6(b) above are not elected to be obtained as provided in such paragraph, this Corporation may, during the 90-day period following the expiration of the period provided in Section 6(b) hereof, offer the remaining unsubscribed portion of such Shares 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 Notice. If this Corporation does not enter into an agreement for the sale of the Shares within such period, or if such agreement is not consummated within 90 days of the execution thereof, the right provided hereunder will be deemed to be revived and such Shares will not be offered unless first reoffered to the Preferred Holders in accordance herewith.

(d) Notwithstanding the definition of the term “Shares” above, the right of first refusal in this Section 6 shall not be applicable to: (i) the issuance of this Corporation’s shares to the public pursuant to an effective underwritten registration statement filed under the Act; (ii) the issuance of Excluded Shares; (iii) the issuance of securities in connection with a bona fide business acquisition of or by this Corporation, whether by merger, consolidation, sale of assets, sale or exchange of stock or otherwise; (iv) the exercise of any right which was not itself a violation of this Section 6(d); or (v) issuances of securities in which a majority-in-interest of the holders of Preferred Stock and a majority-in-interest of the Founders agree in writing to waive the preemptive rights granted pursuant to Section 6.

(e) The preemptive rights set forth in this Section 6 may not be assigned or transferred, except that (i) such rights are assignable by each Preferred Holder to any wholly-owned subsidiary or parent of, or to any corporation or entity that is, within the meaning of the Act, an affiliate of such Preferred Holder, and (ii) such right is assignable to a permitted transferee or assignee of the Preferred Holders.

(f) The term “Founder” means each of Neal G. Simon, Gary Koppel, Craig Ferris and Michael Brownstein.

Standard Provisions of the  
Series B Convertible Participating Preferred Stock

**1. Dividend Provisions**

(a) Subject only to the priority of the dividends payable on the Class C Preferred Stock pursuant to Section 1(a) of Annex C (the "Series C Dividend Preference"), the holders of shares of Series B Preferred Stock are entitled to receive cash dividends, out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock of this Corporation) on the Common Stock of this Corporation, at the rate of 8% of the Original Issue Price (as defined below), per share per annum (as adjusted for any stock splits, subdivisions, stock dividends, combinations, recapitalizations and the like (collectively, "Recapitalizations")), payable quarterly on the first day of January, April, July and October of each year, with the first dividend payable on April 1, 2009. Notwithstanding the above, in lieu of cash payments and at the discretion of this Corporation, the dividends owed hereunder or any portion thereof may accrue and cumulate to the benefit of the holders of the Series B Preferred Stock until (i) the payment of dividends on Common Stock or other Preferred Stock (if any), or (ii) the occurrence of a Liquidation Event (as defined below), conversion of the Series B Preferred Stock, or a redemption thereof (all pursuant to the provisions of this Certificate); in which event, the accrued and unpaid dividends shall be paid to the holders of the Series B Preferred Shares in the manner provided for below with respect to the relevant event. Until actually paid, the dividends owed hereunder will accrue on each share of Series B Preferred Stock from the date of issuance, and will accrue from day to day, whether or not earned or declared. Such dividends will be cumulative so that, if such dividends in respect of any previous or current annual dividend period, at the annual rate specified above, have not been paid the deficiency will first be fully paid before any dividend or other distribution is paid on or declared and set apart for the Common Stock or other Preferred Stock (if any), except for the Series C Dividends Preference. Any accumulation of dividends on the Series B Preferred Stock will not bear interest.

(b) After the Series C Dividend Preference and after payment of any dividends pursuant to Sections 1(a) above, any additional dividends, if so declared at the discretion of this Corporation, will be distributed among all holders of Common Stock and all holders of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock in proportion to the number of shares of Common Stock which would be held by each such holder if all shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock were converted to Common Stock at the respective conversion prices for such Preferred Stock as then effective.

(c) Each dividend owed under Section 1(a) above and each dividend declared by the Board of Directors pursuant to Section 1(b) above, will be paid to holders of

record of shares of the Series B Preferred Stock as they appear on the stock register of the Corporation on the record date, which will be 15 days before the dividend payment date. Dividends in arrears for any past dividend period may be declared and paid at any time fixed by the Board of Directors, whether or not a regular dividend payment date, to holders of record of shares of Series B Preferred Stock as they appear on the stock register on the record date (which will be 15 days before the anticipated payment date) and all such dividend payments will be applied in the order in which such accumulated and unpaid dividends were originally due.

## **2. Liquidation Preference**

(a) In the event of a Liquidation Event following the distribution of assets in respect of the Series C Preferred Stock pursuant to Section 2(a) of Annex C (the “Series C Liquidation Preference”), the holders of Series B Preferred Stock are entitled to receive on a pari passu basis with the holders of Series A Preferred Stock and prior and in preference to any distribution of any of the assets of this Corporation to the holders of Common Stock and holders of any other stock ranking junior on liquidation to the Series B Preferred Stock by reason of their ownership thereof (but excluding the Series C Liquidation Preference), out of the assets of the Corporation available for distribution to its shareholders an amount per share equal to the sum of (A) the Original Issue Price for each outstanding share of Series B Preferred Stock (i.e., excluding shares of Series B Preferred Stock already converted) and (B) the amount of accumulated and unpaid dividends (whether or not declared) on such share (subject to adjustment for Recapitalizations). If upon the occurrence of such event, the assets and funds thus distributed among the holders of the Series A Preferred Stock and the Series B Preferred Stock are insufficient to permit the payment to such holders of the full preferential amounts to which they are entitled upon a Liquidation Event under this Amended and Restated Certificate of Incorporation, then the entire assets and funds of this Corporation legally available for distribution to stockholders will be distributed ratably among the holders of the Series A Preferred Stock and the Series B Preferred Stock in proportion to the full preferential amount each such holder is otherwise entitled to receive.

(b) Upon completion of the Series C Liquidation Preference and the distribution required by Section 2(a), all of the remaining assets of this Corporation available for distribution to stockholders will be distributed among the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and Common Stock pro rata based on the number of shares of Common Stock held or deemed held by each (assuming full conversion into shares of Common Stock of all such outstanding Preferred Stock).

(c) (i) For purposes of this Section 2, a “Liquidation Event” will be deemed to be occasioned by, or to include:

(A) the acquisition of this Corporation by another entity by means of any one transaction or a series of related transactions (including, without limitation, any merger, reorganization or consolidation, but excluding any merger effected exclusively for the purpose of changing the domicile of this Corporation) in which this Corporation’s stockholders of record as constituted immediately prior to such acquisition do not, immediately after such acquisition



(by virtue of securities issued as consideration for this Corporation's acquisition or otherwise), hold at least 50% of the voting power of the resulting or surviving corporation following such acquisition; (B) any transaction or a series of transactions in which majority control of this Corporation is transferred to any one or more persons or entities through a transfer to such persons or entities of more than 50% of the Common Stock, on a fully diluted basis; (C) the sale, lease, pledge or other disposition to any one or more persons or entities of all or substantially all of the assets of this Corporation in one transaction or a series of related transactions; (D) the grant or pledge of an exclusive license to any one or more persons or entities to all or a substantial part of this Corporation's intellectual property that is used to generate all or a substantial part of the Corporation's revenues; (E) the closing by this Corporation of a firm commitment underwritten public offering of its common stock pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Act") (other than a registration statement relating either to the sale of securities to employees of this Corporation pursuant to its stock option, stock purchase or similar plan or a transaction pursuant to Rule 145 promulgated under the Act), the public offering price of which is not less than \$5.00 per share (appropriately adjusted for recapitalizations effected after the date hereof) and in which the aggregate net proceeds (after, without limitation, deductions of underwriters' commissions and offering expenses) to this Corporation exceed \$27,000,000, which securities are deemed "covered securities" as such term is defined in Section 18 of the Act (a "Qualified Public Offering"); or (F) a Triggering Event (as defined below). The term "Triggering Event" means any of the following events:

(1) the signing by an authorized officer of this Corporation of a petition for relief under Title 11, United States Code, as currently in effect or as amended;

(2) the commencement of any involuntary bankruptcy case or other proceeding against this Corporation under Title 11, United States Code, as currently in effect or as amended (provided that if such case or proceeding is dismissed within 60 days after the date of such commencement, then a Triggering Event arising solely pursuant to this clause as a result of such case or proceeding will be dismissed) or the appointment of a trustee, receiver, liquidator, custodian or sequestrator (or other similar official) for this Corporation or any substantial part of its property;

(3) the making by this Corporation of an assignment for the benefit of creditors generally; or

(4) the failure or inability of this Corporation to pay its debts generally as they become due.

(ii) If this Corporation receives consideration in a Liquidation Event and such consideration is other than cash, its value will be deemed its fair market value as determined below:

(A) Securities not subject to an investment letter or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate):

(1) if traded on a national securities exchange, the value will be deemed to be the average of the closing prices of the securities on such market over the 30-day period ending five days prior to the closing of the Liquidation Event;

(2) if actively traded over-the-counter other than through the Nasdaq National Market, the value will be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the 30-day period ending five days prior to the closing of the Liquidation Event; and

(3) if there is no active public market, the value will be the fair market value thereof, as determined in good faith by a majority of the Board of Directors.

(B) The method of valuation of securities subject to an investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) will be to make an appropriate discount from the value determined as above in Section 2(c)(ii)(A) to reflect the approximate fair market value thereof, as determined in good faith by a majority of the Board of Directors.

(C) The value of assets other than securities will be their fair market value as determined in good faith by the majority of the Board of Directors.

(iii) In the event that the requirements of this Section 2(c) are not complied with (except with respect to a Triggering Event), this Corporation will forthwith either:

(A) cause the closing of the Liquidation Event to be postponed until such time as the requirements of this Section 2(c) have been complied with; or

(B) cancel such transaction, in which event the powers, preferences, privileges and other rights and the qualifications, limitations and restrictions of the Series B Preferred Stock will revert to and be the same as such powers, preferences, privileges and other rights and the qualifications, limitations and restrictions existing immediately prior to the date of the first notice referred to in Section 2(c)(iv) hereof.

(iv) This Corporation shall give each holder of record of Series B Preferred Stock written notice of an impending Liquidation Event (except for a Triggering Event) not later than 30 days prior to the stockholders' meeting called to approve such transaction, or 30 days prior to the closing of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction and this Corporation will thereafter give such holders prompt notice of any material changes. The transaction will in no event take place sooner than 20 days after this Corporation has given the first notice provided for herein or sooner than 10 days after this Corporation has given notice of any material changes provided for herein; provided, however, that such periods may be shortened upon the written consent of the holders of the Series B Preferred Stock that are entitled to such notice rights or similar notice rights and that represent at least a majority of the voting power of all then outstanding shares of Series B Preferred Stock voting as separate class.

### **3. Conversion**

The holders of shares of Series B Preferred Stock will have conversion rights as follows (the "Conversion Rights");

(a) Right to Convert. Each share of Series B Preferred Stock is convertible, at the option of the holder thereof and without payment of any additional consideration, at any time after the date of issuance of such share at the office of this Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the applicable Original Issue Price per share (as defined below) by the Conversion Price (determined as hereafter provided) in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share is \$1.323 (the "Original Issue Price"). The initial Conversion Price will be subject to adjustment as set forth in Section 3(e).

(b) Automatic Conversion. Each share of Series B Preferred Stock will automatically and without further action on the part of this Corporation or any holder of Series B Preferred Stock be converted into shares of Common Stock at the Conversion Price at the time in effect for the Series B Preferred Stock immediately upon the earlier of (i) the closing of a Qualified Public Offering or (ii) the date specified by written consent or agreement of the holders of at least sixty percent (60%) of the then outstanding shares of Series B Preferred Stock.

(c) Accumulated Dividends. Accumulated dividends with respect to a share of Series B Preferred Stock which are accrued and unpaid will, upon conversion of such share to Common Stock, be paid to the extent assets are legally available therefor and any amounts for which assets are not legally available will be paid promptly as assets become legally available therefor; any partial payment will be made pro rata among the holders of Series A Preferred Stock and Series B Preferred Stock, as the case may be, then entitled thereto. Such payment of accrued dividends upon conversion shall be made in cash, or, at the individual option of each converting stockholder, in Common Stock based on a price per share of Common Stock equivalent to its then fair market value as determined in good faith by the majority of the Board of Directors. Notwithstanding the above, if, in connection with an automatic conversion as provided in Section 3(b)(i) above, the lead underwriter of the Qualified Public Offering

determines that payment of such dividends in cash would be materially detrimental to the success of such Qualified Public Offering, then regardless of the choice of the individual stockholder, accrued and unpaid dividends shall be paid in cash only to the extent deemed necessary or desirable by the lead underwriter.

(d) Mechanics of Conversion. Before any holder of Series B Preferred Stock will be entitled to convert the same into shares of Common Stock pursuant to Section 4(a) hereof, he, she or it must surrender the certificate or certificates therefor, duly endorsed, at the office of this Corporation or of any transfer agent for the Series B Preferred Stock, give written notice to this Corporation at its principal corporate office, of the election to convert the same and state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued; provided, however, that in the event that the holder of Series B Preferred Stock notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed, the Corporation shall convert such holder's Series B Preferred Stock into shares of Common Stock provided that such holder executes an agreement reasonably satisfactory to the Corporation to indemnify the Corporation from any loss incurred in connection with such certificates. This Corporation will, as soon as practicable thereafter, issue and deliver at such office to such holder of Series B Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder is entitled as aforesaid. With respect to conversion pursuant to Section 3(a) hereof, such conversion will be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series B Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion will be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date; and with respect to conversion pursuant to Section 3(b) hereof, such conversion will be deemed to have been made upon the closing of a Qualified Public Offering or immediately prior to the close of business on the date specified by the holders of at least 60% of the then outstanding shares of Series B Preferred Stock, as the case may be, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion will be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date.

(e) Conversion Price Adjustments of Preferred Stock. The Conversion Prices of the Series B Preferred Stock will be subject to adjustment from time to time as follows:

(i) (A) If this Corporation issues, after the date upon which the shares of Series B Preferred Stock were first issued (the "Purchase Date"), any Additional Stock (as defined below) without consideration or for a consideration per share less than the Conversion Price in effect immediately prior to the issuance of such Additional Stock, then the Conversion Price for Series B Preferred Stock in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in this Section 4(e)(i)) be adjusted to a price equal to the per share consideration, if any, received or deemed to be received by the Corporation in connection with the issuance of the Additional Stock.

(B) No adjustment of the Conversion Price will be made in an amount less than one cent per share, provided that any adjustments that are not required to be made by reason of this sentence will be carried forward and shall be either taken into account in any subsequent adjustment made prior to three years from the date of the event giving rise to

the adjustment being carried forward, or will be made at the end of three years from the date of the event giving rise to the adjustment being carried forward. Except to the limited extent provided for in Sections 3(e)(i)(E)(3) and 3(e)(i)(E)(4), no adjustment of such Conversion Price pursuant to this Section 3(e)(i) shall have the effect of increasing the Conversion Price above the Conversion Price in effect immediately prior to such adjustment.

(C) In the case of the issuance of Common Stock for cash, the consideration will be deemed to be the amount of cash paid therefor before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by this Corporation for any underwriting or otherwise in connection with the issuance and sale thereof.

(D) In the case of the issuance of the Common Stock for consideration in whole or in part other than cash, the consideration other than cash will be deemed to be the fair value thereof as determined in good faith by a majority of the Board of Directors irrespective of any accounting treatment.

(E) In the case of the issuance (whether on or after the Purchase Date) of warrants, options to purchase or rights to subscribe for Common Stock, securities by their terms convertible into or exchangeable for Common Stock or warrants, options to purchase or rights to subscribe for such convertible or exchangeable securities, the following provisions will apply for all purposes of this Section 3(e)(i) and Section 3(e)(ii):

(1) The aggregate maximum number of shares of Common Stock deliverable upon exercise (assuming the satisfaction of any conditions to exercisability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) of such warrants, options to purchase or rights to subscribe for Common Stock will be deemed to have been issued at the time such warrants, options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections 3(e)(i)(C) and 3(e)(i)(D)), if any, received by this Corporation upon the issuance of such warrants, options or rights plus the minimum exercise price provided in such warrants, options or rights (without taking into account potential antidilution adjustments) for the Common Stock covered thereby.

(2) The aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange (assuming the satisfaction of any conditions to convertibility or exchangeability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) for any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof will be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration, if any, received by this Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by this Corporation (without taking into account potential antidilution adjustments) upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections 3(e)(i)(C) and 3(e)(i)(D)).

(3) In the event of any change in the number of shares of Common Stock deliverable or in the consideration payable to this Corporation upon exercise of such options or rights or upon conversion of or in exchange for such convertible or exchangeable securities, including, but not limited to, a change resulting from the antidilution provisions thereof, the Conversion Price, to the extent in any way affected by or computed using such options, rights or securities, will be recomputed to reflect such change, but no further adjustment will be made for the actual issuance of Common Stock or any payment of such consideration upon the exercise of any such options or rights or the conversion or exchange of such securities.

(4) Upon the expiration of any such options or rights, the termination of any such rights to convert or exchange or the expiration of any options or rights related to such convertible or exchangeable securities, the Conversion Price, to the extent in any way affected by or computed using such options, rights or securities or options or rights related to such securities, will be recomputed to reflect the issuance of only the number of shares of Common Stock (and convertible or exchangeable securities that remain in effect) actually issued upon the exercise of such options or rights, upon the conversion or exchange of such securities or upon the exercise of the options or rights related to such securities.

(5) The number of shares of Common Stock deemed issued and the consideration deemed paid therefor pursuant to Sections 3(e)(i)(E)(1) and 3(e)(i)(E)(2) will be appropriately adjusted to reflect any change, termination or expiration of the type described in either Section 3(e)(i)(E)(3) or 3(e)(i)(E)(4).

(ii) “Additional Stock” means any shares of Common Stock issued (or deemed to have been issued pursuant to Section 3(e)(i)(E)) by this Corporation after the Purchase Date other than:

(A) shares of Common Stock issued pursuant to a transaction described in Section 3(e)(iii) hereof;

(B) shares of Common Stock issued or issuable pursuant to a stock option plan, restricted stock plan, agreements or other incentive stock arrangements approved by the stockholders and a majority of the Board of Directors;

(C) shares of Common Stock issued or issuable to persons or entities with which the Company has strategic business relationships provided such issuances are for other than primarily equity financing purposes and have been approved by the majority of the Board of Directors;

(D) shares of Common Stock issued at the discretion of the majority of the Board of Directors, to vendors, service providers or suppliers to this Corporation provided such issuances are for other than primarily equity financing purposes;

(E) shares of Common Stock issued at the discretion of the Board of Directors to financial institutions or lessors in connection with commercial credit arrangements, equipment financings or similar transactions provided such issuances are for other than primarily equity financing purposes;

(F) shares of Common Stock issued pursuant to the conversion, exchange or exercise of convertible or exercisable securities outstanding as of the date hereof (including shares issued or to be issued to Life Sciences Greenhouse of Central PA or LSGH, LLC ("LSGC") and/or to Ben Franklin Technology Partners ("Ben Franklin") pursuant to agreements entered into, or warrants issued, prior to the Purchase Date) or subsequently issued pursuant to this Section 3(e)(ii); or

(G) shares of Common Stock the issuance of which was approved by a majority of the Board of Directors; provided, that the holders of 60% of the then outstanding shares of Series B Preferred Stock consent to the exclusion of such shares from the definition of Additional Stock.

Shares described under Section 3(e)(ii)(A) through 3(e)(ii)(G) above shall be referred to herein as "Excluded Shares."

(iii) In the event this Corporation should at any time or from time to time after the Purchase Date fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or other securities or rights convertible into, exchangeable for, or entitling the holder thereof to receive directly or indirectly, additional shares of Common Stock (the "Common Stock Equivalents") without payment of any consideration by such holder for the additional shares of Common Stock or the Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Conversion Price will be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of Series B Preferred Stock will be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding and those issuable with respect to such Common Stock Equivalents; provided, however, that if such record date is fixed and such dividend is not paid or if such distribution is not fully made on the date fixed therefor, the Conversion Price will be re-computed accordingly as of the close of business on such record date and thereafter the Conversion Price will be adjusted pursuant to this Section 4 to reflect the actual payment of such dividend or distribution.

(iv) If the number of shares of Common Stock outstanding at any time after the Purchase Date is decreased by a combination of the outstanding shares of Common Stock, then, following the record date of such combination, the Conversion Price will be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of such series will be decreased in proportion to such decrease in outstanding shares.

(f) Other Distributions. In the event this Corporation declares a distribution payable in securities of other persons, evidences of indebtedness issued by this Corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 3(e)(ii), then, in each such case for the purpose of this Section 3(f), the holders of Series B Preferred Stock will be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of this Corporation into

which their shares of such Series B Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of this Corporation entitled to receive such distribution.

(g) Reclassifications. If at any time or from time to time the Common Stock of this Corporation is changed into the same or a different number of shares of any class or classes of stock whether by Recapitalization or otherwise (other than a Recapitalization, reclassification, exchange, reorganization, substitution or merger or sale of assets provided for elsewhere in Section 2 hereof or this Section 3), provision will be made so that the holders of Series B Preferred Stock be entitled to receive upon conversion of such shares the kind and number of shares of stock or other securities or property of this Corporation or otherwise, to which a holder of the number of shares of Common Stock deliverable upon conversion of the Series B Preferred Stock held by such holder would have been entitled on such Reclassification. In any such case, appropriate adjustment will be made in the application of the provisions of this Section 3 with respect to the rights of the holders of Series B Preferred Stock after the capital reorganization such that the provisions of this Section 3 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of the Series B Preferred Stock) will be applicable after that event as nearly equivalent as may be practicable.

(h) No Impairment. This Corporation will not, by amendment of this Certificate or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 3 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of Series B Preferred Stock against impairment.

(i) No Fractional Shares and Certificate as to Adjustments.

(i) No fractional shares will be issued upon the conversion of any share or shares of Series B Preferred Stock, and the number of shares of Common Stock to be issued will be rounded to the nearest whole share. The number of shares of Common Stock to be issued upon such conversion will be determined on the basis of the total number of shares of Series B Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section 3, this Corporation, at its expense, will promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series B Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. This Corporation will, upon the written request at any time of any holder of Series B Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price at the time in effect, and (C) the number of shares of Common Stock and the amount, if any, of other property that at the time would be received upon the conversion of a share of Series B Preferred Stock.



(j) Notices of Record Date. In the event of any taking by this Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, this Corporation will mail to each holder of Series B Preferred Stock, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(k) Reservation of Stock Issuable Upon Conversion, Exercise or Exchange. This Corporation will at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of Series B Preferred Stock, such number of its shares of Common Stock as will from time to time be sufficient to effect the conversion of all outstanding shares of Series B Preferred Stock, and if at any time the number of authorized but unissued shares of Common Stock is not sufficient to effect the conversion of all then outstanding shares of Series B Preferred Stock, in addition to such other remedies as are available to the holder of the Series B Preferred Stock, this Corporation will take such corporate action as it deems necessary to increase its authorized but unissued shares of Common Stock to such number of shares as will be sufficient for such purposes, including, without limitation, using its commercially reasonable efforts to obtain the requisite stockholder approval of any necessary amendment to this Corporation's Certificate of Incorporation.

(l) Notices. Any notice required by the provisions of this Section 4 to be given to the holders of shares of Series B Preferred Stock will be deemed given if deposited in the United States mail, postage prepaid, and (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All notices shall be addressed to each holder of record at its address appearing on the books of this Corporation.

#### **4. Voting Rights**

The holder of each share of Series B Preferred Stock will have the right to one vote for each share of Common Stock into which such share of Series B Preferred Stock could then be converted, and with respect to such vote, such holder will have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and will be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the Bylaws of this Corporation, and will be entitled to vote, together with holders of Common Stock, with respect to any matter upon which holders of Common Stock have the right to vote. Fractional votes will not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Series B Preferred Stock held by each holder could be converted) will be rounded to the nearest whole number (with one-half being rounded upward).

## **5. Protective Provisions**

(a) Subject to the provision of Section 5(c) hereof, so long as any shares of Series B Preferred Stock are outstanding, this Corporation will not without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least 60% of the then outstanding shares of Series B Preferred Stock and this Corporation's Series A Convertible Participating Preferred Stock acting collectively as single class with voting power determined as provided in Section 4:

(i) effect or enter into any plan of liquidation for this Corporation, any reorganization, consolidation or merger of this Corporation with (or into) any other third party, or any sale of all or a substantial portion of the stocks or assets of this Corporation;

(ii) effect any Liquidation Event (except for a Triggering Event);

(iii) alter or change the rights, preferences or privileges of, or the qualifications, limitations or restrictions that provide for the benefit of, the shares of Series B Preferred Stock so as to affect adversely such shares whether by merger, consolidation, Recapitalization or otherwise;

(iv) authorize or issue additional shares of Series B Preferred Stock;

(v) authorize, create or issue, or obligate itself to issue, any other equity security, including any other security (equity or non-equity) convertible into or exercisable or exchangeable for any equity security having a preference (including with respect to registration rights) over, or being on a parity with, the Series B Preferred Stock;

(vi) effect any reclassification or recapitalization of another series or class of stock which places such series or class in preference to, or on a parity with, the Series B Preferred Stock;

(vii) effect any reclassification of, or cancel, any outstanding shares of Series B Preferred Stock;

(viii) amend this Corporation's Amended and Restated Certificate of Incorporation or Bylaws; and

(ix) effect a firm commitment underwritten public offering of securities of this Corporation or a public offering of debt securities of this Corporation.

(b) So long as any shares of Series B Preferred Stock are outstanding, this Corporation will not without first obtaining the approval of the majority of the Board of Directors:

- (i) declare or pay dividends on stock of this Corporation (except as expressly provided herein under Section 1);
- (ii) redeem, purchase or otherwise acquire (or pay into or set aside for a sinking fund for such purpose) any shares of Common Stock, options to purchase shares of Common Stock or any other series of Preferred Stock;
- (iii) create any subsidiary;
- (iv) authorize or issue or reserve for issuance shares of Common Stock allocated to employees in excess of 3,000,000 shares of Common Stock;
- (v) effect any acquisition or investment in another business entity;
- (vi) effect any transaction between this Corporation and any affiliate thereof (i.e., a person or entity that is in control of, under common control as, or under the control of, the Company) and/or approve or enter into any agreement to which any officer, director, employee or stockholder of this Corporation is directly or indirectly a party or beneficiary (other than the payment of salary or related compensation in the ordinary course of business), including any employee benefit, bonus or stock plan if such will provide more benefits than are then provided to such person;
- (vii) expend capital expenditures in an aggregate amount greater than \$100,000 in any one year;
- (viii) enter into any material lease outside the ordinary course of this Corporation's business;
- (ix) incur any material debt outside this Corporation's ordinary course of business; or
- (x) effect any other material change in, or deviate in a material manner from, this Corporation's business plan as in effect on the Purchase Date.

(c) Notwithstanding the foregoing, no consent or approval of the holders of Series A Preferred Stock under Section 5(a) shall be required for the issuance of Excluded Shares to be issued to: (i) LSGC and/or Ben Franklin pursuant to agreements entered into, or warrants issued, prior to the Purchase Date; or (ii) under any plan, agreement or arrangement that has been approved in accordance with the terms of this Amended and Restated Certificate of Incorporation or the Investors' Rights Agreement, by and among this Corporation and the persons named therein, dated as of September 22, 2013, as may be amended or restated from time to time.

## **6. Preemptive Rights**

Subject to the terms and conditions specified in this Section, each holder of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and each of the Founders (as

defined below, and collectively for the purposes of this Section, the “Preferred Holder”) has a right of first refusal with respect to future sales by this Corporation of any Shares (as hereinafter defined). Each time this Corporation proposes to offer any shares of, or securities convertible into or exchangeable or exercisable for any shares of, any class of its capital stock (the “Shares”), this Corporation will first make an offering of such Shares to each Preferred Holder in accordance with the following provisions:

(a) Not less than 30 days prior to such offering, this Corporation will deliver a notice (the “Notice”) to each Preferred Holder of record stating (i) its bona fide intention to offer such Shares, (ii) the number of such Shares to be offered, (iii) the price (which must be in cash) and terms upon which it proposes to offer such Shares; and (iv) the manner of sale.

(b) By written notification received by this Corporation, within 20 days after receipt of the Notice, the Preferred Holder may elect to purchase or obtain, at the price and on the terms specified in the Notice, that portion of such Shares that equals the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion of the Preferred Stock then held, by such Preferred Holder bears to the total number of shares of Common Stock of this Corporation then outstanding (assuming full conversion of the Series A Preferred Stock and Series B Preferred Stock). This Corporation shall promptly, in writing, inform each Preferred Holder which purchases all the shares available to it (“Fully-Exercising Holder”) of any other Shares available due to any Preferred Holder’s election not to purchase any or all of the Shares available to such holder likewise. During the 10-day period commencing after receipt of such information, each Fully-Exercising Holder will be entitled to obtain an amount of Shares of the entire offering which were not subscribed for by other Preferred Holders which is equal to the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion of the shares of Series B Preferred Stock then held, by such Fully-Exercising Holder bears to the total number of shares of Common Stock issued and held, or issuable upon conversion of the shares of Series B Preferred Stock then held, by all Fully-Exercising Holders who wish to purchase some of the unsubscribed shares.

(c) If all Shares that Preferred Holders are entitled to obtain pursuant to Section 6(b) above are not elected to be obtained as provided in such paragraph, this Corporation may, during the 90-day period following the expiration of the period provided in Section 6(b) hereof, offer the remaining unsubscribed portion of such Shares 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 Notice. If this Corporation does not enter into an agreement for the sale of the Shares within such period, or if such agreement is not consummated within 90 days of the execution thereof, the right provided hereunder will be deemed to be revived and such Shares will not be offered unless first reoffered to the Preferred Holders in accordance herewith.

(d) Notwithstanding the definition of the term “Shares” above, the right of first refusal in this Section 6 shall not be applicable to: (i) the issuance of this Corporation’s shares to the public pursuant to an effective underwritten registration statement filed under the Act; (ii) the issuance of Excluded Shares; (iii) the issuance of securities in connection with a bona fide business acquisition of or by this Corporation, whether by merger, consolidation, sale of assets, sale or exchange of stock or otherwise; (iv) the exercise of any right

which was not itself a violation of this Section 6(d); or (v) issuances of securities in which a majority-in-interest of the holders of Preferred Stock and a majority-in-interest of the Founders agree in writing to waive the preemptive rights granted pursuant to Section 6.

(e) The preemptive rights set forth in this Section 6 may not be assigned or transferred, except that (i) such rights are assignable by each Preferred Holder to any wholly-owned subsidiary or parent of, or to any corporation or entity that is, within the meaning of the Act, an affiliate of such Preferred Holder, and (ii) such right is assignable to a permitted transferee or assignee of the Preferred Holders.

(f) The term “Founder” means each of Neal G. Simon, Gary Koppel, Craig Ferris and Michael Brownstein.

**Standard Provisions of the  
Series C Convertible Participating Preferred Stock**

**1. Dividend Provisions**

(a) The holders of shares of Series C Preferred Stock are entitled to receive cash dividends, out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock of this Corporation) on the Common Stock of this Corporation or the Series A Preferred Stock or the Series B Preferred Stock (collectively, the “Junior Preferred Stock”), at the rate of 8% of the Original Issue Price (as defined below), per share per annum (as adjusted for any stock splits, subdivisions, stock dividends, combinations, recapitalizations and the like (collectively, “Recapitalizations”)), payable quarterly on the first day of January, April, July and October of each year, with the first dividend payable on October 1, 2013. Notwithstanding the above, in lieu of cash payments and at the discretion of this Corporation, the dividends owed hereunder or any portion thereof may accrue and cumulate to the benefit of the holders of the Series C Preferred Stock until (i) the payment of dividends on Common Stock or other Preferred Stock (if any), or (ii) the occurrence of a Liquidation Event (as defined below), conversion of the Series C Preferred Stock, or a redemption thereof (all pursuant to the provisions of this Certificate); in which event, the accrued and unpaid dividends shall be paid to the holders of the Series C Preferred Shares in the manner provided for below with respect to the relevant event. Until actually paid, the dividends owed hereunder will accrue on each share of Series C Preferred Stock from the date of issuance, and will accrue from day to day, whether or not earned or declared. Such dividends will be cumulative so that, if such dividends in respect of any previous or current annual dividend period, at the annual rate specified above, have not been paid the deficiency will first be fully paid before any dividend or other distribution is paid on or declared and set apart for the Common Stock or Junior Preferred Stock (if any). Any accumulation of dividends on the Series C Preferred Stock will not bear interest.

(b) After payment of any dividends pursuant to Sections 1(a) above, and after the payment of any dividends pursuant to Section 1(a) of Annex A and Annex B, any additional dividends, if so declared at the discretion of this Corporation, will be distributed among all holders of Common Stock and all holders of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock in proportion to the number of shares of Common Stock which would be held by each such holder if all shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock were converted to Common Stock at the respective conversion prices for such Preferred Stock as then effective.

(c) Each dividend owed under Section 1(a) above and each dividend declared by the Board of Directors pursuant to Section 1(b) above, will be paid to holders of record of shares of the Series C Preferred Stock as they appear on the stock register of the Corporation on the record date, which will be 15 days before the dividend payment date. Dividends in arrears for any past dividend period may be declared and paid at any time fixed by

the Board of Directors, whether or not a regular dividend payment date, to holders of record of shares of Series C Preferred Stock as they appear on the stock register on the record date (which will be 15 days before the anticipated payment date) and all such dividend payments will be applied in the order in which such accumulated and unpaid dividends were originally due.

## **2. Liquidation Preference**

(a) In the event of a Liquidation Event, the holders of Series C Preferred Stock are entitled to receive prior and in preference to any distribution of any of the assets of this Corporation to the holders of Common Stock and holders of any other stock ranking junior on liquidation to the Series C Preferred Stock by reason of their ownership thereof (including in preference to the Junior Preferred Stock), out of the assets of the Corporation available for distribution to its shareholders an amount per share equal to the sum of (A) two (2) times the Original Issue Price for each outstanding share of Series C Preferred Stock (i.e., excluding shares of Series C Preferred Stock already converted) and (B) the amount of accumulated and unpaid dividends (whether or not declared) on such share (subject to adjustment for Recapitalizations). If upon the occurrence of such event, the assets and funds thus distributed among the holders of the Series C Preferred Stock are insufficient to permit the payment to such holders of the full preferential amounts to which they are entitled upon a Liquidation Event under this Amended and Restated Certificate of Incorporation, then the entire assets and funds of this Corporation legally available for distribution to stockholders will be distributed ratably among the holders of the Series C Preferred Stock in proportion to the full preferential amount each such holder is otherwise entitled to receive.

(b) Upon completion of the distribution required by Section 2(a), and upon completion of the distribution required by Section 2(a) of Annex A and Annex B, all of the remaining assets of this Corporation available for distribution to stockholders will be distributed among the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and Common Stock pro rata based on the number of shares of Common Stock held or deemed held by each (assuming full conversion into shares of Common Stock of all such outstanding Preferred Stock).

(c) (i) For purposes of this Section 2, a "Liquidation Event" will be deemed to be occasioned by, or to include:

(A) the acquisition of this Corporation by another entity by means of any one transaction or a series of related transactions (including, without limitation, any merger, reorganization or consolidation, but excluding any merger effected exclusively for the purpose of changing the domicile of this Corporation) in which this Corporation's stockholders of record as constituted immediately prior to such acquisition do not, immediately after such acquisition (by virtue of securities issued as consideration for this Corporation's acquisition or otherwise), hold at least 50% of the voting power of the resulting or surviving corporation following such acquisition; (B) any transaction or a series of transactions in which majority control of this Corporation is transferred to any one

or more persons or entities through a transfer to such persons or entities of more than 50% of the Common Stock, on a fully diluted basis; (C) the sale, lease, pledge or other disposition to any one or more persons or entities of all or substantially all of the assets of this Corporation in one transaction or a series of related transactions; (D) the grant or pledge of an exclusive license to any one or more persons or entities to all or a substantial part of this Corporation's intellectual property that is used to generate all or a substantial part of the Corporation's revenues; (E) the closing by this Corporation of a firm commitment underwritten public offering of its common stock pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Act") (other than a registration statement relating either to the sale of securities to employees of this Corporation pursuant to its stock option, stock purchase or similar plan or a transaction pursuant to Rule 145 promulgated under the Act), the public offering price of which is not less than \$5.00 per share (appropriately adjusted for recapitalizations effected after the date hereof) and in which the aggregate net proceeds (after, without limitation, deductions of underwriters' commissions and offering expenses) to this Corporation exceed \$27,000,000, which securities are deemed "covered securities" as such term is defined in Section 18 of the Act (a "Qualified Public Offering"); or (F) a Triggering Event (as defined below). The term "Triggering Event" means any of the following events:

(1) the signing by an authorized officer of this Corporation of a petition for relief under Title 11, United States Code, as currently in effect or as amended;

(2) the commencement of any involuntary bankruptcy case or other proceeding against this Corporation under Title 11, United States Code, as currently in effect or as amended (provided that if such case or proceeding is dismissed within 60 days after the date of such commencement, then a Triggering Event arising solely pursuant to this clause as a result of such case or proceeding will be dismissed) or the appointment of a trustee, receiver, liquidator, custodian or sequestrator (or other similar official) for this Corporation or any substantial part of its property;

(3) the making by this Corporation of an assignment for the benefit of creditors generally; or

(4) the failure or inability of this Corporation to pay its debts generally as they become due.

(ii) If this Corporation receives consideration in a Liquidation Event and such consideration is other than cash, its value will be deemed its fair market value as determined below:



(A) Securities not subject to an investment letter or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate):

(1) if traded on a national securities exchange, the value will be deemed to be the average of the closing prices of the securities on such market over the 30-day period ending five days prior to the closing of the Liquidation Event;

(2) if actively traded over-the-counter other than through the Nasdaq National Market, the value will be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the 30-day period ending five days prior to the closing of the Liquidation Event; and

(3) if there is no active public market, the value will be the fair market value thereof, as determined in good faith by a majority of the Board of Directors.

(B) The method of valuation of securities subject to an investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) will be to make an appropriate discount from the value determined as above in Section 2(c)(ii)(A) to reflect the approximate fair market value thereof, as determined in good faith by a majority of the Board of Directors.

(C) The value of assets other than securities will be their fair market value as determined in good faith by the majority of the Board of Directors.

(iii) In the event that the requirements of this Section 2(c) are not complied with (except with respect to a Triggering Event), this Corporation will forthwith either:

(A) cause the closing of the Liquidation Event to be postponed until such time as the requirements of this Section 2(c) have been complied with; or

(B) cancel such transaction, in which event the powers, preferences, privileges and other rights and the qualifications, limitations and restrictions of the Series C Preferred Stock will revert to and be the same as such powers, preferences, privileges and other rights and the qualifications, limitations and restrictions existing immediately prior to the date of the first notice referred to in Section 2(c)(iv) hereof.

(iv) This Corporation shall give each holder of record of Series C Preferred Stock written notice of an impending Liquidation Event (except for a Triggering Event) not later than 30 days prior to the stockholders' meeting called to approve such transaction, or 30 days prior to the closing of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction and this Corporation will thereafter give such holders prompt notice of any material changes. The transaction will in no event take place sooner than 20 days after this Corporation has given the

first notice provided for herein or sooner than 10 days after this Corporation has given notice of any material changes provided for herein; provided, however, that such periods may be shortened upon the written consent of the holders of the Series C Preferred Stock that are entitled to such notice rights or similar notice rights and that represent at least a majority of the voting power of all then outstanding shares of Series C Preferred Stock voting as separate class.

### **3. Conversion**

The holders of shares of Series C Preferred Stock will have conversion rights as follows (the “Conversion Rights”):

(a) Right to Convert. Each share of Series C Preferred Stock is convertible, at the option of the holder thereof and without payment of any additional consideration, at any time after the date of issuance of such share at the office of this Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the applicable Original Issue Price per share (as defined below) by the Conversion Price (determined as hereafter provided) in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share is \$1.323 (the “Original Issue Price”). The initial Conversion Price will be subject to adjustment as set forth in Section 3(e).

(b) Automatic Conversion. Each share of Series C Preferred Stock will automatically and without further action on the part of this Corporation or any holder of Series C Preferred Stock be converted into shares of Common Stock at the Conversion Price at the time in effect for the Series C Preferred Stock immediately upon the earlier of (i) the closing of a Qualified Public Offering or (ii) the date specified by written consent or agreement of the holders of at least 60% of the then outstanding shares of Series C Preferred Stock, each voting as a single class.

(c) Accumulated Dividends. Accumulated dividends with respect to a share of Series C Preferred Stock which are accrued and unpaid will, upon conversion of such share to Common Stock, be paid to the extent assets are legally available therefor and any amounts for which assets are not legally available will be paid promptly as assets become legally available therefor; any partial payment will be made pro rata among the holders of Series C Preferred Stock, as the case may be, then entitled thereto. Such payment of accrued dividends upon conversion shall be made in cash, or, at the individual option of each converting stockholder, in Common Stock based on a price per share of Common Stock equivalent to its then fair market value as determined in good faith by the majority of the Board of Directors. Notwithstanding the above, if, in connection with an automatic conversion as provided in Section 3(b)(i) above, the lead underwriter of the Qualified Public Offering determines that payment of such dividends in cash would be materially detrimental to the success of such Qualified Public Offering, then regardless of the choice of the individual stockholder, accrued and unpaid dividends shall be paid in cash only to the extent deemed necessary or desirable by the lead underwriter.

(d) Mechanics of Conversion. Before any holder of Series C Preferred Stock will be entitled to convert the same into shares of Common Stock pursuant to Section 3(a)

hereof, he, she or it must surrender the certificate or certificates therefor, duly endorsed, at the office of this Corporation or of any transfer agent for the Series C Preferred Stock, give written notice to this Corporation at its principal corporate office, of the election to convert the same and state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued; provided, however, that in the event that the holder of Series C Preferred Stock notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed, the Corporation shall convert such holder's Series C Preferred Stock into shares of Common Stock provided that such holder executes an agreement reasonably satisfactory to the Corporation to indemnify the Corporation from any loss incurred in connection with such certificates. This Corporation will, as soon as practicable thereafter, issue and deliver at such office to such holder of Series C Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder is entitled as aforesaid. With respect to conversion pursuant to Section 3(a) hereof, such conversion will be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series C Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion will be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date; and with respect to conversion pursuant to Section 3(b) hereof, such conversion will be deemed to have been made upon the closing of a Qualified Public Offering or immediately prior to the close of business on the date specified by the holders of at least 60% of the then outstanding shares of Series C Preferred Stock, as the case may be, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion will be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date.

(e) Conversion Price Adjustments of Preferred Stock. The Conversion Prices of the Series C Preferred Stock will be subject to adjustment from time to time as follows:

(i) (A) If this Corporation issues, after the date upon which the shares of Series C Preferred Stock were first issued (the "Purchase Date"), any Additional Stock (as defined below) without consideration or for a consideration per share less than the Conversion Price in effect immediately prior to the issuance of such Additional Stock, then the Conversion Price for Series C Preferred Stock in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in this Section 3(e)(i)) be adjusted to a price equal to the per share consideration, if any, received or deemed to be received by the Corporation in connection with the issuance of the Additional Stock.

(B) No adjustment of the Conversion Price will be made in an amount less than one cent per share, provided that any adjustments that are not required to be made by reason of this sentence will be carried forward and shall be either taken into account in any subsequent adjustment made prior to three years from the date of the event giving rise to the adjustment being carried forward, or will be made at the end of three years from the date of the event giving rise to the adjustment being carried forward. Except to the limited extent provided for in Sections 3(e)(i)(E)(3) and 3(e)(i)(E)(4), no adjustment of such Conversion Price pursuant to this Section 3(e)(i) shall have the effect of increasing the Conversion Price above the Conversion Price in effect immediately prior to such adjustment.

(C) In the case of the issuance of Common Stock for cash, the consideration will be deemed to be the amount of cash paid therefor before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by this Corporation for any underwriting or otherwise in connection with the issuance and sale thereof.

(D) In the case of the issuance of the Common Stock for consideration in whole or in part other than cash, the consideration other than cash will be deemed to be the fair value thereof as determined in good faith by a majority of the Board of Directors irrespective of any accounting treatment.

(E) In the case of the issuance (whether on or after the Purchase Date) of warrants, options to purchase or rights to subscribe for Common Stock, securities by their terms convertible into or exchangeable for Common Stock or warrants, options to purchase or rights to subscribe for such convertible or exchangeable securities, the following provisions will apply for all purposes of this Section 3(e)(i) and Section 3(e)(ii):

(1) The aggregate maximum number of shares of Common Stock deliverable upon exercise (assuming the satisfaction of any conditions to exercisability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) of such warrants, options to purchase or rights to subscribe for Common Stock will be deemed to have been issued at the time such warrants, options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in Sections 3(e)(i)(C) and 3(e)(i)(D)), if any, received by this Corporation upon the issuance of such warrants, options or rights plus the minimum exercise price provided in such warrants, options or rights (without taking into account potential antidilution adjustments) for the Common Stock covered thereby.

(2) The aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange (assuming the satisfaction of any conditions to convertibility or exchangeability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) for any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof will be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration, if any, received by this Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by this Corporation (without taking into account potential antidilution adjustments) upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in Sections 3(e)(i)(C) and 3(e)(i)(D)).

(3) In the event of any change in the number of shares of Common Stock deliverable or in the consideration payable to this Corporation upon exercise of such options or rights or upon conversion of or in exchange for such convertible or exchangeable securities, including, but not limited to, a change resulting from the antidilution provisions thereof, the Conversion Price, to the extent in any way affected by or computed using

such options, rights or securities, will be recomputed to reflect such change, but no further adjustment will be made for the actual issuance of Common Stock or any payment of such consideration upon the exercise of any such options or rights or the conversion or exchange of such securities.

(4) Upon the expiration of any such options or rights, the termination of any such rights to convert or exchange or the expiration of any options or rights related to such convertible or exchangeable securities, the Conversion Price, to the extent in any way affected by or computed using such options, rights or securities or options or rights related to such securities, will be recomputed to reflect the issuance of only the number of shares of Common Stock (and convertible or exchangeable securities that remain in effect) actually issued upon the exercise of such options or rights, upon the conversion or exchange of such securities or upon the exercise of the options or rights related to such securities.

(5) The number of shares of Common Stock deemed issued and the consideration deemed paid therefor pursuant to Sections 3(e)(i)(E)(1) and 3(e)(i)(E)(2) will be appropriately adjusted to reflect any change, termination or expiration of the type described in either Section 3(e)(i)(E)(3) or 3(e)(i)(E)(4).

(ii) “Additional Stock” means any shares of Common Stock issued (or deemed to have been issued pursuant to Section 3(e)(i)(E)) by this Corporation after the Purchase Date other than:

(A) shares of Common Stock issued pursuant to a transaction described in Section 4(e)(iii) hereof;

(B) shares of Common Stock issued or issuable pursuant to a stock option plan, restricted stock plan, agreements or other incentive stock arrangements approved by the stockholders and a majority of the Board of Directors;

(C) shares of Common Stock issued or issuable to persons or entities with which the Company has strategic business relationships provided such issuances are for other than primarily equity financing purposes and have been approved by the majority of the Board of Directors;

(D) shares of Common Stock issued at the discretion of the majority of the Board of Directors, to vendors, service providers or suppliers to this Corporation provided such issuances are for other than primarily equity financing purposes;

(E) shares of Common Stock issued at the discretion of the Board of Directors to financial institutions or lessors in connection with commercial credit arrangements, equipment financings or similar transactions provided such issuances are for other than primarily equity financing purposes;

(F) shares of Common Stock issued pursuant to the conversion, exchange or exercise of convertible or exercisable securities outstanding as of the date hereof (including shares issued or to be issued to Life Sciences Greenhouse of Central PA or LSGH, LLC (“LSGC”) and/or to Ben Franklin Technology Partners (“Ben Franklin”) pursuant

to agreements entered into, or warrants issued, prior to the Purchase Date) or subsequently issued pursuant to this Section 3(e)(ii); or

(G) shares of Common Stock the issuance of which was approved by a majority of the Board of Directors; provided, that the holders of 60% of the then outstanding shares of Series C Preferred Stock consent to the exclusion of such shares from the definition of Additional Stock.

Shares described under Section 3(e)(ii)(A) through 3(e)(ii)(G) above shall be referred to herein as "Excluded Shares."

(iii) In the event this Corporation should at any time or from time to time after the Purchase Date fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or other securities or rights convertible into, exchangeable for, or entitling the holder thereof to receive directly or indirectly, additional shares of Common Stock (the "Common Stock Equivalents") without payment of any consideration by such holder for the additional shares of Common Stock or the Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Conversion Price will be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of Series B Preferred Stock will be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding and those issuable with respect to such Common Stock Equivalents; provided, however, that if such record date is fixed and such dividend is not paid or if such distribution is not fully made on the date fixed therefor, the Conversion Price will be re-computed accordingly as of the close of business on such record date and thereafter the Conversion Price will be adjusted pursuant to this Section 4 to reflect the actual payment of such dividend or distribution.

(iv) If the number of shares of Common Stock outstanding at any time after the Purchase Date is decreased by a combination of the outstanding shares of Common Stock, then, following the record date of such combination, the Conversion Price will be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of such series will be decreased in proportion to such decrease in outstanding shares.

(f) Other Distributions. In the event this Corporation declares a distribution payable in securities of other persons, evidences of indebtedness issued by this Corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 3(e)(ii), then, in each such case for the purpose of this Section 3(f), the holders of Series C Preferred Stock will be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of this Corporation into which their shares of such Series C Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of this Corporation entitled to receive such distribution.

(g) Reclassifications. If at any time or from time to time the Common Stock of this Corporation is changed into the same or a different number of shares of any class or classes of stock whether by Recapitalization or otherwise (other than a Recapitalization, reclassification, exchange, reorganization, substitution or merger or sale of assets provided for elsewhere in Section 2 hereof or this Section 3), provision will be made so that the holders of Series C Preferred Stock be entitled to receive upon conversion of such shares the kind and number of shares of stock or other securities or property of this Corporation or otherwise, to which a holder of the number of shares of Common Stock deliverable upon conversion of the Series C Preferred Stock held by such holder would have been entitled on such Reclassification. In any such case, appropriate adjustment will be made in the application of the provisions of this Section 3 with respect to the rights of the holders of Series C Preferred Stock after the capital reorganization such that the provisions of this Section 3 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of the Series C Preferred Stock) will be applicable after that event as nearly equivalent as may be practicable.

(h) No Impairment. This Corporation will not, by amendment of this Certificate or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 3 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of Series C Preferred Stock against impairment.

(i) No Fractional Shares and Certificate as to Adjustments.

(i) No fractional shares will be issued upon the conversion of any share or shares of Series C Preferred Stock, and the number of shares of Common Stock to be issued will be rounded to the nearest whole share. The number of shares of Common Stock to be issued upon such conversion will be determined on the basis of the total number of shares of Series C Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section 3, this Corporation, at its expense, will promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series C Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. This Corporation will, upon the written request at any time of any holder of Series C Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price at the time in effect, and (C) the number of shares of Common Stock and the amount, if any, of other property that at the time would be received upon the conversion of a share of Series C Preferred Stock.

(j) Notices of Record Date. In the event of any taking by this Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other

distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, this Corporation will mail to each holder of Series C Preferred Stock, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(k) Reservation of Stock Issuable Upon Conversion, Exercise or Exchange. This Corporation will at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of Series C Preferred Stock, such number of its shares of Common Stock as will from time to time be sufficient to effect the conversion of all outstanding shares of Series B Preferred Stock, and if at any time the number of authorized but unissued shares of Common Stock is not sufficient to effect the conversion of all then outstanding shares of Series C Preferred Stock, in addition to such other remedies as are available to the holder of the Series C Preferred Stock, this Corporation will take such corporate action as it deems necessary to increase its authorized but unissued shares of Common Stock to such number of shares as will be sufficient for such purposes, including, without limitation, using its commercially reasonable efforts to obtain the requisite stockholder approval of any necessary amendment to this Corporation's Certificate of Incorporation.

(l) Notices. Any notice required by the provisions of this Section 4 to be given to the holders of shares of Series C Preferred Stock will be deemed given if deposited in the United States mail, postage prepaid, and (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All notices shall be addressed to each holder of record at its address appearing on the books of this Corporation.

#### **4. Voting Rights**

The holder of each share of Series C Preferred Stock will have the right to one vote for each share of Common Stock into which such share of Series C Preferred Stock could then be converted, and with respect to such vote, such holder will have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and will be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the Bylaws of this Corporation, and will be entitled to vote, together with holders of Common Stock, with respect to any matter upon which holders of Common Stock have the right to vote. Fractional votes will not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Series C Preferred Stock held by each holder could be converted) will be rounded to the nearest whole number (with one-half being rounded upward).



## **5. Protective Provisions**

(a) Subject to the provision of Section 5(c) hereof, so long as any shares of Series C Preferred Stock are outstanding, this Corporation will not without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least 60% of the then outstanding shares of Series C Preferred Stock acting collectively as single class with voting power determined as provided in Section 4:

(i) effect or enter into any plan of liquidation for this Corporation, any reorganization, consolidation or merger of this Corporation with (or into) any other third party, or any sale of all or a substantial portion of the stocks or assets of this Corporation;

(ii) effect any Liquidation Event (except for a Triggering Event);

(iii) alter or change the rights, preferences or privileges of, or the qualifications, limitations or restrictions that provide for the benefit of, the shares of Series C Preferred Stock so as to affect adversely such shares whether by merger, consolidation, Recapitalization or otherwise;

(iv) authorize or issue additional shares of Series C Preferred Stock;

(v) authorize, create or issue, or obligate itself to issue, any other equity security, including any other security (equity or non-equity) convertible into or exercisable or exchangeable for any equity security having a preference (including with respect to registration rights) over, or being on a parity with, the Series C Preferred Stock;

(vi) effect any reclassification or recapitalization of another series or class of stock which places such series or class in preference to, or on a parity with, the Series C Preferred Stock;

(vii) effect any reclassification of, or cancel, any outstanding shares of Series C Preferred Stock;

(viii) amend this Corporation's Amended and Restated Certificate of Incorporation or Bylaws; and

(ix) effect a firm commitment underwritten public offering of securities of this Corporation or a public offering of debt securities of this Corporation.

(b) So long as any shares of Series C Preferred Stock are outstanding, this Corporation will not without first obtaining the approval of the majority of the Board of Directors:

(i) declare or pay dividends on stock of this Corporation (except as expressly provided herein under Section 1);

(ii) redeem, purchase or otherwise acquire (or pay into or set aside for a sinking fund for such purpose) any shares of Common Stock, options to purchase shares of Common Stock or any other series of Preferred Stock;

(iii) create any subsidiary;

(iv) authorize or issue or reserve for issuance shares of Common Stock allocated to employees in excess of 3,000,000 shares of Common Stock;

(v) effect any acquisition or investment in another business entity;

(vi) effect any transaction between this Corporation and any affiliate thereof (i.e., a person or entity that is in control of, under common control as, or under the control of, the Company) and/or approve or enter into any agreement to which any officer, director, employee or stockholder of this Corporation is directly or indirectly a party or beneficiary (other than the payment of salary or related compensation in the ordinary course of business), including any employee benefit, bonus or stock plan if such will provide more benefits than are then provided to such person;

(vii) expend capital expenditures in an aggregate amount greater than \$100,000 in any one year;

(viii) enter into any material lease outside the ordinary course of this Corporation's business;

(ix) incur any material debt outside this Corporation's ordinary course of business; or

(x) effect any other material change in, or deviate in a material manner from, this Corporation's business plan as in effect on the Purchase Date.

(c) Notwithstanding the foregoing, no consent or approval of the holders of Series C Preferred Stock under Section 5(a) shall be required for the issuance of Excluded Shares to be issued to: (i) LSGC and/or Ben Franklin pursuant to agreements entered into, or warrants issued, prior to the Purchase Date; or (ii) under any plan, agreement or arrangement that has been approved in accordance with the terms of this Amended and Restated Certificate of Incorporation or the Investors' Rights Agreement, by and among this Corporation and the persons named therein, dated as of September 22, 2013, as may be amended or restated from time to time.

## **6. Preemptive Rights**

Subject to the terms and conditions specified in this Section, each holder of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and each of the Founders (as defined below, and collectively for the purposes of this Section, the "Preferred Holder") has a right of first refusal with respect to future sales by this Corporation of any Shares (as hereinafter defined). Each time this Corporation proposes to offer any shares of, or securities convertible

into or exchangeable or exercisable for any shares of, any class of its capital stock (the “Shares”), this Corporation will first make an offering of such Shares to each Preferred Holder in accordance with the following provisions:

(a) Not less than 30 days prior to such offering, this Corporation will deliver a notice (the “Notice”) to each Preferred Holder of record stating (i) its bona fide intention to offer such Shares, (ii) the number of such Shares to be offered, (iii) the price (which must be in cash) and terms upon which it proposes to offer such Shares; and (iv) the manner of sale.

(b) By written notification received by this Corporation, within 20 days after receipt of the Notice, the Preferred Holder may elect to purchase or obtain, at the price and on the terms specified in the Notice, that portion of such Shares that equals the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion of the Preferred Stock then held, by such Preferred Holder bears to the total number of shares of Common Stock of this Corporation then outstanding (assuming full conversion of the Series A Preferred Stock and Series B Preferred Stock). This Corporation shall promptly, in writing, inform each Preferred Holder which purchases all the shares available to it (“Fully-Exercising Holder”) of any other Shares available due to any Preferred Holder’s election not to purchase any or all of the Shares available to such holder likewise. During the 10-day period commencing after receipt of such information, each Fully-Exercising Holder will be entitled to obtain an amount of Shares of the entire offering which were not subscribed for by other Preferred Holders which is equal to the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion of the shares of Series B Preferred Stock then held, by such Fully-Exercising Holder bears to the total number of shares of Common Stock issued and held, or issuable upon conversion of the shares of Series B Preferred Stock then held, by all Fully-Exercising Holders who wish to purchase some of the unsubscribed shares.

(c) If all Shares that Preferred Holders are entitled to obtain pursuant to Section 6(b) above are not elected to be obtained as provided in such paragraph, this Corporation may, during the 90-day period following the expiration of the period provided in Section 6(b) hereof, offer the remaining unsubscribed portion of such Shares 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 Notice. If this Corporation does not enter into an agreement for the sale of the Shares within such period, or if such agreement is not consummated within 90 days of the execution thereof, the right provided hereunder will be deemed to be revived and such Shares will not be offered unless first reoffered to the Preferred Holders in accordance herewith.

(d) Notwithstanding the definition of the term “Shares” above, the right of first refusal in this Section 6 shall not be applicable to: (i) the issuance of this Corporations’ shares to the public pursuant to an effective underwritten registration statement filed under the Act; (ii) the issuance of Excluded Shares; (iii) the issuance of securities in connection with a bona fide business acquisition of or by this Corporation, whether by merger, consolidation, sale of assets, sale or exchange of stock or otherwise; (iv) the exercise of any right which was not itself a violation of this Section 6(d); or (v) issuances of securities in which a majority-in-interest of the holders of Preferred Stock and a majority-in-interest of the Founders agree in writing to waive the preemptive rights granted pursuant to Section 6.

(e) The preemptive rights set forth in this Section 6 may not be assigned or transferred, except that (i) such rights are assignable by each Preferred Holder to any wholly-owned subsidiary or parent of, or to any corporation or entity that is, within the meaning of the Act, an affiliate of such Preferred Holder, and (ii) such right is assignable to a permitted transferee or assignee of the Preferred Holders.

(f) The term “Founder” means each of Neal G. Simon, Gary Koppel, Craig Ferris and Michael Brownstein.