

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

**FORM S-1  
REGISTRATION STATEMENT**

*UNDER  
THE SECURITIES ACT OF 1933*

**CULLINAN ONCOLOGY, LLC**

(to be succeeded by Cullinan Management, Inc. in the reorganization)  
(Exact name of Registrant as specified in its charter)

Delaware  
(State or Other Jurisdiction of  
Incorporation or Organization)

2836  
(Primary Standard Industrial  
Classification Code Number)

81-3867811  
(I.R.S. Employer  
Identification Number)

One Main Street  
Suite 520  
Cambridge, MA 02142  
(617) 410-4650  
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Owen Hughes  
President and Chief Executive Officer  
Cullinan Oncology, LLC  
One Main Street  
Suite 520  
Cambridge, MA 02142  
(617) 410-4650  
(Name, address, including zip code, and telephone number, including area code, of agent for service)

*Please send copies of all communications to:*

Mitchell S. Bloom  
Danielle M. Lauzon  
Gabriela Morales-Rivera  
Goodwin Procter LLP  
100 Northern Avenue  
Boston, MA 02110  
(617) 570-1000

Jeffrey Trigilio  
Chief Financial Officer  
Cullinan Oncology, LLC  
One Main Street  
Suite 520  
Cambridge, MA 02142  
(617) 410-4650

Patrick O'Brien  
Nicholas Roper  
Ropes & Gray LLP  
Prudential Tower  
800 Boylston Street  
Boston, MA 02199  
(617) 951-7000

**Approximate date of commencement of the proposed sale to the public:  
As soon as practicable after the effective date of this Registration Statement.**

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box.   
If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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

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

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

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

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

**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(2)
Common Stock, \$0.0001 par value per share	\$100,000,000	\$10,910

- (1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act. Includes the offering price of any additional shares that the underwriters have the option to purchase.  
(2) Calculated pursuant to Rule 457(o) under the Securities Act based on an estimate of the proposed maximum aggregate offering price.

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

## **EXPLANATORY NOTE**

We currently operate as Cullinan Oncology, LLC, or the LLC entity, the registrant whose name appears on the cover of this registration statement. The LLC entity is a Delaware limited liability company. Prior to the completion of this offering, pursuant to a Contribution Agreement, the LLC entity will contribute all of the stock it owns of each of Cullinan Apollo Corp., Cullinan Florentine Corp., Cullinan Amber Corp., Cullinan Pearl Corp., and Cullinan MICA Corp., or collectively, the Asset Subsidiaries, to Cullinan Management, Inc., a Delaware corporation and currently a direct wholly-owned subsidiary of the LLC entity, or the Corporation, in exchange for common stock of the Corporation, and as a result, the Asset Subsidiaries will become subsidiaries of the Corporation, or the Contribution. Following the Contribution and prior to the completion of this offering, the LLC entity will merge with and into the Corporation with the Corporation being the surviving entity of such merger, or the LLC Merger. As a result of this merger, the holders of existing units in the LLC entity will exchange those units for corresponding shares of capital stock of the Corporation.

We refer to these transactions throughout the prospectus included in this registration statement collectively as the “Reorganization.” See “Reorganization” for further detail regarding these transactions. On the effective date of the Reorganization, the members of the board of managers of the LLC entity will become the members of the board of directors of the Corporation and the officers of the LLC entity will become the officers of the Corporation.

Shares of the common stock of the Corporation are being offered by the prospectus included in this registration statement.

## **FINANCIAL STATEMENT PRESENTATION**

Except as disclosed in the accompanying prospectus, the audited consolidated financial statements for the years ended December 31, 2018 and 2019 and the notes thereto and the condensed consolidated financial statements as of and for the nine months ended September 30, 2019 and 2020 and the notes thereto and selected historical consolidated financial data and other financial information included in this registration statement are those of the LLC entity and do not give effect to the Reorganization.

[Table of Contents](#)

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

*SUBJECT TO COMPLETION, DATED \_\_\_\_\_, 2021  
Preliminary Prospectus*

*Shares*



*Common Stock*

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*We are offering \_\_\_\_\_ shares of our common stock. This is our initial public offering and no public market currently exists for our common stock. We expect the initial public offering price to be between \$ \_\_\_\_\_ and \$ \_\_\_\_\_ per share. We have applied to list our common stock on The Nasdaq Global Market under the symbol "CGEM."*

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*We are an "emerging growth company" and "smaller reporting company" as defined under the U.S. federal securities laws and will be subject to reduced public company reporting requirements for this prospectus and future filings. See "Prospectus Summary—Implications of Being an Emerging Growth Company and a Smaller Reporting Company."*

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*Investing in our common stock involves a high degree of risk. Please read "[Risk Factors](#)" beginning on page 15 of this prospectus.*

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*Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.*

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	<u>PER SHARE</u>	<u>TOTAL</u>
<i>Initial public offering price</i>	\$	\$
<i>Underwriting discounts and commissions<sup>(1)</sup></i>	\$	\$
<i>Proceeds, before expenses, to us</i>	\$	\$

*(1) See "Underwriting" for a description of all compensation payable to the underwriters.*

*We have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase an additional \_\_\_\_\_ shares of common stock.*

*The underwriters expect to deliver the shares of common stock against payment in New York, New York on or about \_\_\_\_\_, 2021.*

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*Joint Book-Running Managers*

*MORGAN STANLEY*

*SVB LEERINK*

*EVERCORE ISI*

*Lead Manager*

*H.C. WAINWRIGHT & CO.*

*The date of this prospectus is \_\_\_\_\_, 2021.*

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TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
<a href="#">PROSPECTUS SUMMARY</a>	1	<a href="#">MANAGEMENT</a>	190
<a href="#">RISK FACTORS</a>	15	<a href="#">EXECUTIVE COMPENSATION</a>	200
<a href="#">SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</a>	88	<a href="#">DIRECTOR COMPENSATION</a>	207
<a href="#">USE OF PROCEEDS</a>	91	<a href="#">CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS</a>	209
<a href="#">DIVIDEND POLICY</a>	93	<a href="#">PRINCIPAL STOCKHOLDERS</a>	214
<a href="#">REORGANIZATION</a>	94	<a href="#">DESCRIPTION OF CAPITAL STOCK</a>	217
<a href="#">CAPITALIZATION</a>	98	<a href="#">SHARES ELIGIBLE FOR FUTURE SALE</a>	223
<a href="#">DILUTION</a>	100	<a href="#">MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF COMMON STOCK</a>	225
<a href="#">SELECTED CONSOLIDATED FINANCIAL DATA</a>	103	<a href="#">UNDERWRITING</a>	229
<a href="#">MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</a>	105	<a href="#">LEGAL MATTERS</a>	240
<a href="#">BUSINESS</a>	123	<a href="#">EXPERTS</a>	240
		<a href="#">WHERE YOU CAN FIND MORE INFORMATION</a>	241
		<a href="#">INDEX TO FINANCIAL STATEMENTS</a>	F-1

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Neither we nor the underwriters have authorized anyone to provide any information other than that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations, and prospects may have changed since that date.

**Through and including [redacted], 2021 (the 25th day after the date of this prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.**

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

Except as disclosed in this prospectus, the audited consolidated financial statements for the years ended December 31, 2018 and 2019 and the notes thereto and the condensed consolidated financial statements as of and for the nine months ended September 30, 2019 and 2020 and the notes thereto, and selected historical consolidated financial data and other financial information included in this registration statement are those of the LLC entity and do not give effect to the Reorganization described below.

Certain numerical figures included in this prospectus have been rounded. Accordingly, numerical figures shown as totals in various tables may not be arithmetic aggregations of the figures that precede them.

## PROSPECTUS SUMMARY

*This summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should read the entire prospectus carefully, including the sections entitled “Risk Factors,” “Special Note Regarding Forward-Looking Statements,” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the related notes.*

*Prior to the completion of this offering, we will complete a series of transactions pursuant to which Cullinan Oncology, LLC will merge with and into its wholly-owned subsidiary, Cullinan Management, Inc., a Delaware corporation, with Cullinan Management, Inc. being the surviving entity of such merger and the entity whose shares are being offered hereby. Prior to the merger, Cullinan Oncology, LLC will contribute all of the stock it owns in each of Cullinan Apollo Corp., Cullinan Florentine Corp., Cullinan Amber Corp., Cullinan Pearl Corp., and Cullinan MICA Corp., to Cullinan Management, Inc., in exchange for common stock of Cullinan Management, Inc. See “Reorganization.” Except where the context otherwise requires or where otherwise indicated, the terms “Cullinan,” “we,” “us,” “our,” “our company,” “the company,” and “our business” refer, prior to the Reorganization discussed below, to Cullinan Oncology, LLC and its consolidated subsidiaries and, after the Reorganization, to Cullinan Management, Inc. and its consolidated subsidiaries.*

### Overview

We are a biopharmaceutical company focused on developing a diversified pipeline of targeted oncology and immuno-oncology therapies with transformative potential for cancer patients. Our strategy is to build a pipeline of therapeutic candidates that are uncorrelated across multiple dimensions, with a focus on assets that we believe have novel technology, employ differentiated mechanisms, are in a more advanced stage of development than competing candidates, or have a combination of these attributes. In approximately three and a half years, we have efficiently developed or in-licensed a pipeline of seven distinct programs by leveraging our hub-and-spoke business model. We continue to prioritize probability of success and capital efficiency. Specifically, before we advance a therapeutic candidate into clinical development, we evaluate its ability to generate an immune system response or to inhibit oncogenic drivers as a single agent. Importantly, we have terminated programs that do not meet our rigorous criteria for advancement and will continue to do so when we believe we can more efficiently allocate our capital. We currently have one clinical-stage targeted oncology candidate in Phase 1/2a development and six preclinical immuno-oncology therapeutic candidates and programs. We believe our approach will allow us to advance at least one therapeutic candidate into the clinic and one program into IND-enabling studies each year for at least the next several years.

Our lead candidate, CLN-081, is an orally available small molecule designed as a next generation, irreversible epidermal growth factor receptor, or EGFR, inhibitor that is designed to selectively target cells expressing mutant EGFR variants, including EGFR exon 20 insertion, or EGFRex20ins, mutations, with relative sparing of cells expressing wild type EGFR. We are currently evaluating CLN-081 as a treatment for non-small cell lung cancer, or NSCLC, in adult patients with EGFRex20ins mutations in a Phase 1/2a trial. Our most advanced immuno-oncology therapeutic candidates include CLN-049, a bispecific antibody targeting FLT3 and CD3; and CLN-619, a monoclonal antibody designed to stimulate natural killer, or NK, and T cell responses by engaging a unique target, MICA/B. We intend to initially develop CLN-049 for the treatment of acute myeloid leukemia, or AML, and CLN-619 for the treatment of solid tumors. In addition, through our AMBER platform, we are developing CLN-617, a fusion protein uniquely combining, in a single agent, two potent antitumor cytokines, interleukin-2, or IL-2, and interleukin-12, or IL-12, fused with a collagen-binding domain designed to enable tumor retention for the treatment of solid tumors. Our pipeline includes three additional immuno-oncology programs in the lead optimization stage that we believe have compelling mechanisms of action and potential for clinical development. We currently hold worldwide development and commercialization rights to each of our therapeutic candidates, except for CLN-081 in Japan.

### **The Cullinan Approach**

Our mission is to advance and grow a portfolio of innovative, early-stage oncology assets based on the latest scientific breakthroughs. Given these foundations, we think about capital allocation and risk as much as we think about drug development. By focusing our efforts on translational medicine and portfolio diversification, we seek to mitigate overall exposure to many of the inherent risks of drug development. Fundamental to our success is our ability to apply a disciplined set of criteria for asset evaluation and advancement, as well as sequenced capital allocation that preserves resources for programs with greater potential. Our approach is guided by the following core elements:

- Portfolio diversification to mitigate risk and maximize optionality
- Capital allocation based on risk-adjusted potential, including staged funding to pre-specified scientific and clinical results
- Virtual infrastructure and key external relationships to maintain a lean operating base
- Internal development capabilities complemented by external business development
- Focus on translational medicine and therapeutic candidates with *in vivo* single agent activity
- Disciplined asset evaluation and selection

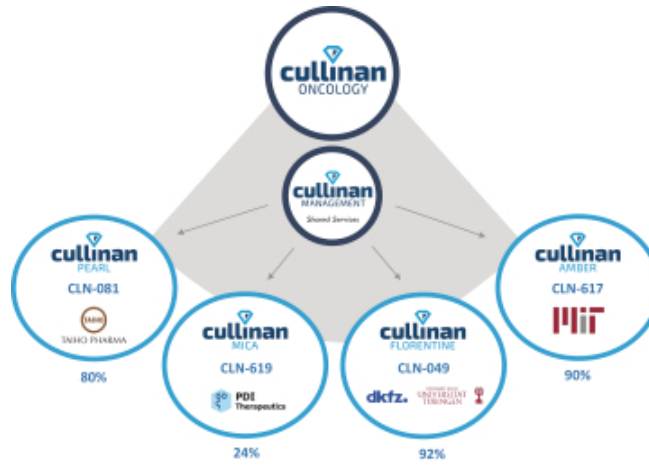
### **Our Hub-and-Spoke Business Model**

We employ a hub-and-spoke business model to execute our strategy of building a diversified oncology company in a capital efficient manner and to provide us with the flexibility to either advance therapeutic candidates ourselves or through transactions with third parties. Our “hub” consists of a holding company, Cullinan Oncology, LLC, or the LLC entity, and an operating company, Cullinan Management, Inc., or Cullinan Management, which, collectively, provide capital, human resources, and other services to each spoke via a shared services agreement. We believe that by centralizing these shared services, including all research and development operations, administrative services, and business development, and allocating employees and resources to each spoke, we can enhance operational efficiency and maintain an optimal cost structure. For example, as of November 30, 2020, we had 17 full time employees, one part-time employee, and two consultants working on a pipeline of seven active programs. See “Certain Relationships and Related Person Transactions—Agreements with our Subsidiaries—Services Agreements” for more information.

Our hub-and-spoke model also enables us to access both internal and external expertise to build and develop our pipeline. We incubate internal programs, such as NexGem, Opal, and Jade, in our hub, leveraging Cullinan Management’s network of service providers as needed to support our discovery, lead optimization, and IND-enabling efforts. When we decide to license from or collaborate with external parties, we establish distinct subsidiaries, or “spokes”, to hold and advance those programs. This structure enables us to keep licensors economically incentivized at the program level through our ability to offer equity and access to potential cash milestones and royalty payments. Further, because each spoke is a separate legal entity that holds all of the assets related to the development candidate, including the relevant intellectual property, and has no employees, fixed assets, or overhead costs, we have flexibility both to raise capital at either the parent or subsidiary level and to pursue subsidiary-level licenses or stock sales. See “Business—Our Hub-and-Spoke Business Model” for more information.

In the figure below, each “spoke” contains the subsidiary’s therapeutic candidate as well as any relevant licensors or shareholders. The LLC entity’s ownership, as of December 18, 2020, as a percentage of fully-diluted shares outstanding is listed below each circle.

**Our Hub-and-Spoke Business Model**



The structure of our financing arrangements with each subsidiary enable us to increase our economic ownership when we provide additional capital. Further information about our subsidiaries, including ownership and governance, is included in the “Management’s Discussion and Analysis” section of this prospectus.

## Our Pipeline

We have built a pipeline of targeted oncology and immuno-oncology therapeutic candidates and programs that are diversified by mechanism, therapeutic approach, modality, and stage of development. On a quarterly basis, we rigorously assess each of our programs using internally defined success criteria to justify continued investment and determine proper capital allocation. When certain programs do not meet our de-risking criteria for advancement, we terminate those programs and preserve our capital and resources to invest in programs with greater potential. As a result, our pipeline will continue to be dynamic. Our current pipeline is summarized in the diagram below:

Program (Subsidiary / Project)	Modality / MOA	Discovery / Lead Optimization	IND-Enabling	Phase 1	Phase 2	Phase 3	Next Milestone
<b>Active Programs</b>							
<b>CLN-081 (Pearl)</b>	Oral small molecule irreversible EGFR inhibitor	NSCLC with exon 20 insertion mutations					Clinical update in 1H21
<b>CLN-049 (Florentine)</b>	Bispecific mAb targeting FLT3 and CD3	AML					Submit IND in 1Q21
<b>CLN-619 (MICA)</b>	Anti-MICA/B IgG1 mAb engaging NK cells via NKG2D	Pan-cancer					Submit IND in 1H21
<b>CLN-617 (Amber)</b>	Tumor retained cytokine fusion protein combining IL2 & IL12	Pan-cancer					Submit IND in 2Q22
<b>CLN-978 (NexGem)</b>	Half-life extended bispecific mAb targeting CD19 and CD3	B-cell ALL					Submit IND in 2Q22
<b>Opal</b>	Bispecific fusion protein blocking the PD-1 axis and selectively activating 4-1BB/CD137	Pan-cancer					IND-enabling studies in 2H21
<b>Jade</b>	TCR-based therapy targeting a novel senescence and cancer-related protein	HPV+/RB-					IND-enabling studies in 2H21

■ Targeted Oncology    ■ Immuno-Oncology

## Our Programs

### CLN-081

CLN-081 is an orally available small molecule designed as a next generation, irreversible EGFR inhibitor in development for the treatment of a genetically defined subset of patients with NSCLC. CLN-081 is being developed by our partially-owned subsidiary Cullinan Pearl, and is currently in a Phase 1/2a dose escalation and expansion trial evaluating oral, twice-daily, or BID, administration of various doses in patients with NSCLC harboring EGFRex20ins mutations that have had at least one prior treatment with platinum based chemotherapy or another approved standard therapy. In September 2020, at the European Society for Medical Oncology virtual congress, we disclosed preliminary results based on the first 22 patients dosed in this ongoing trial. As of September 1, 2020, amongst 17 evaluable patients across all dose cohorts, we observed a best overall response of partial response in six patients and stable disease in 11 patients. The partial responses included two confirmed and four unconfirmed partial responses, three of whom had not yet reached a confirmatory scan and one who



progressed prior to a confirmatory scan. As of the September 1, 2020 data cut-off, no dose limiting toxicities, or DLTs, or Grade 3 treatment-related adverse events, or TRAEs, had been reported. As of the November 10, 2020 data cut-off, amongst 25 evaluable patients across all dose cohorts, we observed a best overall response of partial response in 10 patients, stable disease in 14 patients, and disease progression in one patient. The partial responses included six confirmed and four unconfirmed partial responses, two of whom had not yet reached a confirmatory scan. Regarding the two remaining patients with unconfirmed partial responses, one experienced progressive disease due to a new brain lesion and one died before their second scan after experiencing aspirational pneumonia that was deemed unrelated to study drug by the investigator. As of the November 10, 2020 data cut-off, we observed one DLT, which was Grade 3 diarrhea TRAE in the 150mg BID dosing cohort, our highest dose evaluated to date, and one other Grade 3 TRAE, which was anemia. We observed no Grade 2 diarrhea TRAEs in the 30, 45, 65, or 100mg BID dose cohorts. We observed one Grade 2 diarrhea TRAE in the 150mg BID dose cohort. As of the November 10, 2020 data cutoff, we observed eight Grade 2 skin rash TRAEs across all dose cohorts. Although these results are preliminary and based on a small number of patients with limited follow-up, we believe that the preclinical and early clinical data as of the data cut-off collectively support the potential of CLN-081 to be a clinically active molecule with a favorable product profile. Given the trial was designed as a dose escalation and expansion study, we anticipate observing additional TRAEs as we enroll more patients and follow them over longer duration periods at higher dose levels. We intend to provide a clinical update in the first half of 2021.

EGFR mutations are present in approximately 15% to 25% of U.S. and Western European NSCLC patients, and approximately 30% to 50% of Asian NSCLC patients. Among EGFR mutations, EGFRex20ins mutations account for 7% to 13% of all EGFR mutations in NSCLC patients, with an estimated annual incidence of 2,000 to 5,000 patients in the U.S. and approximately 1,000 to 3,000 patients in France, Germany, Italy, Spain, and the United Kingdom, or EU5. These patients typically have poorer outcomes than those with common types of EGFR mutations, such as exon 19 deletion and exon 21 L858R substitution mutations. Currently, there are no targeted therapies approved for the treatment of NSCLC patients with EGFRex20ins mutations, and approved EGFR inhibitors do not adequately address the needs of this patient population.

#### **CLN-049**

CLN-049 is a humanized bispecific antibody that we are developing at our partially-owned subsidiary Cullinan Florentine for the treatment of AML. CLN-049 is designed to simultaneously bind to FLT3 on target leukemic cells and to CD3 on T cells, triggering the T cells to kill the targeted cancer cells via their intrinsic cytolytic mechanisms. FLT3 is expressed frequently on AML cells and leukemic blasts but minimally on healthy blood cells, unlike other tumor surface antigens identified in AML, such as CD33 and CD123. We believe that the expression of FLT3 on the surface of leukemic blasts in most AML patients and its role as a known oncogenic driver make it an attractive therapeutic target for a T cell engager approach. Furthermore, by targeting the extracellular domain of FLT3, we believe CLN-049 has the potential to address a broader patient population than existing small molecule FLT3 kinase inhibitors acting within the intracellular domain, but are limited to a subset of approximately 25% of AML patients with certain mutations. We have observed that CLN-049 led to potent FLT3-dependent killing of leukemic cells *in vitro* at a wide range of FLT3 expression levels on AML cells. In preclinical studies, treatment with CLN-049, even at low doses, led to survival benefit in an AML xenograft model and complete elimination of leukemic blasts in various mouse models implanted with primary patient leukemic cells or AML cell lines. We have completed IND-enabling pharmacology, pharmacokinetic, and safety studies, and we expect to submit our IND for CLN-049 in the first quarter of 2021.

#### **CLN-619**

CLN-619, which is being developed by our partially-owned subsidiary Cullinan MICA, is a MICA/B-targeted, humanized IgG1 monoclonal antibody that we are initially developing for the treatment of patients

with advanced solid tumors. CLN-619 was designed to promote an antitumor response through multiple mechanisms of action, including engagement of NK and T cells for enhanced lysis of cancer cells. The MICA/B receptor, NKG2D, is expressed in both innate and adaptive effector cell populations. Although several companies have disclosed preclinical programs targeting MICA/B, we are unaware of any clinical-stage programs in development. In preclinical studies, CLN-619 demonstrated antitumor activity as a single agent in multiple *in vivo* models. We believe CLN-619 has the potential to become a novel backbone agent for immuno-oncology therapy given the broad expression of MICA/B across tumor types and the biologic rationale for combining CLN-619 with other agents. We have completed IND-enabling pharmacology and toxicology studies and are completing good manufacturing practice, or GMP, process work to support an IND submission in the first half of 2021.

#### **CLN-617**

We are also developing CLN-617, a fusion protein uniquely combining, in a single agent, two antitumor cytokines, IL-2 and IL-12, with a collagen-binding domain for the treatment of solid tumors. This collagen-binding domain is designed to retain the cytokines in the tumor microenvironment following intratumoral administration, with the goal of minimizing systemic dissemination and associated toxicities of cytokines while prolonging their immunostimulatory antitumor activity. For nearly five decades, clinical researchers have characterized the powerful role cytokines play in stimulating an immune response to cancer. However, despite numerous advancements in protein engineering, delivery and targeting mechanisms, the short serum half-life and severe toxicities associated with systemic cytokine administration have hindered their clinical development and commercial uptake.

We believe that CLN-617, by utilizing a collagen-binding domain, has the potential to address these shortcomings and is the only anti-cancer therapeutic candidate in development that we are aware of that combines IL-2 and IL-12. In preclinical studies, murine surrogates of CLN-617 demonstrated robust single agent antitumor activity in both injected and non-injected contralateral tumors without inducing systemic toxicity, as measured by reduction in body weight. Based on these results, we believe CLN-617 may be capable of generating a systemic immune response that can mediate tumor regression, even in non-injected distal tumors. Given the broad expression of collagens across multiple tumor types and the well-validated antitumor activity of cytokine-based therapies, CLN-617 may have utility across many different types of solid tumors. CLN-617 is being developed by our partially-owned subsidiary Cullinan Amber, and we expect to submit an IND for CLN-617 in 2022. We refer to the collagen-binding technology used in CLN-617 as AMBER, which we believe represents a novel platform with the potential to broaden the therapeutic window of cytokines and other immunostimulatory agents by potentially reducing systemic toxicity.

#### **CLN-978**

CLN-978 is a half-life extended, humanized, single-chain T cell engaging antibody construct designed to simultaneously engage CD19 on target cancer cells and CD3 on T cells, triggering redirected T cells to lyse the target cancer cells. In addition to CD19 and CD3 binding domains, CLN-978 has a human serum albumin binding antibody domain, which is designed to prolong its serum half-life. We believe that by potentially extending the serum half-life of CLN-978, we can address limitations related to the dosing regimen of blinatumomab, the only CD19-targeting bispecific T cell engager approved for the treatment of relapsed or refractory B-cell acute lymphoblastic leukemia, or ALL, and potentially offer unique advantages and broader access for patients. CLN-978, referred to as NexGem, mediated highly potent CD19-dependent target cell lysis *in vitro* at various CD19 target expression levels. In preclinical *in vivo* studies, treatment with NexGem, at extremely low doses and with infrequent dosing, led to inhibition of tumor growth and tumor regression in a human CD3e transgenic lymphoma mouse model. CLN-978 is held in our wholly-owned subsidiary Cullinan Management, Inc. We intend to initially evaluate CLN-978 as a novel treatment for B-cell ALL, and expect to submit our IND for CLN-978 in 2022.

### **Our Other Research Stage Programs**

In addition to the therapeutic candidates and programs described above, we are currently evaluating two discovery-stage immuno-oncology programs. Opal is a bispecific fusion protein that is designed to block the PD-1 axis and to selectively activate the 4-1BB/CD137 pathway on T cells in tumors. Jade is a cell therapy that is designed to target a novel senescence and cancer-related protein, and we are collaborating with the Fred Hutchinson Cancer Research Center to identify naturally occurring T cell receptors against this target.

### **Terminated Programs**

Based on early preclinical and clinical results, we have terminated multiple programs in order to allocate resources to what we believe are more promising programs in our portfolio. We believe these decisions demonstrate our commitment and discipline with respect to our strategy and business model. For example, Apollo, our oral small molecule targeting EBNA1, was terminated due to a lack of translation of the compelling pharmacodynamic effect and antitumor activity seen in preclinical studies into patients. We were able to efficiently evaluate this program with minimal costs, spending approximately \$10 million from initial licensing to date, including the costs related to the sponsored research agreement.

### **Our Strategy**

Our goal is to develop targeted oncology and immuno-oncology therapeutics that will dramatically improve the standard-of-care for patients with cancer. The key elements of our strategy are to:

- Build a pipeline of differentiated oncology therapeutic candidates that are diversified by mechanism, therapeutic approach, modality, and stage of development
- Expand our pipeline through research collaborations, business development, and internally designed programs
- Advance our lead therapeutic candidate, CLN-081, toward potential regulatory approval for the targeted treatment of NSCLC patients with EGFRex20ins mutations
- Establish clinical proof-of-concept for our most advanced immuno-oncology therapeutic candidates, CLN-619 and CLN-049, in patients with solid tumors and hematological malignancies, respectively
- Continue to advance and evolve our pipeline with a goal of advancing one therapeutic candidate into the clinic and one program into IND-enabling studies each year
- Evaluate strategic opportunities to accelerate development timelines and maximize the value of our portfolio

### **Our History and Team**

We began substantive operations in 2017 following Series A funding from F2 Ventures and the UBS Oncology Impact Fund, which is managed by MPM Capital and is one of the largest dedicated pools of capital focused exclusively on oncology investing. Since inception, we have raised approximately \$277.0 million from these investors as well as other institutional investors, including Foresite Capital, Boxer Capital of Tavistock Group, Eventide Asset Management, Nextech Invest, OrbiMed, Venrock Healthcare Capital Partners, Rock Springs Capital, BVF Partners, L.P., and Logos Capital. With less than \$60 million spent to date, we have prudently built a diverse pipeline of seven uncorrelated targeted oncology and immuno-oncology programs.

Critical to our success has been the ability to assemble an accomplished management team with proven track records in targeted oncology and immuno-oncology. We are led by a senior management team with extensive capabilities in immuno-oncology, biologics and small molecule drug development, as well as business development and portfolio management. Collectively, our team possesses a strong record of success, as demonstrated by 36 accepted INDs and six approved new drug applications, or NDAs, or biologics license

applications, or BLAs, and significant previous experiences at leading life sciences companies, including Alexion Pharmaceuticals, Inc., Amgen Inc., Biogen Inc., Bristol Myers Squibb Company, MacroGenics, Inc., Merck & Co., Inc., Novartis International AG, Pfizer Inc., and Sanofi S.A..

### **Summary of the Material Risks Associated with Our Business**

Our business is subject to numerous risks and uncertainties that you should be aware of in evaluating our business. These risks include, but are not limited to, the following:

- Our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.
- We have incurred significant losses since inception, and we expect to incur losses over the next several years and may not be able to achieve or sustain revenues or profitability in the future.
- Following consummation of this offering, we will still need substantial additional funding. If we are unable to raise capital when needed, we would be compelled to delay, reduce or eliminate our product development programs or other operations.
- We may not be successful in our efforts to use our differentiated hub-and-spoke business model to build a pipeline of product candidates with commercial value.
- Our ability to realize value from our subsidiaries may be impacted if we reduce our ownership to a minority interest or otherwise cede control to other investors through contractual agreements or otherwise.
- We are early in our development efforts and are substantially dependent on our lead candidate, CLN-081, and our most advanced immuno-oncology candidates, CLN-049 and CLN-619. If we are unable to advance CLN-081, CLN-049, or CLN-619, or any of our other product candidates through clinical development, or to obtain regulatory approval and ultimately commercialize CLN-081, CLN-049, or CLN-619, or any of our other product candidates, either by ourselves or with or by third parties, or if we experience significant delays in doing so, our business will be materially harmed.
- Interim, “topline,” and preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to confirmation, audit and verification procedures that could result in material changes in the final data.
- Our product candidates may cause undesirable side effects or have other properties that delay or prevent their regulatory approval, limit their commercial potential or result in significant negative consequences following any potential marketing approval.
- Our subsidiaries are party to certain agreements that provide our licensors, collaborators or other shareholders in our subsidiaries with rights that could delay or impact the potential sale of our subsidiaries or could impact the ability of our subsidiaries to sell assets or enter into strategic alliances, collaborations, or licensing arrangements with other third parties.
- A single or limited number of subsidiaries may comprise a large proportion of our value.
- Difficulty in enrolling patients could delay or prevent clinical trials of our product candidates, and ultimately delay or prevent regulatory approval.
- We face substantial competition, which may result in others discovering, developing, or commercializing products before or more successfully than we do.
- If we are unable to obtain and maintain patent and other intellectual property protection for our current product candidates and technology, or any other product candidates or technology we may develop, or if the scope of intellectual property protection obtained is not sufficiently broad, our competitors could develop and commercialize products and technology similar or identical to ours, and our ability to commercialize CLN-081, CLN-049, and CLN-619, or any other product candidates or technology may be adversely affected.

- We currently rely and expect to continue to rely on the outsourcing of the majority of our development functions to third parties to conduct our preclinical studies and clinical trials. If these third parties do not properly and successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval of or commercialize our product candidates.
- Our reliance on a central team consisting of a limited number of employees who provide various administrative, research and development, and other services across our organization presents operational challenges that may adversely affect our business.
- The outbreak of the novel coronavirus, COVID-19, may adversely impact our business, including our preclinical studies and clinical trials.
- We are highly dependent on our key personnel and anticipate hiring new key personnel. If we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

The summary risk factors described above should be read together with the text of the full risk factors below, in the section entitled “Risk Factors” and the other information set forth in this prospectus, including our consolidated financial statements and the related notes, as well as in other documents that we file with the SEC. The risks summarized above or described in full below are not the only risks that we face. Additional risks and uncertainties not presently known to us, or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, results of operations, and future, growth prospects.

### **Corporate Information**

Cullinan Pharmaceuticals, LLC was formed in September 2016 and was subsequently renamed Cullinan Oncology, LLC in November 2017. Cullinan Oncology, LLC’s, or the LLC entity’s, wholly-owned subsidiary, Cullinan Management, Inc., or the Corporation, was formed in September 2016. Our principal executive offices are located at One Main Street, Suite 520, Cambridge, MA 02142 and our telephone number is (617) 410-4650. Our corporate website address is <https://www.cullinanoncology.com>. Information contained on or accessible through our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only.

Prior to the completion of this offering, pursuant to a Contribution Agreement, or the Contribution Agreement, the LLC Entity will contribute all of the stock it owns of each of Cullinan Apollo Corp., Cullinan Florentine Corp., Cullinan Amber Corp., Cullinan Pearl Corp., and Cullinan MICA Corp., or collectively, the Asset Subsidiaries, to the Corporation in exchange for Common Stock of the Corporation that will result in the Asset Subsidiaries becoming subsidiaries of the Corporation, or the Contribution. Following the Contribution and prior to the completion of this offering, the LLC entity will merge with and into the Corporation, with the Corporation being the surviving entity. As a result of this merger, the holders of existing units in the LLC entity will exchange those units for corresponding shares of capital stock of the Corporation, after which those holders will have received 100% of the outstanding capital stock of the Corporation as of immediately prior to the completion of this offering. See “Reorganization” and “Description of Capital Stock” for additional information, including a description of the terms of our capital stock following the Reorganization and the terms of our amended and restated certificate of incorporation, effective immediately prior to the closing of the offering, and amended and restated bylaws that will be effective upon the effectiveness of the registration statement of which this prospectus is a part.

We use various trademarks and trade names in our business, including, without limitation, our corporate name and logo. All other trademarks or trade names referred to in this prospectus are the property of their respective owners. Solely for convenience, the trademarks and trade names in this prospectus may be referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto.

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

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

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

We may take advantage of these exemptions for up to five years or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company on the date that is the earliest of (i) the last day of the fiscal year in which we have total annual gross revenues of \$1.07 billion or more; (ii) the last day of our fiscal year following the fifth anniversary of the date of the completion of this offering; (iii) the date on which we have issued more than \$1.0 billion in nonconvertible debt during the previous three years; or (iv) the last day of the fiscal year in which we are deemed to be a large accelerated filer under the rules of the U.S. Securities and Exchange Commission, or SEC, which means the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the prior June 30th. We may choose to take advantage of some but not all of these exemptions. We have taken advantage of reduced reporting requirements in this prospectus. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold stock. In addition, we have elected to avail ourselves of the extended transition period for complying with new or revised accounting standards until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period. As a result, we will be subject to the same new or revised accounting standards as private companies. Accordingly, our consolidated financial statements may not be comparable to the financial statements of public companies that comply with such new or revised accounting standards. We are in the process of evaluating the benefits of relying on other exemptions and reduced reporting requirements under the JOBS Act. Subject to certain conditions, as an emerging growth company, we may rely on certain of these exemptions in future filings, including without limitation, providing an auditor’s attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act.

We are also a “smaller reporting company” as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies until the fiscal year following the determination that either (i) the market value of our common stock held by non-affiliates is greater than \$700 million or (ii) the market value of our common stock held by non-affiliates is less than \$700 million but greater than \$250 million and our annual revenues during our most recently completed fiscal year are greater than \$100 million.

**THE OFFERING**

Common stock offered by us	shares
Option to purchase additional shares	We have granted the underwriters an option, exercisable for 30 days after the date of this prospectus, to purchase up to additional shares from us at the initial public offering price per share less the underwriting discounts and commissions.
Total common stock to be outstanding immediately after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares in full)
Use of proceeds	We estimate that we will receive net proceeds from the sale of our common stock in this offering of approximately \$ million, or \$ million if the underwriters fully exercise their option to purchase additional shares, assuming an initial public offering price of \$ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and offering expenses payable by us. We intend to use the net proceeds from this offering, together with our existing cash, cash equivalents, and short term investments for (i) the completion of our Phase 1/2a trial of CLN-081, as well as the initiation of a later stage trial in treatment-experienced NSCLC patients with EGFRex20ins mutations; (ii) the advancement of CLN-049 and CLN-619 into Phase 1/2a clinical trials for patients with advanced solid tumors and r/r AML, respectively; (iii) the advancement of CLN-617 and CLN-978 through IND-enabling studies and, assuming success of those studies and subject to FDA review of an IND submission, the initiation of Phase 1/2a clinical trials; and (iv) the continued advancement of our pipeline, including Jade and Opal, milestones for previously in-licensed programs, the identification and advancement of additional programs and development candidates, hiring of additional personnel, and costs of operating as a public company. See “Use of Proceeds” for additional information.
Risk factors	You should read carefully “Risk Factors” beginning on page 15 and other information included in this prospectus for a discussion of factors that you should consider before deciding to invest in our common stock.
Proposed Nasdaq Global Market symbol	“CGEM”

## [Table of Contents](#)

The number of shares of our common stock to be outstanding after this offering gives effect to the Reorganization and is based on shares of our common stock (which includes shares of restricted common stock) outstanding as of September 30, 2020, which assumes the exchange of all outstanding units of Cullinan Oncology, LLC as of September 30, 2020 and 66,599,045 Series C preferred units issued after September 30, 2020 for an aggregate of shares of common stock of our wholly-owned subsidiary Cullinan Management, (which includes shares of restricted common stock) prior to the completion of this offering as if such exchange had occurred as of September 30, 2020. See the section of the prospectus titled “Reorganization.”

The number of shares of our common stock to be outstanding immediately following the completion of this offering excludes:

- shares of our common stock reserved for future issuance under our 2021 Stock Option and Incentive Plan, or the 2021 Plan, which will become effective in connection with this offering;
- shares of our common stock reserved for future issuance under our 2021 Employee Stock Purchase Plan, or 2021 ESPP, which will become effective in connection with this offering;
- 32,493,491 common unit options that were granted pursuant to the 2020 Unit Plan in October 2020 at a weighted average exercise price of \$0.61; and
- 2,254,231 restricted common units granted pursuant to the Restricted Stock Contribution Agreement.

Except as otherwise noted, all information in this prospectus assumes or gives effect to:

- the completion of the Reorganization, including the exchange of all outstanding units of Cullinan Oncology, LLC as of September 30, 2020 and 66,599,045 Series C preferred units issued after September 30, 2020 for an aggregate of shares of common stock of our wholly-owned subsidiary Cullinan Management, (which includes shares of restricted common stock) prior to the completion of this offering as if such exchange had occurred as of September 30, 2020, assuming an initial public offering price of \$ per share, which is the midpoint of the price range set forth on the cover page of this prospectus. See “Reorganization” for further detail;
- no exercise by the underwriters of their option to purchase up to additional shares of our common stock in this offering; and
- the filing of our amended and restated certificate of incorporation, effective immediately prior to the closing of the offering, and the adoption of our amended and restated bylaws, effective upon the effectiveness of the registration statement of which this prospectus is a part.



### SUMMARY CONSOLIDATED FINANCIAL DATA

The following information is presented for Cullinan Oncology, LLC, which will merge with and into Cullinan Management, Inc., the entity whose shares are being offered hereby. The summary financial information below should be read in conjunction with the information contained in "Selected Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations," our consolidated financial statements and notes thereto, and other financial information included elsewhere in this prospectus. The consolidated statement of operations and comprehensive loss data for the years ended December 31, 2018 and 2019 have been derived from our audited consolidated financial statements. The consolidated statement of operations and comprehensive loss data for the nine months ended September 30, 2019 and 2020 and the summary consolidated balance sheet data as of September 30, 2020 have been derived from our unaudited condensed consolidated financial statements, both of which are included elsewhere in this prospectus. In the opinion of management, the unaudited financial statements include all adjustments, consisting of only normal and recurring adjustments, necessary for a fair presentation of such financial data.

	YEAR ENDED DECEMBER 31,		NINE MONTHS ENDED SEPTEMBER 30,	
	2018	2019	2019	2020
	(unaudited)			
	(in thousands, except share and per share data)			
<b>Consolidated statement of operations data:</b>				
Operating expenses:				
Research and development	\$ 9,584	\$ 16,788	\$ 12,986	\$ 26,582
General and administrative	5,002	5,482	4,305	4,580
Total operating expenses	14,586	22,270	17,291	31,162
Loss from operations	(14,586)	(22,270)	(17,291)	(31,162)
Other income, net:				
Interest income	397	620	368	809
Other (expense) income, net	—	(4)	—	1
Total other income, net	397	616	368	810
Net loss	(14,189)	(21,654)	(16,923)	(30,352)
Net loss attributable to noncontrolling interest	—	(997)	(835)	(6,899)
Net loss attributable to Cullinan	\$ (14,189)	\$ (20,657)	\$ (16,088)	\$ (23,453)
Net loss per unit attributable to common and non-voting incentive unit holders, basic and diluted <sup>(1)</sup>	\$ (5.56)	\$ (3.23)	\$ (2.67)	\$ (2.62)
Total weighted-average common and non-voting incentive units used in computing net loss per unit, basic and diluted <sup>(1)</sup>	2,549,865	6,397,443	6,017,973	8,960,373
Comprehensive loss:				
Net loss	\$ (14,189)	\$ (21,654)	\$ (16,923)	\$ (30,352)
Unrealized (loss) gain on investments	—	(4)	—	63
Comprehensive loss	(14,189)	(21,658)	(16,923)	(30,289)
Comprehensive loss attributable to noncontrolling interest	—	(997)	(835)	(6,899)
Comprehensive loss attributable to Cullinan	\$ (14,189)	\$ (20,661)	\$ (16,088)	\$ (23,390)
Pro forma net loss per share attributable to common stockholders, basic and diluted (unaudited) <sup>(1)(2)</sup>		\$ (0.26)		\$ (0.17)
Total weighted-average common stock outstanding used in computing pro forma net loss per unit, basic and diluted (unaudited) <sup>(1)(2)</sup>		80,594,229		136,285,931

- (1) See Note 12 to our consolidated financial statements and our condensed consolidated financial statements included elsewhere in this prospectus for a description of how we compute net loss per unit attributable to common and non-voting incentive unit holders, basic and diluted, and the weighted-average common and non-voting incentive units used in computation of per unit amounts.
- (2) Pro forma net loss per share attributable to common stockholders, basic and diluted (unaudited) and pro forma weighted average common stock outstanding—basic and diluted (unaudited) gives effect to (i) the completion of the Reorganization—see “Reorganization” for further detail and (ii) subsequent to the Reorganization, the conversion of all outstanding shares of our preferred stock into common stock as if such transactions had occurred on the later of the beginning of the period or the issuance of the redeemable preferred units, but does not reflect the transactions described in “The Reorganization-Reorganization Equity Exchange”, nor does it include units from the Series C offering completed in December 2020.

	AS OF SEPTEMBER 30, 2020		
	ACTUAL	PRO FORMA(1) (unaudited) (in thousands)	PRO FORMA AS ADJUSTED(2)
<b>Consolidated balance sheet data:</b>			
Cash, cash equivalents and short-term investments	\$ 94,892	\$ 219,592	\$
Working capital <sup>(3)</sup>	89,298	213,998	
Total assets	97,317	222,017	
Total liabilities	7,806	7,806	
Redeemable preferred units	151,811	—	
Common stock	—	21	
Additional paid-in capital	770	277,261	
Accumulated deficit	(64,993)	(64,993)	
Total members’ (deficit), actual; total stockholders’ equity, pro forma and pro forma as adjusted	(62,300)	214,211	

- (1) The consolidated pro forma balance sheet data give effect to the issuance and sale of 66,599,045 Series C preferred units in December 2020 and the completion of the Reorganization and, subsequent to the Reorganization, the conversion of all outstanding preferred stock into common stock, but does not reflect the transactions described in “The Reorganization-Reorganization Equity Exchange.”
- (2) The pro forma as adjusted consolidated balance sheet data give further effect to our issuance and sale of \_\_\_\_\_ shares of our common stock offered in this offering at an assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.
- (3) We define working capital as current assets less current liabilities.

A \$1.00 increase (decrease) in the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash, working capital, total assets, and total stockholders’ equity by \$ \_\_\_\_\_ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash, working capital, total assets, and total stockholders’ equity by \$ \_\_\_\_\_ million, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

## RISK FACTORS

*Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, as well as the other information in this prospectus, including our consolidated financial statements and related notes appearing elsewhere in this prospectus and the section of this prospectus titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” before you make an investment decision. The risks described below are not the only risks that we face. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations and prospects. As a result, the market price of our common stock could decline, and you may lose all or part of your investment in our common stock.*

### Risks Related to Our Financial Condition and Capital Requirements

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

We began substantive operations in 2017, and our operations to date have been limited to organizing and staffing our company, business planning, raising capital for us and our subsidiaries, filing patent applications, identifying and acquiring and investing in potential product candidates, undertaking clinical trials, building our intellectual property portfolio, and establishing arrangements and collaborating with third parties for identification, discovery and research activities, preclinical studies, clinical trials, and the manufacture of initial quantities of our product candidates and component materials. We have not yet demonstrated our ability to successfully conduct late-stage clinical trials, complete any clinical trials, obtain marketing approvals, manufacture a commercial-scale product or arrange for a third party to do so on our behalf, or conduct sales, marketing, and distribution activities necessary for successful product commercialization.

In addition, we may encounter unforeseen expenses, difficulties, complications, delays, and other known and unknown factors, such as the COVID-19 pandemic. If we decide to commercialize any of our product candidates that may be approved for marketing, we will need to develop commercial infrastructure. We may not be successful in any such transition. Consequently, any predictions you make about our future success or viability may not be as accurate as they could be if we had a longer operating history.

***We have incurred significant losses since inception, and we expect to incur losses over the next several years and may not be able to achieve or sustain revenues or profitability in the future.***

Investment in biopharmaceutical product development is a highly speculative undertaking and entails substantial upfront capital expenditures and significant risk that any potential therapeutic candidate will fail to demonstrate adequate efficacy or an acceptable safety profile, gain regulatory approval, and become commercially viable. We are still in the early stages of development of our product candidates. We have no products approved for commercial sale and have not generated any revenue from product sales to date, and we continue to incur significant research and development and other expenses related to our ongoing operations. We have financed our operations primarily through private placements of Cullinan Oncology, LLC’s preferred units and our subsidiaries’ preferred stock.

We have incurred significant net losses in each period since we began substantive operations in September 2017. For the years ended December 31, 2018 and 2019, we reported net losses of \$14.2 million and \$21.7 million, respectively. For the nine months ended September 30, 2020, we reported a net loss of \$30.4 million. As of September 30, 2020, we had an accumulated deficit of \$65.0 million. We expect to continue to incur significant losses for the foreseeable future, and we expect these losses to increase substantially if and as we:

- continue our research and development efforts and submit investigational new drug applications, or INDs, for our product candidates;

## Table of Contents

- conduct preclinical studies and clinical trials for our current and future product candidates, including but not limited to CLN-081, CLN-049, and CLN-619;
- seek marketing approvals for any product candidates that successfully complete clinical trials;
- experience any delays or encounter any issues with any of the above, including but not limited to failed studies, complex results, safety issues, or other regulatory challenges;
- establish a sales, marketing, and distribution infrastructure and scale-up manufacturing capabilities, whether alone or with third parties, to commercialize any product candidates for which we may obtain regulatory approval;
- obtain, expand, maintain, enforce, and protect our intellectual property portfolio;
- take temporary precautionary measures to help minimize the risk of COVID-19 to our employees;
- hire additional clinical, regulatory, and scientific personnel; and
- operate as a public company.

Because of the numerous risks and uncertainties associated with developing pharmaceutical product candidates, particularly during the COVID-19 pandemic, we are unable to predict the extent of any future losses or when we will become profitable, if at all. Even if we succeed in commercializing one or more of our product candidates, we will continue to incur substantial research and development and other expenditures to develop and seek regulatory approval for additional product candidates or additional indications. We may encounter unforeseen expenses, difficulties, complications, delays, and other unknown factors that may adversely affect our business. The size of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenue. Our prior losses and expected future losses have had and will continue to have an adverse effect on our members' equity and working capital.

### ***We have not generated any revenue from our product candidates and may never be profitable.***

Our ability to become profitable depends upon our ability to generate revenue. To date, we have not generated any sales, or collaboration or commercial revenue from any of our product candidates. We do not expect to generate significant sales revenue or commercial revenue from the sale or license of one or more of our preclinical programs or product candidates unless or until we successfully complete clinical development and obtain regulatory approval of, and then successfully commercialize, at least one of our product candidates or, alternatively, enter into agreements with third parties for the purchase, collaboration, or license of one of our product candidates. Most of our product candidates are in the preclinical stages of development and will require additional preclinical studies, and all of our product candidates will require additional clinical development, regulatory review and approval, substantial investment, access to sufficient commercial manufacturing capacity, and significant marketing efforts before we can generate any revenue from product sales. Except for CLN-081, we have not yet administered our product candidates in humans and, as such, we face significant translational risk as our preclinical product candidates advance to the clinical stage, if ever, as promising results in preclinical studies may not be replicated in subsequent clinical trials, and testing on animals may not accurately predict human experience. For example, Apollo, our oral small molecule targeting EBNA1, was terminated due to a lack of translation of compelling preclinical pharmacodynamic effect and antitumor activity into patients. Our ability to generate revenue depends on a number of factors, including, but not limited to:

- timely completion of our preclinical studies and clinical trials, which may be significantly slower or cost more than we currently anticipate and will depend substantially upon the performance of third-party contractors;
- our ability to complete IND-enabling studies and successfully submit INDs or comparable applications for our product candidates, including CLN-049, CLN-619, CLN-617 and CLN-978;

## Table of Contents

- whether we are required by the U.S. Food and Drug Administration, or the FDA, or similar foreign regulatory authorities to conduct additional clinical trials or other studies beyond those planned to support the approval and commercialization of our product candidates or any future product candidates;
- our ability to timely seek and obtain regulatory and marketing approvals for any of our product candidates or any future product candidates for which we complete clinical trials, and such regulatory authorities' acceptance of our tumor-agnostic development strategy (i.e., our pursuit of approval based on a biomarker rather than a specific cancer indication);
- the prevalence, duration, and severity of potential side effects or other safety issues experienced by patients receiving our product candidates or future product candidates;
- the willingness of physicians, operators of clinics, and patients to utilize or adopt any of our product candidates or future product candidates over alternative or more conventional therapies, such as chemotherapy;
- the actual and perceived availability, cost, risk profile, and side effects, and efficacy of our product candidates, if approved, relative to existing and future alternative cancer therapies and competitive product candidates and technologies;
- our ability and the ability of third parties with whom we contract to manufacture adequate clinical and commercial supplies of our product candidates or any future product candidates, remain in good standing with regulatory authorities and develop, validate, and maintain commercially viable manufacturing processes that are compliant with current good manufacturing practices, or cGMP;
- our ability to successfully develop a commercial strategy and thereafter commercialize our product candidates or any future product candidates in the United States and internationally, if approved for marketing, reimbursement, sale, and distribution in such countries and territories, whether alone or in collaboration with others;
- patient demand for our product candidates and any future product candidates, if approved; and
- our ability to establish and enforce intellectual property rights in and for our product candidates or any future product candidates.

Many of the factors listed above are beyond our control and could cause us to experience significant delays or prevent us from obtaining regulatory approvals or commercializing our product candidates. Even if we are able to commercialize our product candidates, we may not achieve profitability soon after generating product sales, if ever. If we are unable to generate sufficient revenue through the commercial sale of our product candidates or any future product candidates, or from agreements with third parties for the purchase, collaboration, or license of one or more of our product candidates, we may be unable to continue operations without continued funding.

***Following consummation of this offering, we will still need substantial additional funding. If we are unable to raise capital when needed, we would be compelled to delay, reduce, or eliminate our product development programs or other operations.***

The development of pharmaceutical products is capital intensive. We are currently advancing CLN-081 in clinical development and expect to advance CLN-049 and CLN-619 into clinical development in the near term. We expect our expenses to increase in parallel with our ongoing activities, particularly as we continue our discovery, preclinical, and clinical development activities for our current product candidates, identify and invest in new product candidates, and conduct clinical trials of, and seek marketing approval for, our product candidates. In addition, if we obtain marketing approval for and commercialize any of our product candidates, we expect to incur significant commercialization expenses related to product sales, marketing, manufacturing, and distribution. Furthermore, upon the closing of this offering, we expect to incur significant additional costs associated with operating as a public company. Accordingly, we will need to obtain substantial additional

## Table of Contents

funding in connection with our continuing operations, which may include raising funding by one or more of our subsidiaries that could dilute our equity interest in the subsidiary. We have estimated our current additional funding needs based on assumptions that may prove to be wrong. Additionally, changing circumstances may cause us to consume capital significantly faster than we currently anticipate, and we may need to spend more money than currently expected because of circumstances beyond our control. We cannot be certain that additional funding will be available on acceptable terms, or at all. Until such time, if ever, as we can generate substantial product revenue, we expect to finance our operations through a combination of public or private equity offerings, debt financings, governmental funding, collaborations, strategic partnerships, and alliances, or marketing, distribution, or licensing arrangements with third parties, either by Cullinan Oncology, LLC, or by one or more of our subsidiaries. If we or our subsidiaries are unable to raise capital when needed or on attractive terms, we or the applicable subsidiary would be forced to delay, reduce, or eliminate our identification, discovery, and preclinical or clinical development programs, or any future commercialization efforts.

We had cash and cash equivalents and short-term investments of \$94.9 million as of September 30, 2020. In addition, on December 16, 2020, we received \$124.7 million from the sale of our Series C preferred units. We estimate that our net proceeds from this offering will be \$ , based on an assumed initial public offering price of \$ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We believe that, based upon our current operating plan, our existing capital resources, together with the net proceeds from this offering will be sufficient to fund our anticipated operations into . Our future capital requirements will depend on many factors, including:

- the scope, progress, results, and costs of discovery, preclinical development, and clinical trials for our product candidates;
- the extent to which we enter into additional collaboration arrangements with regard to product discovery or acquire or in-license products or technologies;
- our ability to establish additional discovery collaborations on favorable terms, if at all;
- the costs, timing, and outcome of regulatory review of our product candidates;
- the costs of future commercialization activities, including product sales, marketing, manufacturing, and distribution, for any of our product candidates for which we receive marketing approval;
- revenue, if any, received from commercial sales of our product candidates, should any of our product candidates receive marketing approval, or from licensing or collaboration agreements pursuant to which we may receive milestone, royalty, or other revenue from third parties developing or commercializing our product candidates; and
- the costs of preparing, filing, and prosecuting patent applications, obtaining, maintaining, enforcing, and protecting our intellectual property rights and defending intellectual property-related claims.

Identifying potential product candidates and conducting preclinical testing and clinical trials is a time-consuming, expensive and uncertain process that takes years to complete, and we may never generate the necessary data or results required to obtain marketing approval and achieve product sales. In addition, our product candidates, if approved, may not achieve commercial success. Our commercial revenues, if any, will be derived from sales of products that we do not expect to be commercially available for many years, if at all. Accordingly, we will need to continue to rely on additional financing to achieve our business objectives. Adequate additional financing may not be available to us on acceptable terms, or at all.

In addition, if one of our subsidiaries raises funds through the issuance of its equity securities, our equity interest in such subsidiary could be substantially diminished. If one of our subsidiaries raises additional funds through collaboration and licensing arrangements, it may be necessary to relinquish some rights to our technologies or our product candidates or grant licenses on terms that are not favorable to us.

## Table of Contents

### ***If you purchase our common stock in this offering, you will incur immediate and substantial dilution in the book value of your shares.***

The initial public offering price will be substantially higher than the net tangible book value per share of our common stock. Investors purchasing common stock in this offering will pay a price per share that substantially exceeds the book value of our tangible assets after subtracting our liabilities. As a result, investors purchasing common stock in this offering will incur immediate dilution of \$ \_\_\_\_\_ per share, based on the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus. Further, investors purchasing common stock in this offering will contribute approximately \_\_\_\_\_ % of the total amount invested by equity holders since our inception, but will own only approximately \_\_\_\_\_ % of the total number of shares of our common stock outstanding after this offering.

This dilution is due to our investors who purchased units of Cullinan Oncology, LLC prior to this offering having paid substantially less when they purchased their units than the price offered to the public in this offering, and the grant of restricted units granted to our employees. As a result of the dilution to investors purchasing common stock in this offering, investors may receive significantly less than the purchase price paid in this offering, if anything, in the event of our liquidation. For a further description of the dilution that you will experience immediately after this offering, see the section of this prospectus entitled “Dilution.”

### ***If we or our subsidiaries engage in acquisitions or strategic partnerships, this may increase our or their capital requirements, dilute our or their stockholders, cause us or them to incur debt or assume contingent liabilities, and subject us or them to other risks.***

We intend to engage in various acquisitions and strategic partnerships in the future, including licensing or acquiring products, intellectual property rights, technologies, or businesses, either by our wholly-owned subsidiary, Cullinan Management, Inc., or Cullinan Management, or by one or more of our wholly- or partially-owned subsidiaries, including a newly-formed subsidiary formed for the purpose of such transaction. Any acquisition or strategic partnership may entail numerous risks to us or the applicable subsidiary, including:

- increased operating expenses and cash requirements;
- the assumption of indebtedness or contingent liabilities;
- the issuance of equity securities which would result in dilution;
- assimilation of operations, intellectual property, products, and product candidates of an acquired company, including difficulties associated with integrating new personnel;
- the diversion of financial and managerial resources from our existing product programs and initiatives in pursuing such an acquisition or strategic partnership;
- retention of key employees, the loss of key personnel, and uncertainties in our ability to maintain key business relationships;
- risks and uncertainties associated with the other party to such a transaction, including the prospects of that party and their existing products or product candidates and regulatory approvals;
- our inability to generate revenue from acquired intellectual property, technology, and/or products sufficient to meet our objectives or even to offset the associated transaction and maintenance costs;
- risk of conducting research and development activities in new therapeutic areas or treatment modalities in which we have little to no experience;
- successfully negotiating a proposed acquisition, in-license or investment in a timely manner and at a price or on terms and conditions favorable to us;
- successfully combining and integrating a potential acquisition into our existing business to fully realize the benefits of such acquisition;

## Table of Contents

- the impact of regulatory reviews on a proposed acquisition, in-license or investment; and
- the outcome of any legal proceedings that may be instituted with respect to the proposed acquisition, in-license or investment.

If we fail to properly evaluate potential acquisitions, in-licenses, investments or other transactions associated with the creation of new research and development programs or the maintenance of existing ones, we might not achieve the anticipated benefits of any such transaction, we might incur costs in excess of what we anticipate, and management resources and attention might be diverted from other necessary or valuable activities.

### **Risks Related to Our Corporate Structure**

***We may not be successful in our efforts to use our differentiated hub-and-spoke business model to build a pipeline of product candidates with commercial value.***

A key element of our strategy is to use our differentiated hub-and-spoke business model to form or seek strategic alliances, create joint ventures or collaborations, or enter into licensing arrangements with third parties for programs, product candidates, technologies or intellectual property that we believe are novel, employ differentiated mechanisms of action, are more advanced in development than competitors, or have a combination of these attributes. We face significant competition in seeking appropriate strategic partners and licensing and acquisition opportunities, and the negotiation process is time-consuming and complex. We may not be successful in our efforts in building a pipeline of product candidates for the treatment of various cancers through acquisitions, licensing or through internal development or in progressing these product candidates through clinical development. Although our research and development efforts to date have resulted in our identification, discovery and preclinical and clinical development of certain of our product candidates, these product candidates may not be safe or effective as cancer treatments, and we may not be able to develop any other product candidates. Although we analyze whether we can replicate scientific results observed prior to our acquisition or investment in a product candidate, we may not be successful in doing so after our investment. Our differentiated hub-and-spoke business model is evolving and may not succeed in building a pipeline of product candidates. For example, we may not be successful in identifying additional genetic mutations which are oncogenic and which can be “basketed” into a group that is large enough to present a sufficient commercial opportunity or that is druggable with one chemical compound. Even if we are successful in building our pipeline of product candidates, the potential product candidates that we identify may not be suitable for clinical development or generate acceptable clinical data, including as a result of unacceptable toxicity or other characteristics that indicate that they are unlikely to receive marketing approval from the FDA or other regulatory authorities or achieve market acceptance. If we do not successfully develop and commercialize product candidates, we will not be able to generate product revenue in the future, which likely would result in significant harm to our financial position and adversely affect our stock price.

Additionally, we may pursue additional in-licenses or acquisitions of development-stage assets or programs, which entails additional risk to us. While we believe our hub-and-spoke model offers an attractive platform for these transactions and for potential partners, our model is unique and we may not be able to attract or execute transactions with licensors or collaborators who may choose to partner with companies that employ more traditional licensing and collaboration approaches. Identifying, selecting, and acquiring promising product candidates requires substantial technical, financial and human resources expertise. Efforts to do so may not result in the actual acquisition or license of a successful product candidate, potentially resulting in a diversion of our management’s time and the expenditure of our resources with no resulting benefit. For example, if we are unable to identify programs that ultimately result in approved products, we may spend material amounts of our capital and other resources evaluating, acquiring, and developing products that ultimately do not provide a return on our investment. We have terminated programs, and expect to terminate programs in the future if they do not meet our criteria for advancement.



***Our subsidiaries are party to certain agreements that provide our licensors, collaborators or other shareholders in our subsidiaries with rights that could delay or impact the potential sale of our subsidiaries or could impact the ability of our subsidiaries to sell assets, or enter into strategic alliances, collaborations or licensing arrangements with other third parties.***

Each of our subsidiaries licenses intellectual property from third parties and, other than our wholly-owned subsidiary Cullinan Management, has raised capital from third party investors. These third parties have certain rights that could delay collaboration, licensing or other arrangement with another third party, and the existence of these rights may adversely impact the ability to attract an acquirer or partner. These rights include rights of negotiation and fees payable upon a sale of assets or change of control of a subsidiary that are contained in license agreements, as well as rights such as drag-along rights in agreements with shareholders of the subsidiary.

For example, our partially-owned subsidiary Cullinan Pearl Corp., or Cullinan Pearl, is party to a license agreement, or the Taiho Agreement, with Taiho Pharmaceuticals, Inc., or Taiho, pursuant to which Taiho has a right of negotiation that requires Cullinan Pearl to negotiate in good faith with Taiho prior to proceeding with a transaction to license, sell, assign, transfer or otherwise dispose of a majority of the assets of Cullinan Pearl to a third party, or any transaction with respect to any of the rights licensed from Taiho to Cullinan Pearl. While Cullinan Pearl is not obligated to enter into a transaction with Taiho, the right of negotiation could delay a potential sale or adversely impact our ability to attract a partner or acquirer and could negatively impact prospects for a larger company to acquire Cullinan Pearl or its assets or enter into a collaboration or licensing transaction that would benefit us. Further, Cullinan Pearl must pay Taiho a percentage of the proceeds from the sale, assignment or transfer of less than all or substantially all of Cullinan Pearl's assets. In addition, our partially-owned subsidiaries Cullinan Florentine Corp., or Cullinan Florentine, and Cullinan Amber Corp., or Cullinan Amber, will also owe licensors a success fee in the event of a sale or other disposition of the majority of its assets. These fees will reduce the net proceeds we receive from any such sale or disposition of assets.

We have also entered into investor rights and voting agreements with third party investors, which may delay or impact our ability to sell our equity interests in or the assets of our partially-owned subsidiaries. For example, we would need to comply with certain notice and other provisions, such as a drag-along provision in the event of sale of the subsidiary, which may delay or prevent a specific transaction or make transacting with our subsidiaries and us less attractive to third parties. As of December 18, 2020, on a fully-diluted basis, we owned 71% of Cullinan Apollo, 80% of Cullinan Pearl, 90% of Cullinan Amber, 92% of Cullinan Florentine and 24% of Cullinan MICA.

We may form additional subsidiaries and enter into similar agreements with future partners or investors, or our subsidiaries may enter into further agreements, that in each case may contain similar provisions or other terms that are not favorable to us.

***Our ability to realize value from our subsidiaries may be impacted if we reduce our ownership to a minority interest or otherwise cede control to other investors through contractual agreements or otherwise.***

We currently own the majority of the fully-diluted shares outstanding of Cullinan Pearl, Cullinan Florentine, Cullinan Apollo, and Cullinan Amber. Our ownership in Cullinan MICA, which owns intellectual property related to CLN-619, represents 88% of Cullinan MICA's Series A Senior Preferred Stock, but approximately 24% of its fully-diluted common stock equivalent outstanding as of November 30, 2020. However, we currently can designate three of the five directors of the company and have control over certain corporate actions such as the acquisition of Cullinan MICA by any other corporation or entity, through our majority ownership of the Series A Senior Preferred Stock. Further, we will maintain our Series A Senior Preferred Stock ownership percentage by participating in future milestone dependent closings of the Series A financing (for more information please see Note 5 of our condensed consolidated financial statements).

In the event that any of our subsidiaries require additional capital and its respective board of directors authorizes the transaction, our equity interest in our subsidiaries may be further reduced to the extent such additional capital is obtained from third party investors rather than from us. However, such transactions would

## [Table of Contents](#)

still need to be approved by the board of directors of our respective subsidiary over which we maintain full or, in the case of Cullinan MICA, majority control. For example, in the event Cullinan MICA were to undertake a transaction that could lead to further dilution of our interest, such action would still be subject to protective provisions requiring the consent of a majority in interest of the then-outstanding shares of Series A Senior Preferred Stock, or the Protective Voting Rights, including, among other things, any authorization, designation, recapitalization or issuance of any new class or series of stock or any other securities convertible into equity securities of Cullinan MICA. Cullinan Oncology, LLC currently holds a majority of the Series A Senior Preferred Stock. These Protective Voting Rights give holders of Series A Senior Preferred voting control over any actions that would result in redemptions of equity securities.

However, if we do not wish to or cannot provide additional capital to any of our subsidiaries, we may approve of an issuance of equity by a subsidiary that dilutes our ownership and may lose control over the subsidiary. In addition, if the affairs of such minority-owned subsidiaries such as Cullinan MICA were to be conducted in a manner detrimental to the interests or intentions of the Company, our business, reputation, and prospects may be adversely affected. For example, other shareholders of Cullinan MICA could take actions without our consent, including that a majority of shareholders could demand a registration of their shares beginning in April 2025 and such a liquidity event by the other shareholders could have an adverse impact on our investment in the subsidiary.

### ***A single or limited number of subsidiaries may comprise a large proportion of our value.***

A large proportion of our value may at any time reside in one or two of our subsidiaries, including intellectual property rights and the value ascribed to the product candidate or program that it is developing. Our consolidated financial condition and prospects may be materially diminished if the clinical development or potential commercialization prospects of a subsidiary's product candidate or program or one or more of the intellectual property rights held by a specific subsidiary becomes impaired. Furthermore, a large proportion of our consolidated revenue may at any time be derived from one, or a small number of, licensed technologies, and termination or expiration of licenses to these technologies would likely have a material adverse effect on our consolidated revenue. Any material adverse impact on the value of a particular subsidiary, including its intellectual property rights or the clinical development of its product candidate or program, could have a material adverse effect on our consolidated business, financial condition, results of operations or prospects.

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

Because we have limited financial and managerial resources, we must focus on a limited number of research programs and product candidates and on specific indications. As a result, we may forego or delay pursuit of opportunities with other product candidates or for other indications that later prove to have greater commercial potential, or fail to recognize or acquire assets that may be more promising than those we acquire. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future identification, discovery, and preclinical development programs and product candidates for specific indications may not yield any commercially viable products.

### ***Our reliance on a central team consisting of a limited number of employees who provide various administrative, research and development, and other services across our organization presents operational challenges that may adversely affect our business.***

As of November 30, 2020, we had 17 full-time employees and one part-time employee who are employed by our wholly-owned subsidiary, Cullinan Management, upon which we rely for various administrative, research and development, and other support services shared among our other operating subsidiaries. We also have two consultants who we rely on for research and development, business development, and other services. While we

## [Table of Contents](#)

believe this structure enables us to reduce certain infrastructure costs, the small size of our centralized team may limit our ability to devote adequate personnel, time, and resources to support the operations of all of our subsidiaries, including their research and development activities, and the management of financial, accounting, and reporting matters. Given that our employees and management are primarily incentivized at the parent company level, these employees and management team members may not be sufficiently incentivized to maximize the overall value of our entire organization. If our centralized team fails to provide adequate administrative, research and development, or other services across our entire organization, our business, financial condition, and results of operations could be harmed.

***Some of our officers and directors currently serve, and in the future may serve, as directors or officers of our subsidiaries, and, as a result, have and may continue to have, fiduciary and other duties to our subsidiaries causing conflicts of interest with respect to their duties to us and their duties to our subsidiaries and in determining how to devote themselves to our affairs and the affairs of our subsidiaries. Our subsidiaries' partners may also disagree with the sufficiency of resources that we provide to each subsidiary.***

Certain of our officers, including our CEO and director, Owen Hughes, and our Chief Scientific Officer, Leigh Zawel, are also directors and/or officers of one or more of our subsidiaries and, as a result, have fiduciary or other duties both to us and our subsidiaries. The conflicts of interest that arise from such duties could interfere with the management of our subsidiaries and their programs and product candidates, or result in disagreements with our subsidiaries' partners. For example, an individual who is both a director of one of our subsidiaries and a director of Cullinan Oncology, LLC owes fiduciary duties to the subsidiary and to the Company as a whole, and such individual may encounter circumstances in which his or her decision or action may benefit the subsidiary while having a detrimental impact on the Company, or vice versa, or on another subsidiary, including one for which he or she also serves as a director. Further, our officers and directors who are also officers and directors of our subsidiaries will need to allocate his or her time to responsibilities owed to Cullinan Oncology, LLC, Cullinan Management and each of the subsidiaries for which he or she serves as an officer or director, and will make decisions on behalf of one entity that may negatively impact others. In addition, while most of our subsidiaries have waived any interest or expectation of corporate opportunities that is presented to, or acquired, created or developed by, or which otherwise comes into possession of any director or officer who is also a director or officer of Cullinan Oncology, LLC, disputes could arise between us and our subsidiary's partners regarding a conflict of interest. These partners also may disagree with the amount and quality of resources that our officers and employees devote to the subsidiary they are invested in. Any such disputes or disagreements could distract our management, interfere with our relations with our partners, and take significant time to resolve, which could disrupt the development of our product candidates, delay our potential commercialization efforts, result in increased costs or make it less likely that other third parties will choose to partner with us in the future.

***We currently outsource, and intend to continue to outsource, nearly all our discovery, clinical development, and manufacturing functions to third-party providers or consultants. Outsourcing these functions has significant risks, and our failure to manage these risks successfully could materially adversely affect our business, results of operations, and financial condition.***

Our business model relies upon the use of third parties, such as vendors and consultants, to conduct our drug discovery, preclinical testing, clinical trials, manufacturing, and all other aspects of clinical development. While our reliance on third parties allows us to purposely employ a small number of full-time employees, we may not effectively manage and oversee the third parties that our business depends upon and we have less control over our operations due to our reliance on third parties. While we believe our business model significantly reduces overhead cost, we may not realize the efficiencies of this arrangement if we are unable to effectively manage third parties or if our limited number of employees are unable to manage the operations of each of our subsidiaries, including the development of their programs and product candidates. The failure to successfully and efficiently outsource operational functions or appropriately manage the operations of our subsidiaries could materially adversely affect our business, results of operations, and financial condition.

## Risks Related to the Development of Our Product Candidates

***Our preclinical studies and clinical trials may fail to demonstrate adequately the safety and efficacy of any of our product candidates, which would prevent or delay development, regulatory approval, and commercialization.***

Before obtaining regulatory approvals for the commercial sale of our product candidates, including CLN-081, CLN-049, and CLN-619, we must demonstrate the safety and efficacy of our investigational product candidates for use in each target indication through lengthy, complex, and expensive preclinical studies and clinical trials. Failure can occur at any time during the preclinical study and clinical trial processes, and, because our product candidates are in an early stage of development, there is a high risk of failure and we may never succeed in developing marketable products. Any preclinical studies or clinical trials that we may conduct may not demonstrate the safety and efficacy necessary to obtain regulatory approval to market any of our product candidates. If the results of our ongoing or future preclinical studies and clinical trials are inconclusive with respect to the safety and efficacy of our product candidates, if we do not meet the clinical endpoints with statistical and clinically meaningful significance, or if there are safety concerns associated with our product candidates, we may be prevented or delayed in obtaining marketing approval for such product candidates. In some instances, there can be significant variability in safety or efficacy results between different preclinical studies and clinical trials of the same product candidate due to numerous factors, including changes in trial procedures set forth in protocols, differences in the size and type of the patient populations, changes in and adherence to the clinical trial protocols and the rate of dropout among clinical trial participants. While we have not yet initiated clinical trials for certain of our product candidates and are in early stages of clinical trials for CLN-081, it is likely, as is the case with many oncology therapies, that there may be side effects associated with their use. Results of our trials could reveal a high and unacceptable severity and prevalence of side effects. In such an event, our trials could be suspended or terminated and the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny approval of our product candidates for any or all targeted indications. Treatment-related side effects could also affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. Any of these occurrences may harm our business, financial condition and prospects significantly.

Further, our product candidates could cause undesirable side effects in clinical trials related to on-target toxicity. If on-target toxicity is observed, or if our product candidates have characteristics that are unexpected, we may need to abandon their development or limit development to more narrow uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective. In addition, our product candidates could cause undesirable side effects that we have not observed yet to date. Many compounds that initially showed promise in early stage testing for treating cancer have later been found to cause side effects that prevented further development of the compound. In addition to our ongoing clinical trial of CLN-081, patients have been, and will likely continue to be, treated with CLN-081 under an expanded access or “compassionate use” program. To the extent the experiences of patients being treated in this program are inconsistent with or less favorable than the results of our ongoing or planned company-sponsored trials with CLN-081, it may negatively affect perceptions of CLN-081, our other product candidates, or our business. In addition, the FDA or foreign regulatory authorities may require us to obtain and submit additional clinical data due to these inconsistent or unfavorable results, which could delay clinical development or marketing approval of CLN-081 or potentially our other product candidates.

***Our discovery, preclinical, and clinical development is focused on the development of targeted oncology and immuno-oncology therapeutic candidates for cancer patients, and our approach to the identification, discovery, and development of product candidates is novel and may never lead to marketable products.***

The scientific discoveries that form the basis for our efforts to discover and develop targeted oncology and immuno-oncology therapeutic candidates for cancer patients are relatively new. The scientific evidence to support the feasibility of developing product candidates based on these discoveries is both preliminary and

## [Table of Contents](#)

limited. The patient populations for certain of our product candidates are limited to those with specific target mutations, and we will need to screen and identify these patients with the targeted mutations. Successful identification of patients is dependent on several factors, including achieving certainty as to how specific genetic alterations and larger classes of mutations, such as epidermal growth factor receptor, or EGFR, Exon 20 mutations, respond to our product candidates, and developing companion diagnostics to identify such genetic alterations. Furthermore, even if we are successful in identifying patients, we cannot be certain that the resulting patient populations for each mutation or class of mutations will be large enough to allow us to successfully obtain indications for each mutation type and to commercialize our products and achieve profitability. The FDA and other regulatory authorities may not agree with our approach to seek labeling for groups of related mutations, rather than individual mutations, and may require us to conduct additional trials and obtain separate approvals for each individual mutation, which may further affect our ability to successfully commercialize our products, if approved. In addition, even if our approach is successful in showing clinical benefit for tumors harboring certain targeted mutations, we may never successfully identify additional oncogenic mutations. Therefore, we do not know if our approach of treating patients with targeted oncology and immuno-oncology therapies will be successful, and if our approach is unsuccessful, our business will suffer.

***If we are unable to successfully validate, develop, and obtain regulatory approval for any required companion diagnostic tests for our product candidates or experience significant delays in doing so, we may fail to obtain approval or may not realize the full commercial potential of these product candidates.***

In connection with the clinical development of our product candidates for certain indications, we may engage third parties to develop or obtain access to *in vitro* companion diagnostic tests to identify patient subsets within a disease category who may derive benefit from our product candidates, as we are targeting certain genetically defined populations for our treatments. Such companion diagnostics may be used during our clinical trials and may be required in connection with the FDA approval of our product candidates. To be successful, we or our collaborators will need to address a number of scientific, technical, regulatory, and logistical challenges. Companion diagnostics are subject to regulation by the FDA, European Medicines Agency, or EMA, and other regulatory authorities as medical devices and require separate regulatory approval prior to commercialization.

Given our limited experience in developing and commercializing diagnostics, we may rely on third parties for the design, development, and manufacture of companion diagnostic tests for our therapeutic product candidates that may require such tests. If we enter into such collaborative agreements, we will be dependent on the sustained cooperation and effort of our future collaborators in developing and obtaining approval for these companion diagnostics. We and our future collaborators may encounter difficulties in developing and obtaining approval for the companion diagnostics, including issues relating to selectivity/specificity, analytical validation, reproducibility, or clinical validation of companion diagnostics. We and our future collaborators also may encounter difficulties in developing, obtaining regulatory approval for, manufacturing, and commercializing companion diagnostics similar to those we face with respect to our therapeutic product candidates themselves, including issues with achieving regulatory clearance or approval, production of sufficient quantities at commercial scale and with appropriate quality standards, and in gaining market acceptance. If we are unable to successfully develop companion diagnostics for these therapeutic product candidates, or experience delays in doing so, the development of these therapeutic product candidates may be adversely affected or these therapeutic product candidates may not obtain marketing approval or such approval may be delayed, and we may not realize the full commercial potential of any of these therapeutics that obtain marketing approval. As a result, our business, results of operations, and financial condition could be materially harmed. In addition, a diagnostic company with whom we contract may decide to discontinue developing, selling or manufacturing the companion diagnostic test that we anticipate using in connection with development and commercialization of our product candidates or our relationship with such diagnostic company may otherwise terminate. We may not be able to enter into arrangements with another diagnostic company to obtain supplies of an alternative diagnostic test for use in connection with the development and commercialization of our product candidates or do so on commercially reasonable terms, which could adversely affect and/or delay the development or commercialization of our therapeutic product candidates.

***Preclinical and clinical development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future preclinical studies or clinical trial results. We may encounter substantial delays in preclinical and clinical trials, or may not be able to conduct or complete preclinical or clinical trials on the expected timelines, if at all. If our preclinical studies and clinical trials are not sufficient to support regulatory approval of any of our product candidates, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development of such product candidate.***

It is impossible to predict when or if any of our product candidates will prove effective and safe in humans or will receive regulatory approval. Before obtaining marketing approval from regulatory authorities for the sale of any product candidate, we must complete preclinical studies and then conduct extensive clinical trials to demonstrate the safety and efficacy of our product candidates in humans. A failure of one or more clinical trials can occur at any stage of testing. The outcome of preclinical development testing and early clinical trials may not be predictive of the success of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. A number of companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in later stage clinical trials even after achieving promising results in earlier stage clinical trials. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their product candidates. Our preclinical studies and future clinical trials may not be successful.

Additionally, some of the clinical trials we conduct may be open-label in study design and may be conducted at a limited number of clinical sites on a limited number of patients. An “open-label” clinical trial is one where both the patient and investigator know whether the patient is receiving the investigational product candidate or either an existing approved drug or placebo. Most typically, open-label clinical trials test only the investigational product candidate and sometimes may do so at different dose levels. Open-label clinical trials are subject to various limitations that may exaggerate any therapeutic effect, as patients in open-label clinical trials are aware when they are receiving treatment. Open-label clinical trials may be subject to a “patient bias” where patients perceive their symptoms to have improved merely due to their awareness of receiving an experimental treatment. Moreover, patients selected for early clinical studies often include the most severe sufferers and their symptoms may have been bound to improve notwithstanding the new treatment. In addition, open-label clinical trials may be subject to an “investigator bias” where those assessing and reviewing the physiological outcomes of the clinical trials are aware of which patients have received treatment and may interpret the information of the treated group more favorably given this knowledge. Given that our Phase 1/2a clinical trial of CLN-081 includes an open-label dosing design, the results from this clinical trial may not be predictive of future clinical trial results with this or other product candidates for which we conduct an open-label clinical trial when studied in a controlled environment with a placebo or active control.

We may experience delays in initiating or completing preclinical studies or clinical trials, including as a result of delays in obtaining, or failure to obtain, the FDA’s clearance to initiate clinical trials under future INDs. Additionally, we cannot be certain that preclinical studies or clinical trials for our product candidates will not require redesign, enroll an adequate number of subjects on time, or be completed on schedule, if at all. We may experience numerous adverse or unforeseen events during, or as a result of, preclinical studies and clinical trials that could delay or terminate our trials, or delay or prevent our ability to receive marketing approval or commercialize our product candidates, including:

- we may receive feedback from regulatory authorities that requires us to modify the design or implementation of our preclinical studies or clinical trials, including our ability to commence a clinical trial;
- we may fail or be delayed in reaching agreement on acceptable terms with prospective contract research organizations, or CROs, and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical trial sites;

## Table of Contents

- we may be unable to add or be delayed in adding a sufficient number of clinical trial sites and obtaining Institutional Review Board, or IRB, or independent ethics committee approval at each clinical trial site;
- preclinical studies or clinical trials of our product candidates may fail to show safety or efficacy or otherwise produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional preclinical studies or clinical trials or abandon our research efforts for our other product candidates;
- preclinical studies or clinical trials of our product candidates may not produce differentiated or clinically significant results across tumor types or indications;
- the number of patients required for clinical trials of our product candidates may be larger than we anticipate, enrollment in these clinical trials may be slower than we anticipate or participants may drop out of our clinical trials or fail to return for post-treatment follow-up at a higher rate than we anticipate;
- our third-party contractors may fail to comply with regulatory requirements, fail to maintain adequate quality controls or be unable to provide us with sufficient product supply to conduct and complete preclinical studies or clinical trials of our product candidates in a timely manner, or at all;
- we or our investigators might have to suspend or terminate clinical trials of our product candidates for various reasons, including non-compliance with regulatory requirements, a finding that our product candidates have undesirable side effects or other unexpected characteristics or a finding that the participants are being exposed to unacceptable health risks;
- the cost of clinical trials of our product candidates may be greater than we anticipate, for example, if we experiences delays or challenges in identifying patients with the mutations required for our clinical trials, we may have to reimburse sites for genetic sequencing costs in order to encourage sequencing of additional patients;
- we may experience difficulties in having subjects complete a clinical trial or return for post-treatment follow-up;
- clinical trial sites may deviate from clinical trial protocol or drop out of a clinical trial;
- we may be unable to obtain or be delayed in obtaining sufficient product supply of product candidate for use in preclinical studies or clinical trials from third-party suppliers;
- the quality of our product candidates or other materials necessary to conduct preclinical studies or clinical trials of our product candidates may be insufficient or inadequate, and any transfer of manufacturing activities may require unforeseen manufacturing or formulation changes;
- reports from clinical testing of other therapies may raise safety or efficacy concerns about our product candidates;
- regulators may revise the requirements for approving our product candidates, or such requirements may not be as we anticipate; and
- future collaborators may conduct clinical trials in ways they view as advantageous to them but that are suboptimal for us.

If we are required to conduct additional preclinical studies or clinical trials or other testing of our product candidates beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of our product candidates or other testing, if the results of these studies, trials or tests are not positive or are only moderately positive or if there are safety concerns, our business and results of operations may be adversely affected and we may incur significant additional costs.

We could also encounter delays if a clinical trial is suspended or terminated by us, by the IRBs, or ethics committees of the institutions in which such clinical trials are being conducted, by the Data Safety Monitoring

## [Table of Contents](#)

Board, if any, for such clinical trial or by the FDA or other regulatory authorities. Such authorities may suspend, place on clinical hold, or terminate a clinical trial due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical trial protocols, inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from the product candidates, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial.

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

If a sufficient number of our product candidates generally prove to be ineffective, unsafe or commercially unviable, our entire pipeline may have little, if any, value, which would have a material and adverse effect on our business, financial condition, results of operations and prospects.

***We are early in our development efforts and are substantially dependent on our lead targeted oncology product candidate, CLN-081, and our most advanced immuno-oncology product candidates, CLN-049 and CLN-619. If we are unable to advance CLN-081, CLN-049, or CLN-619, or any of our other product candidates through clinical development, or to obtain regulatory approval and ultimately commercialize CLN-081, CLN-049, or CLN-619, or any of our other product candidates, either by ourselves or with or by third parties or if we experience significant delays in doing so, our business will be materially harmed.***

We are early in our development efforts. Our lead targeted oncology program, CLN-081 is in a Phase 1/2a clinical trial. Our most advanced immuno-oncology programs, CLN-049 and CLN-619, are currently in preclinical development. Our ability to generate product revenues, which we do not expect will occur for many years, if ever, will depend heavily on the successful clinical development and eventual commercialization of CLN-081, CLN-049, and CLN-619, and one or more of our other product candidates, if approved. The success of our product candidates will depend on several factors, including the following:

- sufficiency of our financial and other resources to complete the necessary preclinical studies and clinical trials;
- successful completion of preclinical studies;
- regulator acceptance of and maintenance of INDs or comparable foreign applications that allow commencement and continuation of our planned clinical trials or future clinical trials;
- successful initiation of clinical trials;
- successful patient enrollment in and completion of clinical trials;
- positive results from our preclinical and clinical trials that support a demonstration of safety and effectiveness and an acceptable-risk benefit profile for our product candidates that are satisfactory to the FDA or any foreign regulatory authority for marketing approval in the intended population;
- receipt of marketing approvals for our product candidates and any companion diagnostics from applicable regulatory authorities;
- the extent of any required post-marketing approval commitments to applicable regulatory authorities;



## Table of Contents

- obtaining and maintaining patent and trade secret protection and regulatory exclusivity for our product candidates;
- making arrangements with third-party manufacturers, or establishing manufacturing capabilities, for both clinical and commercial supplies of our product candidates, if any product candidates are approved;
- establishing sales, marketing, and distribution capabilities and launching commercial sales of our products, if and when approved, whether alone or in collaboration with others;
- acceptance of our products, if and when approved, by patients, the medical community and third-party payors;
- effectively competing with other cancer therapies;
- obtaining and maintaining third-party coverage and adequate reimbursement; and
- maintaining a continued acceptable safety, tolerability, and efficacy profile of our products following approval.

If we do not succeed in one or more of these factors in a timely manner or at all, we could experience significant delays in our ability to successfully commercialize product candidates, or be unable to commercialize product candidates at all. If we are unable to advance our preclinical stage product candidates, including CLN-049 and CLN-619, to clinical development, successfully complete clinical trials for our product candidates, obtain regulatory approval, and ultimately commercialize our product candidates, our business will be materially harmed.

There is no guarantee that the results obtained in current preclinical studies, our ongoing and planned clinical trials in EGFR exon 20 insertion mutation non-small-cell lung carcinoma, or NSCLC patients for CLN-081 or, subject to submission to and receipt of authorization from applicable regulatory authorities, our planned dose escalation trials in patients with hematological cancer and solid tumors in CLN-049 and CLN-619, respectively, will be sufficient to obtain regulatory approval or marketing authorization for such product candidates. For example, the FDA may require us to complete trials in addition to our ongoing Phase 1/2a trial prior to granting regulatory approval. Although we believe our product candidates and programs are uncorrelated, negative results in the development process of one product candidate could impact other product candidates or programs. For each of our product candidates, antitumor activity may be different in each of the different tumor types we plan on evaluating in our clinical trials. Even as we build clinical experience with our product candidates, we may need to further discuss or meet with the FDA to agree on the optimal patient population, study design, and size for each trial in order to obtain regulatory approval, any of which may require significant additional resources and delay the timing of our clinical trials and ultimately the approval, if any, of any of our product candidates.

### ***Difficulty in enrolling patients could delay or prevent clinical trials of our product candidates, and ultimately delay or prevent regulatory approval.***

Identifying and qualifying patients to participate in clinical trials of our product candidates is critical to our success. The timing of completion of our clinical trials depends in part on the speed at which we can recruit patients to participate in testing our product candidates, and we may experience delays in our clinical trials if we encounter difficulties in enrollment. We may not be able to initiate or continue clinical trials for our product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials as required by the FDA or similar regulatory authorities outside the United States, or as needed to provide appropriate statistical power for a given trial. In particular, because we are focused on patients with specific genetic mutations for the development of CLN-081, our ability to enroll eligible patients may be limited or enrollment may be slower than we anticipate due to the small eligible patient population. In addition, the target population we are seeking to treat may be smaller than expected, as we cannot be certain how many patients will

## Table of Contents

harbor the EGFR exon 20 insertion mutations that CLN-081 is designed to target. In addition, our ability to enroll patients may be significantly delayed by the evolving COVID-19 pandemic and we do not know the extent and scope of such delays at this point.

In addition to the potentially small populations, the eligibility criteria of our planned clinical trials will further limit the pool of available study participants as we will require that patients have specific characteristics, such as a certain severity or stage of disease progression, to include them in a study. Additionally, the process of finding eligible patients may prove costly. We also may not be able to identify, recruit, and enroll a sufficient number of patients to complete our clinical studies because of the perceived risks and benefits of the product candidate under study, the availability and efficacy of competing therapies and clinical trials, the proximity and availability of clinical study sites for prospective patients, the availability of genetic sequencing information for patient tumors so that we can identify patients with the targeted genetic mutations, and the patient referral practices of physicians. If patients are unwilling to participate in our studies for any reason, the timeline for recruiting patients, conducting studies, and obtaining regulatory approval of potential products may be delayed.

The enrollment of patients further depends on many factors, including:

- the proximity of patients to clinical trial sites;
- the design of the clinical trial;
- our ability to recruit clinical trial investigators with the appropriate competencies and experience;
- our ability to obtain and maintain patient consents;
- reporting of the preliminary results of any of our clinical trials;
- the risk that patients enrolled in clinical trials will drop out of the clinical trials before clinical trial completion; and
- factors we may not be able to control, such as current or potential pandemics that may limit patients, principal investigators or staff or clinical site availability (e.g., the COVID-19 pandemic).

In addition, our clinical trials will compete with other clinical trials for product candidates that are in the same therapeutic areas as our product candidates, and this competition will reduce the number and types of patients available to us because some patients who might have opted to enroll in our clinical trials may instead opt to enroll in a clinical trial being conducted by one of our competitors. Since the number of qualified clinical investigators is limited, we expect to conduct some of our clinical trials at the same clinical trial sites that some of our competitors use, which will reduce the number of patients who are available for our clinical trials at such clinical trial sites. Moreover, because certain of our product candidates represent a departure from more commonly used methods for cancer treatment and because certain of our product candidates have not been tested in humans before, potential patients and their doctors may be inclined to use conventional therapies, such as chemotherapy, rather than enroll patients in any future clinical trial of our product candidates.

If we experience delays in the completion of, or termination of, any clinical trial of our product candidates, the commercial prospects of our product candidates will be harmed, and our ability to generate product revenue from any of these product candidates could be delayed or prevented.

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

From time to time, we may publicly disclose preliminary or topline data from our preclinical studies and clinical trials, which is based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the

## Table of Contents

particular study or trial. We also make assumptions, estimations, calculations, and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the topline or preliminary results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Topline data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, topline data should be viewed with caution until the final data are available. From time to time, we may also disclose interim data from our clinical trials. Interim or preliminary data from clinical trials are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment and treatment continues and more patient data become available or as patients from our clinical trials continue other treatments for their disease. Adverse differences between preliminary or interim data and final data could significantly harm our business prospects. Further, disclosure of interim data by us or by our competitors could result in volatility in the price of our common stock after this offering.

Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the potential of the particular program, the likelihood of marketing approval or commercialization of the particular product candidate, any approved product, and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is derived from information that is typically extensive, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure.

If the interim, topline, or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition.

***We may not be able to file INDs or IND amendments to commence additional clinical trials on the timelines we expect, and even if we are able to, the FDA or foreign regulatory authorities may not permit us to proceed.***

We submitted our IND for CLN-081 in May 2019, which was allowed to proceed by the FDA in June 2019; however, we may not be able to file future INDs for our product candidates, including CLN-049 and CLN-619, on the timelines we expect. For example, we may experience manufacturing delays or other delays with IND-enabling studies or FDA or other regulatory authorities may require additional preclinical studies that we did not anticipate. Moreover, we cannot be sure that submission of an IND will result in the FDA allowing clinical trials to begin, or that, once begun, issues will not arise that result in a decision by us, by IRBs or independent ethics committees, or by the FDA or other regulatory authorities to suspend or terminate clinical trials, including as a result of a clinical hold. Additionally, even if FDA or other regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND, we cannot guarantee that they will not change their requirements or expectations in the future. These considerations also apply to new clinical trials we may submit as amendments to existing INDs or to a new IND. Any failure to file INDs on the timelines we expect or to obtain regulatory approvals for our trials may prevent us from completing our clinical trials or commercializing our products on a timely basis, if at all.

***We intend to develop CLN-619 and potentially other product candidates in combination with other therapies, which exposes us to additional risks.***

We intend to develop CLN-619 and potentially other product candidates in combination with one or more approved or unapproved therapies to treat cancer or other diseases. Even if any product candidate we develop were to receive marketing approval for use in combination with other approved therapies, the FDA, the EMA, or

## [Table of Contents](#)

comparable foreign regulatory authorities outside of the United States could still revoke approval of the therapy used in combination with our product. If the therapies used in combination with our product candidates are replaced as the standard of care for the indications we choose for any of our product candidates, the FDA, EMA or comparable foreign regulatory authorities may require us to conduct additional clinical trials. The occurrence of any of these risks could result in our own products, if approved, being removed from the market or being less successful commercially.

Further, we will not be able to market and sell any product candidate we develop in combination with an unapproved cancer therapy for a combination indication if that unapproved therapy does not ultimately obtain marketing approval either alone or in combination with our product. In addition, unapproved cancer therapies face the same risks described with respect to our product candidates currently in development and clinical trials, including the potential for serious adverse effects, delay in their clinical trials and lack of FDA approval.

If the FDA, EMA or comparable foreign regulatory authorities do not approve these other products or revoke their approval of, or if safety, efficacy, quality, manufacturing or supply issues arise with, the products we choose to evaluate in combination with our product candidate we develop, we may be unable to obtain approval of or market such combination therapy.

***Our product candidates may cause undesirable side effects or have other properties that delay or prevent their regulatory approval, limit their commercial potential or result in significant negative consequences following any potential marketing approval.***

Our product candidates may cause undesirable side effects. Additionally, the administration process or related procedures also can cause adverse side effects. Adverse events that occur in our trials may cause us, or cause the FDA, the EMA or other regulatory authorities, or IRBs to order us to halt, delay or amend preclinical development or clinical development of our product candidates and could result in more restrictive labelling or the denial of regulatory approval of our product candidates for any or all targeted indications. Even if serious adverse events are unrelated to study treatment, such occurrences could affect patient enrollment or the ability of enrolled patients to complete the trial. In addition, if any of our product candidates are tested or used in combination with other drugs, such as our plans to potentially use CLN-619 in combination with other agents, these combinations may have additional side effects, which could be more severe than those caused by either therapy alone.

Furthermore, clinical trials by their nature utilize a sample of the potential patient population. With a limited number of patients and limited duration of exposure, rare and severe side effects of our product candidates or those of our competitors may only be uncovered when a significantly larger number of patients have been exposed to the drug. For example, while we believe that CLN-081 has demonstrated a manageable tolerability profile thus far, there can be no assurance that it or any of our other product candidates will not cause more severe side effects in a greater proportion of patients.

Moreover, if we elect, or are required, to delay, suspend or terminate any clinical trial of any of our product candidates, the commercial prospects of such product candidates or our other product candidates may be harmed, and our ability to generate product revenues from any of these product candidates may be delayed or eliminated. Any of these occurrences may harm our ability to develop other product candidates and may harm our business, financial condition, results of operations, and prospects significantly.

If our product candidates receive marketing approval and we or others identify undesirable side effects caused by such product candidates (or any other similar drugs or biologics) after such approval, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw or limit their approval of such product candidates;
- regulatory authorities may require the addition of labeling statements, such as a “boxed” warning or a contraindication;

## Table of Contents

- we may be required to change the way such product candidates are distributed or administered, conduct additional clinical trials or change the labeling of the product candidates;
- regulatory authorities may require a Risk Evaluation and Mitigation Strategy, or REMS, plan to mitigate risks, which could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries, and other risk minimization tools;
- we may be subject to regulatory investigations and government enforcement actions;
- we may decide to remove such product candidates from the marketplace;
- we could be sued and held liable for injury caused to individuals exposed to or taking our product candidates; and
- our reputation may suffer.

We believe that any of these events could prevent us from achieving or maintaining market acceptance of the affected product candidates and could substantially increase the costs of commercializing our product candidates, if approved, and significantly impact our ability to successfully commercialize our product candidates and generate revenues.

***Since the number of patients that have been and will be dosed in our Phase 1/2a clinical trial of CLN-081, and that we plan to dose in our future clinical trials, is small, the results from such clinical trials, once completed, may be less reliable than results achieved in larger clinical trials, which may hinder our efforts to obtain regulatory approval for our product candidates.***

The preliminary results of clinical trials with smaller sample sizes, such as our Phase 1/2a clinical trial of CLN-081, can be disproportionately influenced by various biases associated with the conduct of small clinical trials, such as the potential failure of the smaller sample size to accurately depict the characteristics of the broader patient population, which limits the ability to generalize the results across a broader community, thus making the clinical trial results less reliable than clinical trials with a larger number of patients. As a result, there may be less certainty that such product candidates would achieve a statistically significant effect in any future clinical trials. Further, the FDA or other regulatory authorities may require us to conduct additional and larger trials than we may plan to support applications for marketing authorization. If we conduct any future clinical trials of CLN-081 or other of our product candidates, we may not achieve a positive or statistically significant result or the same level of statistical significance, if any, that we might have anticipated based on prior results.

***We are currently conducting and may in the future conduct clinical trials for product candidates outside the United States, and the FDA and comparable foreign regulatory authorities may not accept data from such trials.***

We are evaluating CLN-081 in a global Phase 1/2a trial in patients with NSCLC harboring EGFR exon 20 insertion mutations. We may also in the future choose to conduct one or more additional clinical trials outside the United States, including in Europe. The acceptance of study data from clinical trials conducted outside the United States or another jurisdiction by the FDA or comparable foreign regulatory authority may be subject to certain conditions or may not be accepted at all. If data from foreign clinical trials are intended to serve as the basis for marketing approval in the United States, the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the U.S. population and U.S. medical practice, and (ii) the trials were performed by clinical investigators of recognized competence and pursuant to good clinical practice, or GCP, regulations. Additionally, the FDA's clinical trial requirements, including sufficient size of patient populations and statistical powering, must be met. Many foreign regulatory authorities have similar approval requirements. In addition, foreign trials are subject to the applicable local laws of the foreign jurisdictions where

the trials are conducted. We would need to conduct additional trials if the FDA or any comparable foreign regulatory authority does not accept data from trials conducted outside of the United States or the applicable foreign jurisdiction, which could be costly and time-consuming, and which may result in product candidates that we may develop not receiving approval for commercialization in the United States or any such foreign jurisdiction.

### **Risks Related to Potential Commercialization**

*Even if we obtain regulatory approval of our product candidates, the products may not gain market acceptance among physicians, patients, hospitals, cancer treatment centers, and others in the medical community.*

The use of precision medicines or immuno-oncology medicines as a potential cancer treatment is a recent development and may not become broadly accepted by physicians, patients, hospitals, cancer treatment centers, and others in the medical community. Various factors will influence whether our product candidates are accepted in the market, including:

- the clinical indications for which our product candidates are licensed;
- physicians, hospitals, cancer treatment centers, and patients considering our product candidates as a safe and effective treatment;
- the potential and perceived advantages of our product candidates over alternative treatments;
- our ability to demonstrate the advantages of our product candidates over other cancer medicines;
- the prevalence and severity of any side effects caused by our product candidates;
- the prevalence and severity of any side effects for other precision medicines and public perception of other precision medicines;
- product labeling or product insert requirements of the FDA or other regulatory authorities;
- limitations or warnings contained in the labeling approved by the FDA;
- the timing of market introduction of our product candidates as well as competitive products;
- the cost of treatment in relation to alternative treatments;
- the availability of adequate coverage, reimbursement and pricing by third-party payors and government authorities;
- the willingness of patients to pay out-of-pocket in the absence of coverage by third-party payors and government authorities;
- relative convenience and ease of administration, including as compared to alternative treatments and competitive therapies; and
- the effectiveness of our sales and marketing efforts.

If our product candidates are licensed but fail to achieve market acceptance among physicians, patients, hospitals, cancer treatment centers or others in the medical community, we will not be able to generate significant revenue.

In addition, although our product candidates differ in certain ways from other precision medicine or immuno-oncology medicine approaches, serious adverse events or deaths in other clinical trials involving precision medicines, even if not ultimately attributable to our product or product candidates, could result in increased government regulation, unfavorable public perception and publicity, potential regulatory delays in the testing or licensing of our product candidates, stricter labeling requirements for those product candidates that are licensed, and a decrease in demand for any such product candidates.

## [Table of Contents](#)

Even if our products achieve market acceptance, we may not be able to maintain that market acceptance over time if new products or technologies are introduced that are more favorably received than our products, are more cost effective or render our products obsolete.

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

The biotechnology and pharmaceutical industries are characterized by the rapid evolution of technologies and understanding of disease etiology, intense competition, and a strong emphasis on intellectual property. We face, and will continue to face, competition from companies focused on more traditional therapeutic modalities, such as small molecule inhibitors. We believe that our differentiated business model, approach, scientific capabilities, know-how, and experience provide us with competitive advantages. However, we expect substantial competition from multiple sources, including major pharmaceutical, specialty pharmaceutical, and existing or emerging biotechnology companies, academic research institutions, governmental agencies, and public and private research institutions worldwide. Many of our competitors, either alone or through collaborations, have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals, and marketing approved products than we do. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These companies also compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and recruiting patients in clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. As a result, our competitors may discover, develop, license or commercialize products before or more successfully than we do.

Product candidates that we successfully develop and commercialize will compete with existing therapies and new therapies that may become available in the future. We expect that CLN-081 will compete against small molecule EGFR inhibitors poziotinib from Spectrum Pharmaceuticals and mobocertinib (TAK-788) from Takeda Pharmaceuticals. CLN-081 may also compete against Black Diamond's BDTX-189, an EGFR inhibitor. CLN-081 may also compete with amivantamab from Johnson & Johnson, an EGFRxcMET bispecific antibody. We expect that CLN-049 will compete against bi-specifics for the treatment of AML, including those targeting CD3 and CD33 (Amgen, Amphivena), CD123 (Macrogenics, Xencor), FLT3 (Amgen), and CCL1/CLEC12A (Merus, Genentech). We expect that CLN-619 will compete against cancer therapies targeting MICA/B as a monotherapy and/or in combination with other agents, including: Innate Pharma, Inc. (in collaboration with AstraZeneca Inc.), CanCure LLC, Genentech Inc., and Bristol-Myers Squibb.

If our product candidates, including CLN-081, CLN-049, and CLN-619, are approved for their currently proposed target indication, they will likely compete with the competitor products mentioned above and with other products that are currently in development. The key competitive factors affecting the success of all of our therapeutic candidates, if approved, are likely to be their efficacy, safety, convenience, price, the level of generic competition, and the availability of reimbursement from government and other third-party payors. Our competitors may obtain patent protection or other intellectual property rights that limit our ability to develop or commercialize our product candidates. The availability of reimbursement from government and other third-party payors will also significantly affect the pricing and competitiveness of our products. Our competitors may also obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. If our competitors develop and commercialize drugs that are safer, more effective, have fewer or less severe side effects, are more convenient to administer, are less expensive or with a more favorable label than our therapeutic candidates, we could see a reduction or elimination in our commercial opportunity. For additional information regarding our competition, see "Business—Competition."

***The insurance coverage and reimbursement status of newly-approved products is uncertain. Our product candidates may become subject to unfavorable pricing regulations, third-party coverage and reimbursement practices, or healthcare reform initiatives, which would harm our business. Failure to obtain or maintain adequate coverage and reimbursement for new or current products could limit our ability to market those products and decrease our ability to generate revenue.***

The regulations that govern marketing approvals, pricing, coverage, and reimbursement for new drugs vary widely from country to country. In the United States, recently enacted legislation may significantly change the approval requirements in ways that could involve additional costs and cause delays in obtaining approvals. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a product in a particular country, but then be subject to price regulations that delay our commercial launch of the product, possibly for lengthy time periods, and negatively impact the revenue we are able to generate from the sale of the product in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more product candidates, even if any product candidates we may develop obtain marketing approval.

In the United States and markets in other countries, patients generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Adequate coverage and reimbursement from governmental healthcare programs, such as Medicare and Medicaid, and commercial payors is critical to new product acceptance. Our ability to successfully commercialize our product candidates will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available from government health administration authorities, private health insurers and other organizations. Government authorities and other third-party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement levels. The availability of coverage and extent of reimbursement by governmental and private payors is essential for most patients to be able to afford treatments such as gene therapy products. Sales of these or other product candidates that we may identify will depend substantially, both domestically and abroad, on the extent to which the costs of our product candidates will be paid by health maintenance, managed care, pharmacy benefit and similar healthcare management organizations, or reimbursed by government health administration authorities, private health coverage insurers and other third-party payors. If coverage and adequate reimbursement is not available, or is available only to limited levels, we may not be able to successfully commercialize our product candidates. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow us to establish or maintain pricing sufficient to realize a sufficient return on our investment.

Reimbursement by a third-party payor may depend upon a number of factors, including, but not limited to, the third-party payor's determination that use of a product is:

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

A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Governmental authorities and other third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. In many countries, the prices of medical products are subject to varying price control mechanisms as part of national health systems. In general, the prices of medicines under such systems are substantially lower than in the United States. Other countries allow companies to fix their own prices for medicines, but monitor and control company profits. Additional foreign price controls or other changes



## [Table of Contents](#)

in pricing regulation could restrict the amount that we are able to charge for our product candidates. Accordingly, in markets outside the United States, the reimbursement for products may be reduced compared with the United States and may be insufficient to generate commercially reasonable revenues and profits.

There is also significant uncertainty related to the insurance coverage and reimbursement of newly approved products and coverage may be more limited than the purposes for which the medicine is approved by the FDA or comparable foreign regulatory authorities. In the United States, the principal decisions about reimbursement for new medicines are typically made by the Centers for Medicare & Medicaid Services, or CMS, an agency within the U.S. Department of Health and Human Services or HHS. CMS decides whether and to what extent a new medicine will be covered and reimbursed under Medicare and private payors tend to follow CMS to a substantial degree. No uniform policy of coverage and reimbursement for products exists among third-party payors and coverage and reimbursement levels for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time consuming and costly process that may require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance. It is difficult to predict what CMS will decide with respect to reimbursement for fundamentally novel products such as ours. Reimbursement agencies in Europe may be more conservative than CMS. For example, a number of cancer drugs have been approved for reimbursement in the United States and have not been approved for reimbursement in certain European countries. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale, and distribution. Interim reimbursement levels for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Reimbursement rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on reimbursement levels already set for lower cost drugs and may be incorporated into existing payments for other services. Our inability to promptly obtain coverage and profitable payment rates from both government-funded and private payors for any approved products we may develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize product candidates, and our overall financial condition.

Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Our inability to promptly obtain coverage and profitable reimbursement rates third-party payors for any approved products that we develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize products and our overall financial condition.

Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. We cannot be sure that reimbursement will be available for any product candidate that we commercialize and, if reimbursement is available, the level of reimbursement. Reimbursement may impact the demand for, or the price of, any product candidate for which we obtain marketing approval. In order to obtain reimbursement, physicians may need to show that patients have superior treatment outcomes with our products compared to standard of care drugs, including lower-priced generic versions of standard of care drugs. We expect to experience pricing pressures in connection with the sale of any of our product candidates due to the trend toward managed healthcare, the increasing influence of health maintenance organizations and additional legislative changes. The downward pressure on healthcare costs in general, particularly prescription drugs and surgical procedures and other treatments, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products.

Additionally, we may develop companion diagnostic tests for use with our product candidates. We, or our collaborators, may be required to obtain coverage and reimbursement for these tests separate and apart from the coverage and reimbursement we seek for our product candidates, once approved. Even if we obtain regulatory approval or clearance for such companion diagnostics, there is significant uncertainty regarding our ability to

## [Table of Contents](#)

obtain coverage and adequate reimbursement for the same reasons applicable to our product candidates. Medicare reimbursement methodologies, whether under Part A, Part B, or clinical laboratory fee schedule may be amended from time to time, and we cannot predict what effect any change to these methodologies would have on any product candidate or companion diagnostic for which we receive approval. Our inability to promptly obtain coverage and adequate reimbursement from both third-party payors for the companion diagnostic tests that we develop and for which we obtain regulatory approval could have a material and adverse effect on our business, financial condition, results of operations and prospects.

### ***Healthcare legislative measures aimed at reducing healthcare costs may have a material adverse effect on our business and results of operations.***

The United States and many foreign jurisdictions have enacted or proposed legislative and regulatory changes affecting the healthcare system that could prevent or delay marketing approval of our product candidates or any future product candidates, restrict or regulate post-approval activities and affect our ability to profitably sell a product for which we obtain marketing approval. Changes in regulations, statutes or the interpretation of existing regulations could impact our business in the future by requiring, for example: (i) changes to our manufacturing arrangements; (ii) additions or modifications to product labeling; (iii) the recall or discontinuation of our products; or (iv) additional record-keeping requirements. If any such changes were to be imposed, they could adversely affect the operation of our business.

In the United States, there have been and continue to be a number of legislative initiatives to contain healthcare costs. For example, in March 2010, the ACA was passed, which substantially changed the way healthcare is financed by both governmental and private insurers, and significantly impacted the U.S. pharmaceutical industry. The ACA, among other things, subjects biological products to potential competition by lower-cost biosimilars, addresses a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected, increases the minimum Medicaid rebates owed by manufacturers under the Medicaid Drug Rebate Program and extends the rebate program to individuals enrolled in Medicaid managed care organizations, establishes annual fees and taxes on manufacturers of certain branded prescription drugs, and creates a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% (increased to 70% pursuant to the Bipartisan Budget Act of 2018, effective as of 2019) point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D.

Since its enactment, there have been numerous judicial, administrative, executive, and legislative challenges to certain aspects of the ACA, and we expect there will be additional challenges and amendments to the ACA in the future. Various portions of the ACA are currently undergoing legal and constitutional challenges in the United States Supreme Court, the Trump Administration has issued various Executive Orders which eliminated cost-sharing subsidies and various provisions that would impose a fiscal burden on states or a cost, fee, tax, penalty or regulatory burden on individuals, healthcare providers, health insurers, or manufacturers of pharmaceuticals or medical devices; and Congress has introduced several pieces of legislation aimed at significantly revising or repealing the ACA. It is unclear whether the ACA will be overturned, repealed, replaced, or further amended. We cannot predict what affect further changes to the ACA would have on our business.

U.S. federal government agencies currently face potentially significant spending reductions. The Budget Control Act of 2011, or the BCA, established a Joint Select Committee on Deficit Reduction, which was tasked with achieving a reduction in the federal debt level of at least \$1.2 trillion. That committee did not draft a proposal by the BCA's deadline. As a result, automatic cuts, referred to as sequestration, in various federal programs were scheduled to take place, beginning in January 2013, although the American Taxpayer Relief Act of 2012 delayed the BCA's automatic cuts until March 1, 2013. While the Medicare program's eligibility and scope of benefits are generally exempt from these cuts, Medicare payments to providers and Part D health plans are not exempt. The BCA did, however, provide that the Medicare cuts to providers and Part D health plans

## [Table of Contents](#)

would not exceed two percent unless additional Congressional action is taken. President Obama issued the sequestration order on March 1, 2013, and cuts went into effect on April 1, 2013. Pursuant to the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, these reductions are suspended from May 1, 2020 through December 31, 2020 due to the COVID-19 pandemic. As the legislation currently stands, the reductions will go back into effect January 2021 and will remain in effect through 2030 unless additional Congressional action is taken.

There has been increasing legislative and enforcement interest in the United States with respect to specialty drug pricing practices. Specifically, there have been several recent U.S. Congressional inquiries and proposed federal and state legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. At the federal level, the Trump administration's budget for fiscal year 2021 contains a \$135 billion allowance (over a period of time) to support legislative proposals seeking to reduce drug prices, increase competition, lower out-of-pocket drug costs for patients, and increase patient access to lower-cost generic and biosimilar drugs. On March 10, 2020, the Trump administration sent "principles" for drug pricing to Congress, calling for legislation that would, among other things, cap Medicare Part D beneficiary out-of-pocket pharmacy expenses, provide an option to cap Medicare Part D beneficiary monthly out-of-pocket expenses, and place limits on pharmaceutical price increases. Additionally, the Trump administration released a "Blueprint" to lower drug prices and reduce out of pocket costs of drugs that contains additional proposals to increase manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the out of pocket costs of drug products paid by consumers.

On July 24, 2020, President Trump signed four Executive Orders directing the Secretary of HHS to: (1) eliminate protection under an Anti-Kickback Statute safe harbor for certain retrospective price reductions provided by drug manufacturers to sponsors of Medicare Part D plans or pharmacy benefit managers that are not applied at the point-of-sale; (2) allow the importation of certain drugs from other countries through individual waivers, permit the re-importation of insulin products, and prioritize finalization of FDA's December 2019 proposed rule to permit the importation of drugs from Canada; (3) ensure that payment by the Medicare program for certain Medicare Part B drugs is not higher than the payment by other comparable countries (depending on whether pharmaceutical manufacturers agree to other measures); and (4) allow certain low-income individuals receiving insulin and epinephrine purchased by a Federally Qualified Health Center, or FQHC, as part of the 340B drug program to purchase those drugs at the discounted price paid by the FQHC. On October 1, 2020, the FDA issued its final rule allowing importation of certain prescription drugs from Canada. On September 13, 2020, President Trump signed an Executive Order directing HHS to implement a rulemaking plan to test a payment model, pursuant to which Medicare would pay, for certain high-cost prescription drugs and biological products covered by Medicare Part B, no more than the most-favored-nation price (i.e., the lowest price) after adjustments, for a pharmaceutical product that the drug manufacturer sells in a member country of the Organization for Economic Cooperation and Development that has a comparable per-capita gross domestic product. Although a number of these, and other proposed measures will require authorization through additional legislation to become effective, Congress and the current administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs.

HHS has already started the process of soliciting feedback on some of these measures and, at the same time, is immediately implementing others under its existing authority. For example, in May 2019, CMS issued a final rule to allow Medicare Advantage Plans the option of using step therapy, a type of prior authorization, for Part B drugs beginning January 1, 2020. This final rule codified CMS's policy change that was effective January 1, 2019.

Further, on May 30, 2018, the Right to Try Act was signed into law. The law, among other things, provides a federal framework for certain patients to access certain investigational new drug products that have completed a Phase 1 clinical trial and that are undergoing investigation for FDA approval. Under certain circumstances,

## [Table of Contents](#)

eligible patients can seek treatment without enrolling in clinical trials and without obtaining FDA permission under the FDA expanded access program. There is no obligation for a pharmaceutical manufacturer to make its drug products available to eligible patients as a result of the Right to Try Act.

At the state level, individual states are increasingly aggressive in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. In addition, regional health care authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other health care programs. These measures could reduce the ultimate demand for our products, once approved, or put pressure on our product pricing.

We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our product candidates or additional pricing pressures.

Our revenue prospects could be affected by changes in healthcare spending and policy in the United States and abroad. We operate in a highly regulated industry and new laws, regulations or judicial decisions, or new interpretations of existing laws, regulations or decisions, related to healthcare availability, the method of delivery or payment for healthcare products and services could negatively impact our business, operations and financial condition.

There have been, and likely will continue to be, legislative and regulatory proposals at the foreign, federal and state levels directed at broadening the availability of healthcare and containing or lowering the cost of healthcare. We cannot predict the initiatives that may be adopted in the future, including repeal, replacement or significant revisions to the ACA. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect:

- the demand for our product candidates, if we obtain regulatory approval;
- our ability to set a price that we believe is fair for our products;
- our ability to obtain coverage and reimbursement approval for a product;
- our ability to generate revenue and achieve or maintain profitability;
- the level of taxes that we are required to pay; and
- the availability of capital.

Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors, which may adversely affect our future profitability.

***If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit commercialization of our product candidates.***

We face an inherent risk of product liability as a result of the clinical testing of our product candidates and will face an even greater risk if we commercialize any products. For example, we may be sued if our product candidates cause or are perceived to cause injury or are found to be otherwise unsuitable during clinical testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability or a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required

## Table of Contents

to limit commercialization of our product candidates. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for our product candidates or products that we may develop;
- injury to our reputation;
- withdrawal of clinical trial participants;
- initiation of investigations by regulators;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- loss of revenue;
- exhaustion of any available insurance and our capital resources;
- the inability to commercialize any product candidate; and
- a decline in our share price.

Failure to obtain or retain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of products we develop, alone or with corporate collaborators. Although we have clinical trial insurance, our insurance policies also have various exclusions, and we may be subject to a product liability claim for which we have no coverage. We may have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts. Even if our agreements with any future corporate collaborators entitle us to indemnification against losses, such indemnification may not be available or adequate should any claim arise.

***If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business.***

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and biological and radioactive materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage or disposal of biological, hazardous or radioactive materials.

## Table of Contents

***The market opportunities for our product candidates may be relatively small since the patients who may potentially be treated with our product candidates are those who are ineligible for or have failed prior treatments, and our estimates of the prevalence of our target patient populations may be inaccurate.***

Cancer therapies are sometimes characterized by line of therapy (first line, second line, third line, fourth line, etc.), and the FDA often approves new therapies initially only for a particular line or lines of use. When cancer is detected early enough, first line therapy is sometimes adequate to cure the cancer or prolong life without a cure. Whenever first line therapy, usually chemotherapy, antibody drugs, tumor-targeted small molecules, hormone therapy, radiation therapy, surgery, or a combination of these, proves unsuccessful, second line therapy may be administered. Second line therapies often consist of more chemotherapy, radiation, antibody drugs, tumor-targeted small molecules, or a combination of these. Third line therapies can include chemotherapy, antibody drugs and small molecule tumor-targeted therapies, more invasive forms of surgery, and new technologies. There is no guarantee that our product candidates, even if approved as a second or third or subsequent line of therapy, would be approved for an earlier line of therapy, and, prior to any such approvals, we may have to conduct additional clinical trials.

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

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

We currently have no sales, marketing or distribution capabilities and have no experience in marketing products. If we commercialize ourselves any of our product candidates that may be approved, we will need to develop an in-house marketing organization and sales force, which will require significant capital expenditures, management resources and time. We will have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train and retain marketing and sales personnel.

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

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

## Table of Contents

*A variety of risks associated with marketing our product candidates internationally could materially adversely affect our business.*

We plan to seek regulatory approval of our product candidates outside of the United States and, accordingly, we expect that we will be subject to additional risks related to operating in foreign countries if we obtain the necessary approvals, including:

- differing regulatory requirements in foreign countries, which may result in a longer timeline for obtaining regulatory approvals outside of the United States and be more costly than obtaining approval in the United States;
- unexpected changes in tariffs, trade barriers, price and exchange controls and other regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- potential liability under the Foreign Corrupt Practices Act of 1977 or comparable foreign regulations;
- challenges enforcing our contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the United States;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism.

These and other risks associated with international operations may materially adversely affect our ability to attain or maintain profitable operations.

### **Risks Related to Government Regulation**

*If we are not able to obtain, or are delayed in obtaining, required regulatory approvals for our product candidates, we will not be able to commercialize, or will be delayed in commercializing, our product candidates, and our ability to generate revenue will be materially impaired.*

Our product candidates and the activities associated with their development and commercialization, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, promotion, sale, distribution, import and export are subject to comprehensive regulation by the FDA and other regulatory agencies in the United States and by comparable authorities in other countries. Before we can commercialize any of our product candidates, we must obtain marketing approval. Whether the results from our current ongoing clinical trials and other trials will suffice to obtain approval will be a review issue and the FDA may not grant approval and may require that we conduct one or more controlled clinical trials to obtain approval. Additionally, even if FDA does grant approval for one or more of our product candidates, it may be for a more narrow indication than we seek. For example, we intend to develop our product candidates and seek

## [Table of Contents](#)

approval for a tumor-agnostic indication based on a biomarker. FDA has approved only a small number of oncology products with tumor-agnostic indications, and there is a risk that FDA may disagree with our strategy or data and approve only a more narrow indication. Regulatory authorities, including the FDA, also may impose significant limitations in the form of narrow indications, warnings or a REMS. These regulatory authorities may require labeling that includes precautions or contra-indications with respect to conditions of use, or they may grant approval subject to the performance of costly post-marketing clinical trials. In addition, regulatory authorities may not approve the labeling claims that are necessary or desirable for the successful commercialization of any product candidates we may develop.

To date, we have had interactions with regulatory authorities outside of the United States in France, the Netherlands, China, Hong Kong, Singapore, and Taiwan. We intend to engage with EMA regarding regulatory requirements for registration in the European Union, or EU for our CLN-081, CLN-049, and CLN-619 programs. There is limited experience of regulatory authorities outside of the United States with the approval of tumor-agnostic precision cancer medicines.

Securing regulatory approval also requires the submission of information about the product manufacturing process to, and inspection of manufacturing facilities by, the relevant regulatory authority. Further, our product candidates may not be effective, may be only moderately effective or may prove to have undesirable or unintended side effects, toxicities or other characteristics that may preclude our obtaining marketing approval or prevent or limit commercial use.

The process of obtaining regulatory approvals, both in the United States and abroad, is expensive, may take many years if additional clinical trials are required, if approval is obtained at all, and can vary substantially based upon a variety of factors, including the type, complexity, and novelty of the product candidates involved. Changes in marketing approval policies during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for each submitted IND, Biologics License Application, or BLA, New Drug Application, or NDA, or equivalent application types, may cause delays in the approval or rejection of an application. The FDA and comparable authorities in other countries have substantial discretion in the approval process and may refuse to accept any application or may decide that our data are insufficient for approval and require additional preclinical, clinical or other studies. Our product candidates could be delayed in receiving, or fail to receive, regulatory approval for many reasons, including the following:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials;
- the FDA or comparable foreign regulatory authorities may disagree with our tumor-agnostic development strategy;
- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is safe and effective for its proposed indication or a related companion diagnostic is suitable to identify appropriate patient populations;
- the results of clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of our product candidates may not be sufficient to support the submission of a BLA, NDA or other submission or to obtain regulatory approval in the United States or elsewhere;



## Table of Contents

- the FDA or comparable foreign regulatory authorities may determine that the manufacturing processes or controls or the facilities of third-party manufacturers with which we contract for clinical and commercial supplies are inadequate; and
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

Of the large number of therapeutic candidates in development, only a small percentage successfully complete the FDA or foreign regulatory approval processes and are commercialized. The lengthy approval process as well as the unpredictability of future clinical trial results may result in our failing to obtain regulatory approval to market our product candidates, which would significantly harm our business, results of operations, and prospects.

***We may in the future seek orphan drug status for CLN-081, CLN-049, and CLN-619, and some of our other future product candidates, but we may be unable to obtain such designations or to maintain the benefits associated with orphan drug status, including market exclusivity, which may cause our revenue, if any, to be reduced.***

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biologic intended to treat a rare disease or condition, defined as a disease or condition with a patient population of fewer than 200,000 in the United States, or a patient population greater than 200,000 in the United States when there is no reasonable expectation that the cost of developing and making available the drug or biologic in the United States will be recovered from sales in the United States for that drug or biologic. Orphan drug designation must be requested before submitting a BLA or NDA. In the United States, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages, and user-fee waivers. After the FDA grants orphan drug designation, the generic identity of the drug or biologic and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval for a particular drug for the disease for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications, including a BLA or NDA, to market the same drug for the same indication for seven years, except in limited circumstances such as a showing of clinical superiority to the product with orphan drug exclusivity or if the FDA finds that the holder of the orphan drug exclusivity has not shown that it can assure the availability of sufficient quantities of the orphan drug to meet the needs of patients with the disease or condition for which the drug was designated. As a result, even if one of our product candidates receives orphan exclusivity, that exclusivity may not effectively protect the product candidate from competition because different product candidates can be approved for the same condition. In addition, even after an orphan drug is approved, the FDA can subsequently approve a later product candidate that is the same drug as the drug with orphan exclusivity for the same condition if the FDA concludes that the later product candidate is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care compared with the product that has orphan exclusivity. Orphan drug exclusivity may also be lost if the FDA determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the product to meet the needs of the patients with the rare disease or condition.

We may seek orphan drug designation for CLN-081, CLN-049, and CLN-619, and some or all of our other future product candidates in additional orphan indications in which there is a medically plausible basis for the use of these products. Even when we obtain orphan drug designation, exclusive marketing rights in the United States may be limited if we seek approval for an indication broader than the orphan designated indication and may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition. In addition, although we intend to seek orphan drug designation for other product candidates, we may

never receive such designations. For example, the FDA has expressed concerns regarding the regulatory considerations for orphan drug designation as applied to tumor-agnostic therapies, and the FDA may interpret the federal Food, Drug and Cosmetic Act, as amended, or the FDCA, and regulations promulgated thereunder in a way that limits or blocks our ability to obtain orphan drug designation or orphan drug exclusivity, if our product candidates are approved, for our targeted indications.

On August 3, 2017, the United States Congress passed the FDA Reauthorization Act of 2017, or FDARA. FDARA, among other things, codified the FDA's pre-existing regulatory interpretation, to require that a drug sponsor demonstrate the clinical superiority of an orphan drug that is otherwise the same as a previously approved drug for the same rare disease in order to receive orphan drug exclusivity. The legislation was made in response to a court ruling holding that the Orphan Drug Act unambiguously requires that the FDA recognize the orphan exclusivity period of a company obtains approval of a drug designated as an orphan drug, regardless of a showing of clinical superiority. The FDA and legislators may further reevaluate the Orphan Drug Act and its regulations and policies. We do not know if, when, or how the FDA may change the orphan drug regulations and policies in the future, and it is uncertain how any changes might affect our business. Depending on what changes the FDA may make to its orphan drug regulations and policies, our business could be adversely impacted.

***A Fast Track designation by the FDA, even if granted for CLN-081, CLN-049, and CLN-619, or any other future product candidates, may not lead to a faster development or regulatory review or approval process, and does not increase the likelihood that our product candidates will receive marketing approval.***

If a drug or biologic is intended for the treatment of a serious or life-threatening condition and the product demonstrates the potential to address unmet medical needs for this condition, the product sponsor may apply for FDA Fast Track designation for a particular indication. We may seek Fast Track designation for CLN-081, CLN-049, and CLN-619, and certain of our future product candidates, but there is no assurance that the FDA will grant this status to any of our proposed product candidates. Marketing applications filed by sponsors of products in Fast Track development may qualify for priority review under the policies and procedures offered by the FDA, but the Fast Track designation does not assure any such qualification or ultimate marketing approval by the FDA. The FDA has broad discretion whether or not to grant Fast Track designation, so even if we believe a particular product candidate is eligible for this designation, there can be no assurance that the FDA would decide to grant it. Even if we do receive Fast Track designation, we may not experience a faster development process, review or approval compared to conventional FDA procedures, and receiving a Fast Track designation does not provide assurance of ultimate FDA approval. In addition, the FDA may withdraw Fast Track designation if it believes that the designation is no longer supported by data from our clinical development program. In addition, the FDA may withdraw any Fast Track designation at any time.

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

We may seek Breakthrough Therapy designation for CLN-081, CLN-049, and CLN-619, and some or all of our future product candidates. A Breakthrough Therapy is defined as a drug or biologic that is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the drug or biologic may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints. Sponsors of product candidates that have been designated as Breakthrough Therapies are eligible to receive more intensive FDA guidance on developing an efficient drug development program, an organizational commitment involving senior managers, and eligibility for rolling review and priority review. Drugs and biologics designated as Breakthrough Therapies by the FDA may also be eligible for other expedited approval programs, including accelerated approval.

Designation as a Breakthrough Therapy is within the discretion of the FDA. Accordingly, even if we believe one of our product candidates meets the criteria for designation as a Breakthrough Therapy, the FDA may

disagree and instead determine not to make such designation. In any event, the receipt of a Breakthrough Therapy designation for a product candidate may not result in a faster development process, review or approval compared to candidate products developed and considered for approval that have not received Breakthrough Designation and does not assure ultimate approval by the FDA. In addition, even if one or more of our product candidates qualify as Breakthrough Therapies, the FDA may later decide that the product no longer meets the conditions for qualification. Thus, even though we may seek Breakthrough Therapy designation for CLN-081, CLN-049, and CLN-619, and some or all of our future product candidates for the treatment of various cancers, there can be no assurance that we will receive breakthrough therapy designation.

***Accelerated approval by the FDA, even if granted for CLN-081 or any other future product candidates, may not lead to a faster development or regulatory review or approval process and it does not increase the likelihood that our product candidates will receive marketing approval.***

We may seek approval of CLN-081, and certain of our other current and future product candidates using the FDA's accelerated approval pathway. A product may be eligible for accelerated approval if it treats a serious or life-threatening condition, generally provides a meaningful advantage over available therapies, and demonstrates an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit. As a condition of approval, the FDA requires that a sponsor of a product receiving accelerated approval perform a post-marketing confirmatory clinical trial or trials. These confirmatory trials must be completed with due diligence. In addition, the FDA currently requires as a condition for accelerated approval pre-approval of promotional materials, which could adversely impact the timing of the commercial launch of the product. Even if we do receive accelerated approval, we may not experience a faster development or regulatory review or approval process, and receiving accelerated approval does not provide assurance of ultimate full FDA approval. Accelerated approval may also be withdrawn if, among other things, a confirmatory trial required to verify the predicted clinical benefit of the product fails to verify such benefit or if such trial is not conducted with due diligence.

***If approved, our investigational products regulated as biologics may face competition from biosimilars approved through an abbreviated regulatory pathway.***

Most of our pipeline products, with the exception of CLN-081, will be regulated by the FDA as biologics, which must be licensed by FDA prior to marketing under a BLA. The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively the ACA, includes a subtitle called the Biologics Price Competition and Innovation Act of 2009, or BPCIA, which created an abbreviated approval pathway for biologic products that are biosimilar to or interchangeable with an FDA-licensed reference biologic product. Under the BPCIA, a reference biological product is granted 12 years of data exclusivity from the time of first licensure of the product, and the FDA will not accept an application for a biosimilar or interchangeable product based on the reference biological product until four years after the date of first licensure of the reference product. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a BLA for the competing product containing the sponsor's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity, and potency of the other company's product. The law is complex and is still being interpreted and implemented by the FDA. As a result, its ultimate impact, implementation, and meaning are subject to uncertainty.

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

## [Table of Contents](#)

The BPCIA was enacted in March 2010 as an unrelated part of the ACA. Since its enactment, there have been judicial and Congressional challenges to certain aspects of the ACA, and as a result certain sections of the ACA have not been fully implemented or effectively repealed. In particular, in December of 2018, a Texas U.S. District Court Judge ruled that the ACA is unconstitutional in its entirety because the tax-based shared responsibility payment imposed by the ACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year, commonly referred to as the “individual mandate”, was repealed by Congress as part of the Tax Cuts and Jobs Act, effective January 1, 2019. In December 2019, the U.S. Court of Appeals for the Fifth Circuit held that the individual mandate was unconstitutional but remanded part of the case back to the District Court to determine whether other reforms enacted as part of the ACA but not specifically related to the individual mandate or health insurance, including the provisions comprising the BPCIA, could be severed from the rest of the ACA so as not to be declared invalid as well. In March 2020, the United States Supreme Court granted the petitions for writs of certiorari to review this case and has allocated one hour and twenty minutes for oral arguments, which are scheduled to occur on November 10, 2020, with a decision likely to follow in 2021. Pending resolution of the litigation, ACA is still operational. It is unclear how such litigation and other efforts to repeal and replace the ACA will impact the ACA and our business. Complying with any new legislation or reversing changes implemented under the ACA could be time-intensive and expensive, resulting in a material adverse effect on our business.

If competitors are able to obtain marketing approval for biosimilars referencing our products, our products may become subject to competition from such biosimilars, with the attendant competitive pressure and consequences.

***If the FDA or comparable foreign regulatory authorities approve generic versions of any of our small molecule investigational products that receive marketing approval, or such authorities do not grant our products appropriate periods of exclusivity before approving generic versions of those products, the sales of our products, if approved, could be adversely affected.***

Once an NDA is approved, the product covered thereby becomes a “reference listed drug” in the FDA’s publication, “Approved Drug Products with Therapeutic Equivalence Evaluations,” commonly known as the Orange Book. Manufacturers may seek approval of generic versions of reference listed drugs through submission of abbreviated new drug applications, or ANDAs, in the United States. In support of an ANDA, a generic manufacturer need not conduct clinical trials to assess safety and efficacy. Rather, the applicant generally must show that its product has the same active ingredient(s), dosage form, strength, route of administration and conditions of use or labelling as the reference listed drug and that the generic version is bioequivalent to the reference listed drug, meaning it is absorbed in the body at the same rate and to the same extent. Generic products may be significantly less costly to bring to market than the reference listed drug and companies that produce generic products are generally able to offer them at lower prices. Thus, following the introduction of a generic drug, a significant percentage of the sales of any branded product or reference listed drug is typically lost to the generic product.

The FDA may not approve an ANDA for a generic product until any applicable period of non-patent exclusivity for the reference listed drug has expired. The FDCA provides a period of five years of non-patent exclusivity for a new drug containing a new chemical entity. Specifically, in cases where such exclusivity has been granted, an ANDA may not be submitted to the FDA until the expiration of five years unless the submission is accompanied by a Paragraph IV certification that a patent covering the reference listed drug is either invalid or will not be infringed by the generic product, in which case the applicant may submit its application four years following approval of the reference listed drug.

Generic drug manufacturers may seek to launch generic products following the expiration of any applicable exclusivity period we obtain if our products are approved, even if we still have patent protection for such products. Competition that our products could face from generic versions of our products could materially and adversely affect our future revenue, profitability, and cash flows and substantially limit our ability to obtain a return on the investments we have made in those product candidates.

***Obtaining and maintaining regulatory approval of our product candidates in one jurisdiction does not mean that we will be successful in obtaining regulatory approval of our product candidates in other jurisdictions.***

Obtaining and maintaining regulatory approval of our product candidates in one jurisdiction does not guarantee that we will be able to obtain or maintain regulatory approval in any other jurisdiction, while a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. For example, even if the FDA grants marketing approval of a product candidate, comparable regulatory authorities in foreign jurisdictions must also approve the manufacturing, marketing, and promotion of the product candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional preclinical studies or clinical trials as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the United States, a product candidate must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that we intend to charge for our products is also subject to approval.

We may also submit marketing applications in other countries. Regulatory authorities in jurisdictions outside of the United States have requirements for approval of product candidates with which we must comply prior to marketing in those jurisdictions. Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties, and costs for us and could delay or prevent the introduction of our products in certain countries. If we fail to comply with the regulatory requirements in international markets and/or receive applicable marketing approvals, our target market will be reduced and our ability to realize the full market potential of our product candidates will be harmed.

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

Any product candidate for which we obtain marketing approval will be subject to extensive and ongoing regulatory requirements governing, among other things, the research, development, testing, manufacturing, labeling, packaging, distribution, storage, advertising, promotion, import, export, recordkeeping, monitoring, and reporting of our products. These requirements include submissions of safety and other post-marketing information and reports, facility registration and drug listing requirements, as well as continued compliance with cGMPs, good laboratory practice, or GLP, regulations, and GCPs, for any clinical trials that we conduct post-approval. Even if marketing approval of a product candidate is granted, the approval may be subject to limitations on the indicated uses for which the product may be marketed or to the conditions of approval, or contain requirements for costly post-marketing testing and surveillance to monitor the safety or efficacy of the product.

The FDA may require a REMS in order to approve our product candidates, which could entail requirements for a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. Later discovery of previously unknown problems with our product candidates, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- restrictions on the marketing or manufacturing of our product candidates, withdrawal of the product from the market or voluntary or mandatory product recalls;
- manufacturing delays and supply disruptions where regulatory inspections identify observations of noncompliance requiring remediation;
- revisions to the labeling, including limitation on approved uses or the addition of additional warnings, contraindications or other safety information, including boxed warnings;

## Table of Contents

- imposition of a REMS, which may include distribution or use restrictions;
- requirements to conduct additional post-market clinical trials to assess the safety of the product;
- fines, warning letters or holds on clinical trials;
- refusal by the FDA to approve pending applications or supplements to approved applications filed by us or suspension or revocation of approvals;
- product seizure or detention, or refusal to permit the import or export of our product candidates; and
- injunctions or the imposition of civil or criminal penalties.

The FDA's and other regulatory authorities' policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability.

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

The FDA and other regulatory agencies closely regulate the post-approval marketing and promotion of products to ensure that they are marketed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA and other regulatory agencies impose stringent restrictions on manufacturers' communications regarding off-label use. If any of our product candidates are approved and we are found to have promoted such off-label uses, we may become subject to significant liability. The federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined several companies from engaging in off-label promotion. Violation of the FDCA, and other statutes, including the False Claims Act, and equivalent legislation in other countries relating to the promotion and advertising of prescription products may also lead to investigations or allegations of violations of federal and state and other countries' health care fraud and abuse laws and state consumer protection laws. Even if it is later determined we were not in violation of these laws, we may be faced with negative publicity, incur significant expenses defending our actions and have to divert significant management resources from other matters.

### ***Inadequate funding for the FDA, the SEC and other government agencies, including from government shut downs, or other disruptions to these agencies' operations, could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.***

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory and policy changes. Average review times at the agency have fluctuated in recent years as a result. Disruptions at the FDA and other agencies may also slow the time necessary for new product candidates to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund research and development activities, is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time necessary for new product candidates to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. For

## Table of Contents

example, over the last several years the U.S. government has shut down several times and certain regulatory agencies, such as the FDA and the SEC, have had to furlough critical FDA, SEC and other government employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

Separately, in response to the COVID-19 pandemic, on March 10, 2020 the FDA announced its intention to postpone most inspections of foreign manufacturing facilities and products while local, national and international conditions warrant. On March 18, 2020, the FDA announced its intention to temporarily postpone routine surveillance inspections of domestic manufacturing facilities and provided guidance regarding the conduct of clinical trials, which the FDA continues to update. As of June 23, 2020, the FDA noted it was continuing to ensure timely reviews of applications for medical products during the COVID-19 pandemic in line with its user fee performance goals and conducting mission critical domestic and foreign inspections to ensure compliance of manufacturing facilities with FDA quality standards. As of July 2020, utilizing a rating system to assist in determining when and where it is safest to conduct such inspections based on data about the virus' trajectory in a given state and locality and the rules and guidelines that are put in place by state and local governments, FDA is either continuing to, on a case-by-case basis, conduct only mission critical inspections, or, where possible to do so safely, resuming prioritized domestic inspections, which generally include pre-approval inspections. Foreign pre-approval inspections that are not deemed mission-critical remain postponed, while those deemed mission-critical will be considered for inspection on a case-by-case basis. FDA will use similar data to inform resumption of prioritized operations abroad as it becomes feasible and advisable to do so. The FDA may not be able to maintain this pace and delays or setbacks are possible in the future. Should FDA determine that an inspection is necessary for approval, and an inspection cannot be completed during the review cycle due to restrictions on travel, FDA has stated that it generally intends to issue a complete response letter. Further, if there is inadequate information to make a determination on the acceptability of a facility, FDA may defer action on the application until an inspection can be completed. Additionally, regulatory authorities outside the U.S. may adopt similar restrictions or other policy measures in response to the COVID-19 pandemic and may experience delays in their regulatory activities. If a prolonged government shutdown or other disruption occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Future shutdowns or other disruptions could also affect other government agencies such as the SEC, which may also impact our business by delaying review of our public filings, to the extent such review is necessary, and our ability to access the public markets.

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

We are exposed to the risk of employee fraud or other illegal activity by our employees, independent contractors, consultants, commercial partners and vendors. Misconduct by these parties could include intentional, reckless and/or negligent conduct that fails to: comply with the regulations of the FDA and other similar foreign regulatory authorities, provide true, complete and accurate information to the FDA and other similar foreign regulatory authorities, comply with manufacturing standards we have established, comply with healthcare fraud and abuse laws in the United States and similar foreign fraudulent misconduct laws or report financial information or data accurately or to disclose unauthorized activities to us. If we obtain FDA approval of any of our product candidates and begin commercializing those products in the United States, our potential exposure under such laws and regulations will increase significantly, and our costs associated with compliance with such laws and regulations are also likely to increase. These laws may impact, among other things, our current activities with principal investigators and research patients, as well as proposed and future sales, marketing and education programs. In particular, the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide

## [Table of Contents](#)

range of pricing, discounting, marketing and promotion, structuring and commission(s), certain customer incentive programs and other business arrangements generally. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials. The laws that may affect our ability to operate include, but are not limited to:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons from knowingly and willfully soliciting, receiving, offering or paying any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, either the referral of an individual, or the purchase, lease, order or recommendation of any good, facility, item or service for which payment may be made, in whole or in part, under a federal healthcare program, such as the Medicare and Medicaid programs. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. Violations are subject to civil and criminal fines and penalties for each violation, plus up to three times the remuneration involved, imprisonment, and exclusion from government healthcare programs. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution;
- federal civil and criminal false claims laws and civil monetary penalty laws, including the False Claims Act, or FCA, which impose criminal and civil penalties, including through civil “qui tam” or “whistleblower” actions, against individuals or entities for, among other things, knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid, or other federal health care programs that are false or fraudulent; knowingly making or causing a false statement material to a false or fraudulent claim or an obligation to pay money to the federal government; or knowingly concealing or knowingly and improperly avoiding or decreasing such an obligation. Manufacturers can be held liable under the FCA even when they do not submit claims directly to government payors if they are deemed to “cause” the submission of false or fraudulent claims. The FCA also permits a private individual acting as a “whistleblower” to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery. When an entity is determined to have violated the federal civil False Claims Act, the government may impose civil fines and penalties for each false claim, plus treble damages, and exclude the entity from participation in Medicare, Medicaid and other federal healthcare programs;
- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity can be found guilty of violating HIPAA without actual knowledge of the statute or specific intent to violate it;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and their respective implementing regulations, which impose requirements on certain covered healthcare providers, health plans, and healthcare clearinghouses as well as their respective business associates that perform services for them that involve the use, or disclosure of, individually identifiable health information, relating to the privacy, security and transmission of individually identifiable health information without appropriate authorization. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for



## [Table of Contents](#)

damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions;

- the federal Physician Payment Sunshine Act, created under the Affordable Care Act and its implementing regulations, which require manufacturers of drugs, devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to HHS information related to payments or other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members. Effective January 1, 2022, these reporting obligations will extend to include transfers of value made to certain non-physician providers such as physician assistants and nurse practitioners;
- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers; and
- analogous state and foreign laws and regulations, such as state and foreign anti-kickback, false claims, consumer protection and unfair competition laws which may apply to pharmaceutical business practices, including but not limited to, research, distribution, sales and marketing arrangements as well as submitting claims involving healthcare items or services reimbursed by any third-party payor, including commercial insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government that otherwise restricts payments that may be made to healthcare providers and other potential referral sources; state laws that require drug manufacturers to file reports with states regarding pricing and marketing information, such as the tracking and reporting of gifts, compensations and other remuneration and items of value provided to healthcare professionals and entities; state and local laws requiring the registration of pharmaceutical sales representatives; and state and foreign laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

Effective upon the closing of this offering, we will adopt a code of business conduct and ethics, but it is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations.

Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare laws and regulations will involve substantial costs. Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. It is possible that governmental authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant criminal, civil and administrative sanctions including monetary penalties, damages, fines, disgorgement, individual imprisonment, and exclusion from participation in government funded healthcare programs, such as Medicare and Medicaid, contractual damages, reputational harm, diminished profits and future earnings, and we may be required to curtail or restructure our operations, any of which could adversely affect our ability to operate our business and our results of operations.

Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. The shifting compliance environment and the need to build and maintain robust and expandable systems to comply

## [Table of Contents](#)

with multiple jurisdictions with different compliance and/or reporting requirements increases the possibility that a healthcare company may run afoul of one or more of the requirements.

The provision of benefits or advantages to physicians to induce or encourage the prescription, recommendation, endorsement, purchase, supply, order or use of medicinal products is also prohibited in the EU. The provision of benefits or advantages to physicians is governed by the national anti-bribery laws of EU Member States, such as the U.K. Bribery Act 2010, or the Bribery Act. Infringement of these laws could result in substantial fines and imprisonment. Payments made to physicians in certain EU Member States must be publicly disclosed.

Moreover, agreements with physicians often must be the subject of prior notification and approval by the physician's employer, his or her competent professional organization and/or the regulatory authorities of the individual EU Member States.

These requirements are provided in the national laws, industry codes or professional codes of conduct, applicable in the EU Member States.

Failure to comply with these requirements could result in administrative, civil and criminal penalties, damages, fines, disgorgement, the exclusion from participation in federal and state healthcare programs, individual imprisonment, reputational harm, and the curtailment or restructuring of our operations, as well as additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws.

### ***Data collection is governed by restrictive regulations governing the use, processing and cross-border transfer of personal information.***

In the event we decide to conduct clinical trials or continue to enroll subjects in our ongoing or future clinical trials, we may be subject to additional privacy restrictions. The collection, use, storage, disclosure, transfer, or other processing of personal data regarding individuals in the EU, including personal health data, is subject to the EU General Data Protection Regulation, or GDPR, which became effective on May 25, 2018. The GDPR is wide-ranging in scope and imposes numerous requirements on companies that process personal data, including requirements relating to processing health and other sensitive data, obtaining consent of the individuals to whom the personal data relates, providing information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches, and taking certain measures when engaging third-party processors. The GDPR also imposes strict rules on the transfer of personal data to countries outside the EU, including the United States, and permits data protection authorities to impose large penalties for violations of the GDPR, including potential fines of up to €20 million or 4% of annual global revenues, whichever is greater. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. In addition, the GDPR includes restrictions on cross-border data transfers. The GDPR increased our responsibility and liability in relation to personal data that we process where such processing is subject to the GDPR, and we may be required to put in place additional mechanisms to ensure compliance with the GDPR, including as implemented by individual countries. Compliance with the GDPR will be a rigorous and time-intensive process that may increase our cost of doing business or require us to change our business practices, and despite those efforts, there is a risk that we may be subject to fines and penalties, litigation, and reputational harm in connection with our European activities. Further, the United Kingdom's vote in favor of exiting the EU, often referred to as Brexit, has created uncertainty with regard to data protection regulation in the United Kingdom. In particular, it is unclear how data transfers to and from the United Kingdom will be regulated.

In addition, California recently enacted the California Consumer Privacy Act, or CCPA, which creates new individual privacy rights for California consumers (as defined in the law) and places increased privacy and

## [Table of Contents](#)

security obligations on entities handling personal data of consumers or households. The CCPA requires covered companies to provide new disclosure to consumers about such companies' data collection, use and sharing practices, provide such consumers new ways to opt-out of certain sales or transfers of personal information, and provide consumers with additional causes of action. The CCPA went into effect on January 1, 2020, and the California Attorney General commenced enforcement actions for violations on July 1, 2020. While there are currently exceptions for protected health information that is subject to HIPAA and clinical trial regulations, as currently written, the CCPA may impact our business activities. On August 14, 2020, implementing regulations were finalized and became effective as of that date. While clinical trial data and information governed by HIPAA are currently exempt from the current version of the CCPA, other personal information may be applicable and possible changes to the CCPA may broaden its scope. We continue to monitor the impact the CCPA may have on our business activities,

Compliance with U.S. and international data protection laws and regulations could require us to take on more onerous obligations in our contracts, restrict our ability to collect, use and disclose data, or in some cases, impact our ability to operate in certain jurisdictions. Failure to comply with U.S. and international data protection laws and regulations could result in government enforcement actions (which could include civil or criminal penalties), private litigation or adverse publicity and could negatively affect our operating results and business. Moreover, clinical trial subjects about whom we or our potential collaborators obtain information, as well as the providers who share this information with us, may contractually limit our ability to use and disclose the information. Claims that we have violated individuals' privacy rights, failed to comply with data protection laws, or breached our contractual obligations, even if we are not found liable, could be expensive and time consuming to defend and could result in adverse publicity that could harm our business.

### **Risks Related to Our Intellectual Property**

***If we are unable to obtain and maintain patent and other intellectual property protection for our current product candidates and technology, or any other product candidates or technology we may develop, or if the scope of intellectual property protection obtained is not sufficiently broad, our competitors could develop and commercialize products and technology similar or identical to ours, and our ability to commercialize CLN-081, CLN-049 and CLN-619 or any other product candidates or technology may be adversely affected.***

Our success depends in large part on our ability to obtain and maintain patent and other intellectual property protection in the United States and other countries with respect to our product candidates, including CLN-081, CLN-049 and CLN-619, their respective components, formulations, combination therapies, methods used to manufacture them and methods of treatment and development that are important to our business, as well as successfully defending these patents against third-party challenges. If we do not adequately protect our intellectual property rights, competitors may be able to erode or negate any competitive advantage we may have, which could harm our business and ability to achieve profitability.

We intend to rely upon a combination of patent applications, confidentiality agreements, trade secret protection and license agreements to protect the intellectual property related to our product candidates and technologies. Any disclosure to or misappropriation by third parties of our confidential proprietary information could enable competitors to quickly duplicate or surpass our technological achievements, thus eroding our competitive position in our market. We, or any future partners, collaborators, or licensees, may fail to identify patentable aspects of inventions made in the course of development and commercialization activities before it is too late to obtain patent protection on them. Therefore, we may miss potential opportunities to establish our patent position.

To protect our proprietary position, we have filed or in-licensed, and plan to file or in-license, patents and patent applications in the United States and abroad relating to our product candidates that are important to our business. Our ability to stop unauthorized third parties from making, using, selling, offering to sell or importing

## [Table of Contents](#)

our product candidates is dependent upon the extent to which we have rights under valid and enforceable patents or trade secrets that cover these activities. If we are unable to secure or maintain patent protection with respect to CLN-081, CLN-049 and CLN-619, or any other proprietary products and technology we develop, our business, financial condition, results of operations, and prospects would be materially harmed.

The degree of patent protection we require to successfully compete in the marketplace may be unavailable or severely limited in some cases and may not adequately protect our rights or permit us to gain or keep any competitive advantage. We cannot provide any assurances that any patents we may own or in-license in the future will have, or that any of our patent applications that mature into issued patents will include, claims with a scope sufficient to protect our current and future product candidates or otherwise provide any competitive advantage. In addition, to the extent that we currently or in the future license intellectual property, we cannot assure you that those licenses will remain in force. In addition, the laws of foreign countries may not protect our rights to the same extent as the laws of the United States. Furthermore, patents have a limited lifespan, and the term of any patents we may own or in-license may be inadequate to protect our competitive position of our product candidates or technology for an adequate amount of time. In the United States, the natural expiration of a patent is generally 20 years after it is filed. Various extensions may be available; however, the life of a patent, and the protection it affords, is limited. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized.

Even if they are unchallenged, our patent applications, if issued, and any patents we may own or in-license, may not provide us with any meaningful protection or prevent competitors from designing around our patent claims to circumvent any patents we may own or in-license by developing similar or alternative technologies or therapeutics in a non-infringing manner. For example, a third party may develop a competitive therapy that provides benefits similar to one or more of our product candidates but that uses a formulation and/or a device that falls outside the scope of any patent protection we may have in the future. If the patent protection provided by our patent applications or any patents we may pursue with respect to our product candidates is not sufficiently broad to impede such competition, our ability to successfully commercialize our product candidates could be negatively affected, which would harm our business.

Patent positions of life sciences companies can be uncertain and involve complex factual and legal questions. Changes in either the patent laws or their interpretation in any jurisdiction that we seek patent protection may diminish our ability to protect our inventions, maintain and enforce our intellectual property rights; and, more generally, may affect the value of our intellectual property, including the narrowing of the scope of our patent applications or any patents we may own or in-license.

The patent prosecution process is complex, expensive, time-consuming and inconsistent across jurisdictions. Patent license negotiations also can be complex and protracted, with uncertain results. We may not be able to file, prosecute, maintain, enforce, or license all necessary or desirable patent rights at a commercially reasonable cost or in a timely manner. In addition, we may not pursue or obtain patent protection in all relevant markets. It is possible that we will fail to identify important patentable aspects of our research and development efforts in time to obtain appropriate or any patent protection. While we enter into non-disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development efforts, including for example, our employees, corporate collaborators, external academic scientific collaborators, CROs, contract manufacturers, consultants, advisors and other third parties, any of these parties may breach the agreements and disclose results before a patent application is filed, thereby endangering our ability to seek patent protection. In addition, publications of discoveries in the scientific and scholarly literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Consequently, we cannot be certain that we were the first to file for patent protection on the inventions claimed in our patent applications.

It is possible that defects of form in the preparation or filing of our patent applications, or any patents we may own or in-license, may exist or may arise in the future, for example with respect to proper priority claims,

## [Table of Contents](#)

inventorship, claim scope, or requests for patent term adjustments. If we or our partners, collaborators, licensees or licensors fail to establish, maintain or protect such patents and other intellectual property rights, such rights may be reduced or eliminated. If our partners, collaborators, licensees or licensors are not fully cooperative or disagree with us as to the prosecution, maintenance or enforcement of any patent rights, such patent rights could be compromised. If there are material defects in the form, preparation, prosecution, or enforcement of our patent applications or patents we may own or in-license, such patents may be invalid and/or unenforceable, and such applications may never result in valid, enforceable patents. Any of these outcomes could impair our ability to prevent competition from third parties, which may have an adverse impact on our business.

Additionally, we cannot be certain that the claims in our patent applications covering composition of matter of our product candidates or technology will be considered patentable by the USPTO, or by patent offices in foreign countries, or that the claims in any issued patents we may own or in-license will be considered patentable by courts in the United States or foreign countries.

Method of use patents protect the use of a product for the specified method. These types of patents do not prevent a competitor from making and marketing a product that is identical to our product for an indication that is outside the scope of the patented method. Moreover, even if competitors do not actively promote their product for our targeted indications, physicians may prescribe these products “off-label.” Although off-label prescriptions may induce or contribute to the infringement of method of use patents, the practice is common and such infringement is difficult to prevent or prosecute.

The patent position of pharmaceutical and biotechnology companies generally is highly uncertain and involves complex legal and factual questions for which many legal principles remain unresolved. In recent years, patent rights have been the subject of significant litigation. As a result, the issuance, scope, validity, enforceability and commercial value of any rights we may have from our patent applications are highly uncertain. Our patent applications may not result in patents being issued in the United States or in other jurisdictions which protect our technology or products or which effectively prevent others from commercializing competitive technologies and products. Moreover, our ability to obtain and maintain valid and enforceable patents depends on whether the differences between our inventions and the prior art, including our own previously filed patent applications and scientific publications, allow our inventions to be patentable over the prior art. Even if our patent applications issue as patents, third parties could challenge the validity of such patents based on such scientific publications and we could potentially lose valuable patent rights. Further, the scope of the invention claimed in a patent application can be significantly reduced before the patent is issued, and this scope can be reinterpreted after issuance. Even where our patent applications, whether owned or in-licensed, issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with a competitive advantage. Any patents that eventually issue may be challenged, narrowed or invalidated by third parties. Consequently, we do not know whether any of our product candidates will be protectable or remain protected by valid and enforceable patent rights. Our competitors or other third parties may be able to evade any rights we may have by developing new compounds or alternative technologies or products in a non-infringing manner.

The issuance or grant of a patent is not irrefutable as to its inventorship, scope, validity or enforceability, and any of our current or future patents, whether owned or in-licensed may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in the patent claims of any such patents being narrowed, invalidated or held unenforceable, which could limit our ability to stop or prevent us from stopping others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. There may be prior art of which we are not aware that may affect the validity or enforceability of a patent claim. There also may be prior art of which we are aware, but which we do not believe affects the validity or enforceability of a claim, which may, nonetheless, ultimately be found to affect the validity or enforceability of a claim. We may in the future, become subject to a third-party pre-issuance submission of prior art or opposition, derivation, revocation, re-examination, post-grant and *inter partes* review, or interference proceeding and other similar proceedings challenging any rights we may have from

## Table of Contents

our patent applications or the patent rights of others in the U.S. Patent and Trademark Office, or USPTO, or other foreign patent office, or in declaratory judgment actions or counterclaims. An unfavorable determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, any rights we may have from our patents or patent applications, allow third parties to commercialize our technology or products and compete directly with us, without payment to us, or extinguish our ability to manufacture or commercialize products without infringing third-party patent rights.

Moreover, some of our intellectual property, may be co-owned with third parties. If we are unable to obtain an exclusive license to any such third-party co-owners' interest in such intellectual property, including patents or patent applications, such co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. In addition, we or our licensors may need the cooperation of any such co-owners of our owned and in-licensed intellectual property, including patents and patent applications, in order to enforce such intellectual property against third parties, and such cooperation may not be provided to us or our licensors. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects.

***If we fail to comply with our obligations in any agreements under which we may license intellectual property rights from third parties or otherwise experience disruptions to our business relationships with our licensors, we could lose license rights that are important to our business.***

We are currently, and may in the future be, party to license or collaboration agreements with third parties to advance our research or allow commercialization of product candidates. Our current agreements impose, and we expect that future agreements may impose numerous obligations, such as development, diligence, payment, commercialization, funding, milestone, royalty, sublicensing, insurance, patent prosecution, enforcement and other obligations on us and may require us to meet development timelines, or to exercise commercially reasonable efforts to develop and commercialize licensed products, in order to maintain the licenses. In spite of our best efforts, our licensors might conclude that we have materially breached our license agreements and might therefore terminate the license agreements, thereby removing or limiting our ability to develop and commercialize products and technologies covered by these license agreements.

Any termination of these licenses, or if the underlying patents fail to provide the intended exclusivity, could result in the loss of significant rights and could harm our ability to commercialize our product candidates, and competitors or other third parties would have the freedom to seek regulatory approval of, and to market, products identical to ours and we may be required to cease our development and commercialization of certain of our product candidates. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

Disputes may also arise between us and our licensors regarding intellectual property subject to a license agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe, misappropriate or otherwise violate intellectual property rights of the licensor that is not subject to the licensing agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;
- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our product candidates, and what activities satisfy those diligence obligations;
- the priority of invention of any patented technology; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners.

## [Table of Contents](#)

In addition, licensing agreements are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations and prospects. For example, under the Taiho Agreement, while our partially-owned subsidiary Cullinan Pearl is not obligated to enter into a transaction with Taiho, the right of negotiation could delay a potential sale or adversely impact our ability to attract a partner or acquirer and could negatively impact prospects for a larger company to acquire Cullinan Pearl or its assets or enter into a collaboration or licensing transaction that would benefit us. In addition, our partially-owned subsidiaries Cullinan Florentine and Cullinan Amber will also owe licensors a success fee in the event of a sale or other disposition of the majority of its assets. These fees will reduce the net proceeds we receive from any such sale or disposition of assets.

Moreover, if disputes over intellectual property prevent or impair our ability to maintain licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates, which could have a material adverse effect on our business, financial conditions, results of operations and prospects.

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

In addition to the protection afforded by our owned and in-licensed patents, we seek to rely on trade secret protection, confidentiality agreements, and license agreements to protect proprietary know-how that is not patentable, processes for which patents are difficult to enforce and any other elements of our product identification, discovery, and development processes, including our differentiated hub-and-spoke business model that involve proprietary know-how, information, or technology that is not covered by patents. Although we require all of our employees, consultants, advisors and any third parties who have access to our proprietary know-how, information, or technology to enter into confidentiality agreements, trade secrets can be difficult to protect and we have limited control over the protection of trade secrets used by our collaborators and suppliers. We cannot be certain that we have or will obtain these agreements in all circumstances and we cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary information.

Moreover, any of these parties might breach the agreements and intentionally or inadvertently disclose our trade secret information and we may not be able to obtain adequate remedies for such breaches. In addition, competitors may otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. Furthermore, the laws of some foreign countries do not protect proprietary rights and trade secrets to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property both in the United States and abroad. If we are unable to prevent unauthorized material disclosure of our intellectual property to third parties, we will not be able to establish or maintain a competitive advantage in our market, which could materially adversely affect our business, financial condition, results of operations and future prospects.

Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. If we choose to go to court to stop a third party from using any of our trade secrets, we may incur substantial costs. These lawsuits may consume our time and other resources even if we are successful. For example, significant elements of our differentiated hub-and-spoke business model, including aspects of oncogenicity computational algorithms, *in vivo* experiments to validate mechanisms and pharmacology, drug design, and related processes, are based on unpatented trade secrets that are not publicly disclosed. Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees and consultants, third parties may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or

disclose our technology. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us.

Thus, we may not be able to meaningfully protect our trade secrets. It is our policy to require our employees, consultants, outside scientific collaborators, sponsored researchers and other advisors to execute confidentiality agreements upon the commencement of employment or consulting relationships with us. These agreements provide that all confidential information concerning our business or financial affairs developed or made known to the individual or entity during the course of the party's relationship with us is to be kept confidential and not disclosed to third parties except in specific circumstances. In addition, we take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of our proprietary technology by third parties. In the case of employees, the agreements provide that all inventions conceived by the individual, and which are related to our current or planned business or research and development or made during normal working hours, on our premises or using our equipment or proprietary information, are our exclusive property. Although we require all of our employees to assign their inventions to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Such claims could have a material adverse effect on our business, financial condition, results of operations, and prospects.

***Third-party claims of intellectual property infringement, misappropriation or other violations may be costly and time consuming and may prevent or delay our product identification, discovery and development efforts.***

The intellectual property landscape around precision medicine is crowded, and third parties may initiate legal proceedings alleging that we are infringing, misappropriating, or otherwise violating their intellectual property rights, the outcome of which would be uncertain and could have a material adverse effect on the success of our business. Our commercial success depends upon our ability, or the ability of our third parties, to develop, manufacture, market and sell our current and future product candidates and use our proprietary technologies without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. There is a substantial amount of litigation involving patents and other intellectual property rights in the biotechnology and pharmaceutical industries, as well as administrative proceedings for challenging patents, including derivation, interference, reexamination, *inter partes* review, and post grant review proceedings before the USPTO or oppositions and other comparable proceedings in foreign jurisdictions. We or any of our licensors or strategic partners may be party to, exposed to, or threatened with, future adversarial proceedings or litigation by third parties having patent or other intellectual property rights alleging that our current or future product candidates and/or proprietary technologies infringe, misappropriate or otherwise violate their intellectual property rights. We cannot assure you that our product candidates and other technologies that we have developed, are developing or may develop in the future do not or will not infringe, misappropriate or otherwise violate existing or future patents or other intellectual property rights owned by third parties. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing our product candidates. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our product candidates may give rise to claims of infringement of the patent rights of others. Moreover, it is not always clear to industry participants, including us, which patents cover various types of drugs, products or their methods of use or manufacture. Thus, because of the large number of patents issued and patent applications filed in our fields, there may be a risk that third parties may allege they have patent rights encompassing our product candidates, technologies or methods.



## [Table of Contents](#)

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

- infringement, misappropriation and other intellectual property claims which, regardless of merit, may be expensive and time-consuming to litigate and may divert our management's attention from our core business and may impact our reputation;
- substantial damages for infringement, misappropriation or other violations, which we may have to pay if a court decides that the product candidate or technology at issue infringes, misappropriates or violates the third party's rights, and, if the court finds that the infringement was willful, we could be ordered to pay treble damages and the patent owner's attorneys' fees;
- a court prohibiting us from developing, manufacturing, marketing or selling our product candidates, including CLN-081, CLN-049 and CLN-619, or from using our proprietary technologies, unless the third party licenses its product rights to us, which it is not required to do, on commercially reasonable terms or at all;
- if a license is available from a third party, we may have to pay substantial royalties, upfront fees and other amounts, and/or grant cross-licenses to intellectual property rights for our products, or the license to us may be non-exclusive, which would permit third parties to use the same intellectual property to compete with us;
- redesigning our product candidates or processes so they do not infringe, misappropriate or violate third party intellectual property rights, which may not be possible or may require substantial monetary expenditures and time; and
- there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and, if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise the funds necessary to continue our operations or could otherwise have a material adverse effect on our business, results of operations, financial condition and prospects. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition, results of operations or prospects.

We may choose to challenge the patentability of claims in a third party's U.S. patent by requesting that the USPTO review the patent claims in an *ex-parte* re-exam, *inter partes* review or post-grant review proceedings. These proceedings are expensive and may consume our time or other resources. We may choose to challenge a third party's patent in patent opposition proceedings in the EPO, or other foreign patent office. The costs of these opposition proceedings could be substantial, and may consume our time or other resources. If we fail to obtain a favorable result at the USPTO, EPO or other patent office then we may be exposed to litigation by a third party alleging that the patent may be infringed by our product candidates or proprietary technologies.

Third parties may assert that we are employing their proprietary technology without authorization. Patents issued in the United States by law enjoy a presumption of validity that can be rebutted only with evidence that is "clear and convincing," a heightened standard of proof. There may be issued third-party patents of which we are currently unaware with claims to compositions, formulations, methods of manufacture or methods for treatment related to the use or manufacture of our product candidates. Patent applications can take many years to issue. In addition, because some patent applications in the United States may be maintained in secrecy until the patents are issued, patent applications in the United States and many foreign jurisdictions are typically not published until 18 months after filing, and publications in the scientific literature often lag behind actual discoveries, we cannot be certain that others have not filed patent applications covering our product candidates or technology. If any such patent applications issue as patents, and if such patents have priority over our patent applications or patents we

## Table of Contents

may own or in-license, we may be required to obtain rights to such patents owned by third parties which may not be available on commercially reasonable terms or at all, or may only be available on a non-exclusive basis. There may be currently pending patent applications which may later result in issued patents that our product candidates may infringe. It is also possible that patents owned by third parties of which we are aware, but which we do not believe are relevant to our product candidates or other technologies, could be found to be infringed by our product candidates or other technologies. In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents. Moreover, we may fail to identify relevant patents or incorrectly conclude that a patent is invalid, not enforceable, exhausted, or not infringed by our activities. If any third-party patents were held by a court of competent jurisdiction to cover the manufacturing process of our product candidates, molecules used in or formed during the manufacturing process, or any final product itself, the holders of any such patents may be able to block our ability to commercialize the product candidate unless we obtained a license under the applicable patents, or until such patents expire or they are finally determined to be held invalid or unenforceable. Similarly, if any third-party patent were held by a court of competent jurisdiction to cover aspects of our formulations, processes for manufacture or methods of use, including combination therapy or patient selection methods, the holders of any such patent may be able to block our ability to develop and commercialize the product candidate unless we obtained a license or until such patent expires or is finally determined to be held invalid or unenforceable. In either case, such a license may not be available on commercially reasonable terms or at all. If we are unable to obtain a necessary license to a third-party patent on commercially reasonable terms, or at all, our ability to commercialize our product candidates may be impaired or delayed, which could in turn significantly harm our business.

Parties making claims against us may seek and obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize our product candidates. Defense of these claims, regardless of their merit, could involve substantial litigation expense and would be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement, misappropriation or other violation against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties, pay royalties or redesign our infringing products, which may be impossible or require substantial time and monetary expenditure. We cannot predict whether any such license would be available at all or whether it would be available on commercially reasonable terms. Furthermore, even in the absence of litigation, we may need or may choose to obtain licenses from third parties to advance our research or allow commercialization of our product candidates. We may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all. In that event, we would be unable to further develop and commercialize our product candidates, which could harm our business significantly.

***We may not be successful in obtaining or maintaining necessary rights to product components and processes for our development pipeline through acquisitions and in-licenses.***

We have in-licensed four patent families and own a fifth patent family related to CLN-081. We have in-licensed one patent family related to CLN-049. We own three patent families related to CLN-619. Because additional product candidates may require the use of proprietary rights held by third parties, the growth of our business will likely depend in part on our ability to acquire, in-license or use these proprietary rights.

Our product candidates may also require specific formulations to work effectively and efficiently and these rights may be held by others. Similarly, efficient production or delivery of our product candidates may also require specific compositions or methods, and the rights to these may be owned by third parties. We may be unable to acquire or in-license any compositions, methods of use, processes or other third-party intellectual property rights from third parties that we identify as necessary or important to our business operations. We may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all, which would harm our business. We may need to cease use of the compositions or methods covered by such third-party intellectual property rights, and may need to seek to develop alternative approaches that do not infringe on such intellectual property rights which may entail additional costs and development delays, even if we were able to develop such alternatives, which may not be feasible. Even if we are able to obtain a license, it may be nonexclusive, thereby

giving our competitors access to the same technologies licensed to us. In that event, we may be required to expend significant time and resources to develop or license replacement technology. Moreover, the molecules that will be used with our product candidates may be covered by the intellectual property rights of others.

Additionally, we sometimes collaborate with academic institutions to accelerate our preclinical research or development under written agreements with these institutions. In certain cases, these institutions provide us with an option to negotiate a license to any of the institution's rights in technology resulting from the collaboration. Regardless of such option, we may be unable to negotiate a license within the specified timeframe or under terms that are acceptable to us. If we are unable to do so, the institution may offer the intellectual property rights to others, potentially blocking our ability to pursue our program and allowing third parties to compete with us. If we are unable to successfully obtain rights to required third-party intellectual property or to maintain the existing intellectual property rights we have, we may have to abandon development of such program and our business and financial condition could suffer.

The licensing and acquisition of third-party intellectual property rights is a competitive area, and companies, which may be more established, or have greater resources than we do, may also be pursuing strategies to license or acquire third-party intellectual property rights that we may consider necessary or attractive in order to commercialize our product candidates. More established companies may have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment or at all. There can be no assurance that we will be able to successfully complete such negotiations and ultimately acquire the rights to the intellectual property surrounding the additional product candidates that we may seek to acquire. If we are unable to successfully obtain rights to required third-party intellectual property or to maintain the existing intellectual property rights we have, we may have to abandon development of such program and our business, results of operations, financial condition and prospects could suffer.

***We may be involved in lawsuits to protect or enforce our owned or in-licensed intellectual property rights, which could be expensive, time-consuming and unsuccessful.***

Competitors may infringe any patents we may own or in-license. In addition, any patents we may own or in-license may become involved in inventorship, priority, validity or unenforceability disputes. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. In addition, in an infringement proceeding, a court may decide that one or more of any patents we may own or in-license is not valid or is unenforceable or that the other party's use of our technology that may be patented falls under the safe harbor to patent infringement under 35 U.S.C. §271(e)(1). There is also the risk that, even if the validity of these patents is upheld, the court may refuse to stop the other party from using the technology at issue on the grounds that any of our owned or in-licensed patents do not cover the technology in question or that such third party's activities do not infringe our patents. An adverse result in any litigation or defense proceedings could put one or more of our owned or in-licensed patents at risk of being invalidated, held unenforceable, or interpreted narrowly and could put our patent applications at risk of not issuing. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties, pay royalties or redesign our infringing products, which may be impossible or require substantial time and monetary expenditure. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing, or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater

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

Post-grant proceedings provoked by third parties or brought by the USPTO may be necessary to determine the validity or priority of inventions with respect to our owned or in-licensed patents or patent applications. These proceedings are expensive and an unfavorable outcome could result in a loss of our current patent rights and could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. In addition to potential USPTO review proceedings, we may become a party to patent opposition proceedings in the European Patent Office, or EPO, or similar proceedings in other foreign patent offices, where either our foreign patents are challenged. The costs of these opposition or similar proceedings could be substantial, and may result in a loss of scope of some claims or a loss of the entire patent. An unfavorable result at the USPTO, EPO or other patent office may result in the loss of our right to exclude others from practicing one or more of our inventions in the relevant country or jurisdiction, which could have a material adverse effect on our business.

Litigation or post-grant proceedings may result in a decision adverse to our interests and, even if we are successful, may result in substantial costs and distract our management and other employees. We may not be able to prevent misappropriation of our trade secrets or confidential information, particularly in countries where the laws may not protect those rights as fully as in the United States.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

We may not be able to detect infringement against any of our owned or in-licensed patents. Even if we detect infringement by a third party, we may choose not to pursue litigation against or settlement with the third party. If we later sue such third party for patent infringement, the third party may have certain legal defenses available to it, which otherwise would not be available except for the delay between when the infringement was first detected and when the suit was brought. Such legal defenses may make it impossible for us to enforce any patents we may own or in-license against such third party.

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

Periodic maintenance fees, renewal fees, annuity fees and various other government fees on any issued patent are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of the patent. The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process and following the issuance of a patent. While an inadvertent lapse can in some cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Noncompliance events that could result in abandonment or lapse of a patent include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In such an event, our competitors might be able to enter the market with similar or identical products or platforms, which could have a material adverse effect on our business prospects and financial condition.

***Any issued patents we may own or in-license covering our product candidates could be narrowed or found invalid or unenforceable if challenged in court or before administrative bodies in the United States or abroad, including the USPTO.***

If we or our licensors or strategic partners initiate legal proceedings against a third party to enforce a patent covering one of our product candidates, the defendant could counterclaim that the patent covering our product candidate, as applicable, is invalid and/or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace, and there are numerous grounds upon which a third party can assert invalidity or unenforceability of a patent. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of patentable subject matter, lack of written description, lack of novelty, obviousness, or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may also raise similar claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, *inter partes* review, post grant review and equivalent proceedings in foreign jurisdictions (such as opposition proceedings). Such proceedings could result in revocation or amendment to our owned or in-licensed patents or patent applications in such a way that they no longer cover our product candidates. The outcome following legal assertions of invalidity and unenforceability is unpredictable. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate or render unenforceable, any rights we may have, allow third parties to commercialize our product candidates or other technologies and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing third-party patent rights. Moreover, we may have to participate in interference proceedings declared by the USPTO to determine priority of invention or in post-grant challenge proceedings, such as oppositions in a foreign patent office, that challenge our or priority of invention or other features of patentability with respect to our patents or patent applications. Such challenges may result in loss of patent rights, loss of exclusivity, or in patent claims being narrowed, invalidated, or held unenforceable, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our product candidates and other technologies. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we or our licensing partners and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, or if we are otherwise unable to adequately protect our rights, we would lose at least part, and perhaps all, of the patent protection on our product candidates. Such a loss of patent protection could have a material adverse impact on our business and our ability to commercialize or license our technology and product candidates.

Such proceedings also may result in substantial cost and require significant time from our scientists and management, even if the eventual outcome is favorable to us. If we are unsuccessful in any such proceeding or other priority or inventorship dispute, we may be required to obtain and maintain licenses from third parties, including parties involved in any such interference proceedings or other priority or inventorship disputes. Such licenses may not be available on commercially reasonable terms or at all, or may be non-exclusive. If we are unable to obtain and maintain such licenses, we may need to cease the development, manufacture, and commercialization of one or more of the product candidates we may develop. The loss of exclusivity or the narrowing of our patent application claims could limit our ability to stop others from using or commercializing similar or identical technology and products. Any of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

***Changes to patent law in the United States and in foreign jurisdictions could diminish the value of patents in general, thereby impairing our ability to protect our products.***

As is the case with other biopharmaceutical companies, our success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry involve both technological and legal complexity, and is therefore costly, time-consuming and inherently uncertain. Recent

## [Table of Contents](#)

U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce patents that we might obtain in the future. For example, in the case *Assoc. for Molecular Pathology v. Myriad Genetics, Inc.*, the U.S. Supreme Court held that certain claims to DNA molecules are not patentable. Any adverse changes in the patent laws of other jurisdictions could have a material adverse effect on our business and financial condition. Changes in the laws and regulations governing patents in other jurisdictions could similarly have an adverse effect on our ability to obtain and effectively enforce any rights we may have in our patent applications or any patents we may own or in-license.

Recent or future patent reform legislation could also increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of any patents we may own or in-license. The United States has enacted and implemented wide-ranging patent reform legislation. On September 16, 2011, the Leahy-Smith America Invents Act, or America Invents Act, was signed into law, which includes a number of significant changes to U.S. patent law. These include provisions that affect the way patent applications are prosecuted, redefine prior art, may affect patent litigation, establish a new post-grant review system and switch the U.S. patent system from a “first-to-invent” system to a “first-to-file” system. Under a “first-to-file” system, assuming the other requirements for patentability are met, the first inventor to file a patent application generally will be entitled to a patent on the invention regardless of whether another inventor had made the invention earlier. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we were the first to either (i) file any patent application related to our product candidates or other technologies or (ii) invent any of the inventions claimed in our patent applications or any patents we may own or in-license. These changes also allow third party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO administered post-grant proceedings, including post-grant review, *inter partes* review, and derivation proceedings. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in United States federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. An adverse determination in any such proceeding could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology or products and compete directly with us, without payment to us, or result in the inability to manufacture or commercialize products without infringing third-party patent rights. Accordingly, the America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of any of our issued patents, all of which could have a material adverse effect on our business and financial condition.

### ***We have limited foreign intellectual property rights and may not be able to protect our intellectual property rights throughout the world.***

We may not be able to pursue generic coverage of our product candidates outside of the United States. Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories

## [Table of Contents](#)

where we have patent protection, but where enforcement is not as strong as that in the United States. These products may compete with our product candidates and in jurisdictions where we do not have any issued patents our patent applications or other intellectual property rights may not be effective or sufficient to prevent them from competing. Our patent portfolio is at the very early stage. We will need to decide whether and in which jurisdictions to pursue protection for the various inventions in our portfolio prior to applicable deadlines.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biopharmaceutical products, which could make it difficult for us to stop the infringement of any patents we may own or in-license or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce any rights we may have in our patents and patent applications in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put any of our owned or in-licensed patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we are forced to grant a license to third parties with respect to any of our owned or in-licensed patents that are relevant to our business, our competitive position may be impaired, and our business, financial condition, results of operations, and prospects may be adversely affected.

***We may be subject to claims challenging the inventorship or ownership of any intellectual property, including any patents we may own or in-license.***

We may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or in-licensed patents, trade secrets, or other intellectual property as an inventor or co-inventor. For example, we may have inventorship disputes arise from conflicting obligations of employees, consultants or others who are involved in developing our product candidates or other technologies. We generally enter into confidentiality and intellectual property assignment agreements with our employees, consultants, and contractors. These agreements generally provide that inventions conceived by the party in the course of rendering services to us will be our exclusive property. However, those agreements may not be honored and may not effectively assign intellectual property rights to us. Moreover, there may be some circumstances, where we are unable to negotiate for such ownership rights. Disputes regarding ownership or inventorship of intellectual property can also arise in other contexts, such as collaborations and sponsored research. If we are subject to a dispute challenging our rights in or to patents or other intellectual property, such a dispute could be expensive and time consuming. Litigation may be necessary to defend against these and other claims challenging inventorship of any of our owned or in-licensed patents, trade secrets or other intellectual property. If we were unsuccessful, in addition to paying monetary damages, we could lose valuable rights in intellectual property that we regard as our own, such as exclusive ownership of, or right to use, intellectual property that is important to our product candidates and other technologies. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information or alleged trade secrets of third parties or competitors or are in breach of non-competition or non-solicitation agreements with our competitors.***

We have received confidential and proprietary information from third parties. In addition, as is common in the biotechnology and pharmaceutical industries, we employ individuals who were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors, in some cases until recently. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information or trade secrets of these third parties or our employees' former employers or our consultants' or contractors' current or former clients or customers. In addition, we may become subject to claims that we caused an employee to breach the terms of his or her non-competition or non-solicitation agreement. Litigation or arbitration may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation or other legal proceedings relating to intellectual property claims and possible aftermath could result in substantial cost and be a distraction to our management and employees. Any litigation or the threat thereof may adversely affect our ability to hire employees. A loss of key personnel or their work product could hamper or prevent our ability to commercialize product candidates, which could have an adverse effect on our business, results of operations and financial condition. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and, if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. This type of litigation or proceeding could substantially increase our operating losses and reduce our resources available for development activities. We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their substantially greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other intellectual property related proceedings could adversely affect our ability to compete in the marketplace.

***If we do not obtain patent term extension and data exclusivity for any of our current or future product candidates we may develop, our business may be materially harmed.***

Depending upon the timing, duration and specifics of any FDA marketing approval of any of our current or future product candidates we may develop, one or more U.S. patents we may own or in-license may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent term extension of up to five years as compensation for patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent may be extended and only those claims covering the approved drug, a method for using it, or a method for manufacturing it may be extended. However, we may not be granted an extension because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents, or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. If we are unable to obtain patent term extension or the term of any such extension is shorter than what we request, our competitors may obtain approval of competing products following expiration of any patents that issue from our patent applications, and our business, financial condition, results of operations, and prospects could be materially harmed.

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

Our trademarks or trade names may be challenged, infringed, diluted, circumvented or declared generic or determined to be infringing on other marks. We intend to rely on both registration and common law



## [Table of Contents](#)

protection for our trademarks. We may not be able to protect our rights to these trademarks and trade names or may be forced to stop using these names, which we need for name recognition by potential partners or customers in our markets of interest. During the trademark registration process, we may receive Office Actions from the USPTO objecting to the registration of our trademark. Although we would be given an opportunity to respond to those objections, we may be unable to overcome such rejections. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and/or to seek the cancellation of registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive such proceedings. If we are unable to obtain a registered trademark or establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business may be adversely affected.

### *Numerous factors may limit any potential competitive advantage provided by our intellectual property rights.*

The degree of future protection afforded by our intellectual property rights, whether owned or in-licensed, is uncertain because intellectual property rights have limitations, and may not adequately protect our business, provide a barrier to entry against our competitors or potential competitors, or permit us to maintain our competitive advantage. Moreover, if a third party has intellectual property rights that cover the practice of our technology, we may not be able to fully exercise or extract value from our intellectual property rights. The following examples are illustrative:

- patent applications that we own or in-license may not lead to issued patents;
- patents, should they issue, that we may own or in-license, may not provide us with any competitive advantages, may be narrowed in scope, or may be challenged and held invalid or unenforceable;
- others may be able to develop and/or practice technology, including compounds that are similar to the chemical compositions of our product candidates, that is similar to our technology or aspects of our technology but that is not covered by the claims of any patents we may own or in-license, should any patents issue;
- third parties may compete with us in jurisdictions where we do not pursue and obtain patent protection;
- we, or our licensors or collaborators, might not have been the first to make the inventions covered by a patent application that we own or may in-license in the future;
- we, or our future licensors or collaborators, might not have been the first to file patent applications covering a particular invention;
- others may independently develop similar or alternative technologies without infringing, misappropriating or otherwise violating our intellectual property rights;
- our competitors might conduct research and development activities in the United States and other countries that provide a safe harbor from patent infringement claims for certain research and development activities, as well as in countries where we do not have patent rights, and may then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not be able to obtain and/or maintain necessary licenses on reasonable terms or at all;
- third parties may assert an ownership interest in our intellectual property and, if successful, such disputes may preclude us from exercising exclusive rights, or any rights at all, over that intellectual property;
- we may choose not to file a patent in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent covering such trade secrets or know-how;

## [Table of Contents](#)

- we may not be able to maintain the confidentiality of our trade secrets or other proprietary information;
- we may not develop or in-license additional proprietary technologies that are patentable; and
- the patents of others may have an adverse effect on our business.

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

### **Risks Related to Our Reliance on Third Parties**

***We currently rely and expect to continue to rely on the outsourcing of the majority of our development functions to third parties to conduct our preclinical studies and clinical trials. If these third parties do not properly and successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval of or commercialize our product candidates.***

We utilize and depend upon independent investigators and collaborators, such as medical institutions, CROs, contract manufacturing organizations, or CMOs, and strategic partners to conduct and support our preclinical studies and clinical trials under agreements with us, and expect to rely on such parties in the future.

We negotiate budgets and contracts with CROs, trial sites and CMOs and we may not be able to do so on favorable terms, which may result in delays to our development timelines and increased costs. We rely heavily on these third parties over the course of our preclinical studies and clinical trials, and we control only certain aspects of their activities. As a result, we have less direct control over the conduct, timing and completion of our preclinical studies and clinical trials and the management of data developed through preclinical studies and clinical trials than would be the case if we relied entirely upon our own staff. Nevertheless, we are responsible for ensuring that each of our studies and trials is conducted in accordance with the applicable protocol, legal and regulatory requirements and scientific standards, and our reliance on third parties does not relieve us of our regulatory responsibilities. We and these third parties are required to comply with GCPs, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities for product candidates in clinical development. Regulatory authorities enforce these GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of these third parties fail to comply with applicable GCP regulations, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that, upon inspection, such regulatory authorities will determine that any of our clinical trials comply with the GCP regulations. In addition, our clinical trials must be conducted with pharmaceutical product produced under cGMP regulations and will require a large number of test patients. Our failure or any failure by these third parties to comply with these regulations or to recruit a sufficient number of patients may delay ongoing or planned clinical trials or require us to repeat clinical trials, which would delay the regulatory approval process. Failure by us or by third parties we engage to comply with regulatory requirements can also result in fines, adverse publicity, and civil and criminal sanctions. Moreover, our business may be implicated if any of these third parties violates federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws.

Any third parties conducting our clinical trials are not and will not be our employees and, except for remedies available to us under our agreements with such third parties, we cannot control whether or not they devote sufficient time and resources to our ongoing, clinical and preclinical product candidates. These third parties may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials or other product development activities, which could affect their performance on our behalf. If these third parties do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to

## [Table of Contents](#)

complete development of, obtain regulatory approval of or successfully commercialize our product candidates. As a result, our financial results and the commercial prospects for our product candidates would be harmed, our costs could increase and our ability to generate revenue could be delayed.

Switching or adding third parties to conduct our preclinical studies and clinical trials involves substantial cost and requires extensive time and focus of our management. In addition, there is a natural transition period when a new third party commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines.

Additionally, we do not directly control the manufacturing facilities where our product candidates are made and we must depend on CMOs to make our product candidates according to standards for quality and reliability. We do not own any manufacturing facilities or equipment and do not employ any manufacturing personnel. We cannot assure you that we will be able to obtain qualified contract manufacturing services on reasonable terms. If any CMO with whom we contract fails to perform its obligations, we may be forced to enter into an agreement with a different CMO, which we may not be able to do on reasonable terms, if at all. In such scenario, our clinical trials supply could be delayed significantly as we establish alternative supply sources. In some cases, the technical skills required to manufacture our products or product candidates may be unique or proprietary to the original CMO and we may have difficulty, or there may be contractual restrictions prohibiting us from, transferring such skills to a back-up or alternate supplier, or we may be unable to transfer such skills at all. In addition, if we are required to change CMOs for any reason, we will be required to verify that the new CMO maintains facilities and procedures that comply with quality standards and with all applicable regulations. We will also need to verify, such as through a manufacturing comparability or bridging study, that any new manufacturing process will produce our product candidate according to the specifications previously submitted to the FDA or another regulatory authority. The delays associated with the verification of a new CMO could negatively affect our ability to advance clinical trials or otherwise develop product candidates or commercialize our products in a timely manner or within budget. Furthermore, a CMO may possess technology related to the manufacture of our product candidate that such CMO owns independently, which may increase our reliance on such CMO or require us to obtain a license from such CMO in order to have another CMO manufacture our product candidates. In addition, changes in manufacturers often involve changes in manufacturing procedures and processes, which could require that we conduct bridging studies between our prior clinical supply used in our clinical trials and that of any new manufacturer. We may be unsuccessful in demonstrating the comparability of clinical supplies which could require the conduct of additional clinical trials.

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

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

In addition, we face significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our product candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view our product candidates as having the requisite potential to demonstrate safety and efficacy and obtain marketing approval.

Further, collaborations involving our product candidates are subject to numerous risks, which may include the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to a collaboration;
- collaborators may not pursue development and commercialization of our product candidates or may elect not to continue or renew development or commercialization of our product candidates based on clinical trial results, changes in their strategic focus due to the acquisition of competitive products, availability of funding or other external factors, such as a business combination that diverts resources or creates competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial, stop a clinical trial, abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates;
- a collaborator with marketing and distribution rights to one or more products may not commit sufficient resources to their marketing and distribution;
- collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;
- disputes may arise between us and a collaborator that cause the delay or termination of the research, development or commercialization of our product candidates, or that result in costly litigation or arbitration that diverts management attention and resources;
- collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable product candidates; and
- collaborators may own or co-own intellectual property covering our products that results from our collaborating with them, and in such cases, we would not have the exclusive right to commercialize such intellectual property.

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

***We currently rely and expect to rely in the future on the use of manufacturing suites in third-party facilities or third parties to manufacture our product candidates. Our business could be harmed if we are unable to use third-party manufacturing suites or if the third party manufacturers fail to provide us with sufficient quantities of our product candidates or fail to do so at acceptable quality levels or prices.***

We do not currently own any facility that may be used as our clinical-scale manufacturing and processing facility and must currently rely on outside vendors to manufacture our product candidates. We will need to negotiate and maintain contractual arrangements with these outside vendors for the supply of our product candidates and we may not be able to do so on favorable terms. We have not yet caused our product candidates to be manufactured on a commercial scale and may not be able to do so for any of our product candidates.

Our anticipated reliance on a limited number of third-party manufacturers exposes us to a number of risks, including the following:

- we may be unable to identify manufacturers on acceptable terms or at all because the number of potential manufacturers is limited and the FDA must inspect any manufacturers for current cGMP compliance as part of our marketing application;
- a new manufacturer would have to be educated in, or develop substantially equivalent processes for, the production of our product candidates;
- our third-party manufacturers might be unable to timely manufacture our product candidates or produce the quantity and quality required to meet our clinical and commercial needs, if any;
- contract manufacturers may not be able to execute our manufacturing procedures and other logistical support requirements appropriately;
- our future contract manufacturers may not perform as agreed, may not devote sufficient resources to our product candidates or may not remain in the contract manufacturing business for the time required to supply our clinical trials or to successfully produce, store, and distribute our products, if any;
- manufacturers are subject to ongoing periodic unannounced inspection by the FDA and corresponding state agencies, as well as foreign regulatory authorities, to ensure strict compliance with cGMP and other government regulations and corresponding foreign standards and we have no control over third-party manufacturers' compliance with these regulations and standards;
- we may not own, or may have to share, the intellectual property rights to any improvements made by our third-party manufacturers in the manufacturing process for our product candidates;
- our third-party manufacturers could breach or terminate their agreements with us;
- raw materials and components used in the manufacturing process, particularly those for which we have no other source or supplier, may not be available or may not be suitable or acceptable for use due to material or component defects;
- our contract manufacturers and critical reagent suppliers may be subject to inclement weather, as well as natural or man-made disasters; and
- our contract manufacturers may have unacceptable or inconsistent product quality success rates and yields, and we have no direct control over our contract manufacturers' ability to maintain adequate quality control, quality assurance and qualified personnel.

Each of these risks could delay or prevent the completion of our clinical trials or the approval of any of our product candidates by the FDA, result in higher costs or adversely impact commercialization of our product candidates. In addition, we will rely on third parties to perform certain specification tests on our product candidates prior to delivery to patients. If these tests are not appropriately done and test data are not reliable, patients could be put at risk of serious harm and the FDA could place significant restrictions on our company until deficiencies are remedied.

***The manufacture of drug products, and particularly biologics, is complex and our third-party manufacturers may encounter difficulties in production. If any of our third-party manufacturers encounter such difficulties, our ability to provide supply of our current product candidates or any future product candidates for clinical trials or our products for patients, if approved, could be delayed or prevented.***

Manufacturing drugs, particularly biologics, especially in large quantities, is often complex and may require the use of innovative technologies to handle living cells. Each lot of an approved biologic must undergo thorough testing for identity, strength, quality, purity and potency. Manufacturing biologics requires facilities specifically

## [Table of Contents](#)

designed for and validated for this purpose, and sophisticated quality assurance and quality control procedures are necessary. Slight deviations anywhere in the manufacturing process, including filling, labeling, packaging, storage and shipping and quality control and testing, may result in lot failures, product recalls or spoilage. When changes are made to the manufacturing process, we may be required to provide preclinical and clinical data showing the comparable identity, strength, quality, purity or potency of the products before and after such changes. If microbial, viral or other contaminations are discovered at the facilities of our manufacturers, such facilities may need to be closed for an extended period of time to investigate and remedy the contamination, which could delay clinical trials and adversely harm our business.

In addition, there are risks associated with large scale manufacturing for clinical trials or commercial scale including, among others, cost overruns, potential problems with process scale-up, process reproducibility, stability issues, compliance with good manufacturing practices, lot consistency and timely availability of raw materials. Even if we obtain marketing approval for any of our current product candidates or any future product candidates, there is no assurance that our manufacturers will be able to manufacture the approved product to specifications acceptable to the FDA or other comparable foreign regulatory authorities, to produce it in sufficient quantities to meet the requirements for the potential commercial launch of the product or to meet potential future demand. If our manufacturers are unable to produce sufficient quantities for clinical trials or for commercialization, our development and commercialization efforts would be impaired, which would have an adverse effect on our business, financial condition, results of operations and growth prospects.

***Our manufacturing process needs to comply with FDA regulations relating to the quality and reliability of such processes. Any failure to comply with relevant regulations could result in delays in or termination of our clinical programs and suspension or withdrawal of any regulatory approvals.***

In order to commercially produce our products at a third party's facility, we will need to ensure compliance with the FDA's cGMP regulations and guidelines. We may encounter difficulties in achieving quality control and quality assurance and may experience shortages in qualified personnel. Our third-party manufacturers are subject to inspections by the FDA and comparable foreign regulatory authorities to confirm compliance with applicable regulatory requirements. Any failure to follow cGMP or other regulatory requirements or delay, interruption or other issues that arise in the manufacture, fill-finish, packaging, or storage of our precision medicines as a result of a failure of the facilities or operations of third parties to comply with regulatory requirements or pass any regulatory authority inspection could significantly impair our ability to develop and commercialize our product candidates, including leading to significant delays in the availability of our product candidates for our clinical trials or the termination of or suspension of a clinical trial, or the delay or prevention of a filing or approval of marketing applications for our product candidates. Significant non-compliance could also result in the imposition of sanctions, including warning or untitled letters, fines, injunctions, civil penalties, failure of regulatory authorities to grant marketing approvals for our product candidates, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, any of which could damage our reputation and our business.

***If our third-party manufacturers use hazardous and biological materials in a manner that causes injury or violates applicable law, we may be liable for damages.***

Our research and development activities involve the controlled use of potentially hazardous substances, including chemical and biological materials, by our third-party manufacturers. Our manufacturers are subject to federal, state and local laws and regulations in the United States governing the use, manufacture, storage, handling and disposal of medical and hazardous materials. Although we believe that our manufacturers' procedures for using, handling, storing and disposing of these materials comply with legally prescribed standards, we cannot completely eliminate the risk of contamination or injury resulting from medical or hazardous materials. As a result of any such contamination or injury, we may incur liability or local, city, state or federal authorities may curtail the use of these materials and interrupt our business operations. In the event of an accident, we could be held liable for damages or penalized with fines, and the liability could exceed our

resources. We do not have any insurance for liabilities arising from medical or hazardous materials. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental regulations may impair our research, development and production efforts, which could harm our business, prospects, financial condition or results of operations.

## **Risks Related to Managing Growth and Employee Matters**

### ***The outbreak of the novel coronavirus, COVID-19, may adversely impact our business, including our preclinical studies and clinical trials.***

In December 2019, a novel strain of the coronavirus, COVID-19, was identified in Wuhan, China. This virus spread globally, including within the United States and in March 2020 the World Health Organization declared COVID-19 a pandemic. The pandemic and government measures taken in response have also had a significant impact, both direct and indirect, on businesses and commerce, as worker shortages have occurred; supply chains have been disrupted; facilities and production have been suspended; and demand for certain goods and services, such as medical services and supplies, has spiked, while demand for other goods and services, such as travel, has fallen. As a result of the COVID-19 pandemic, we could experience disruptions that could severely impact our business, preclinical studies and clinical trials, including:

- delays or difficulties in enrolling and retaining patients in our clinical trials;
- delays or difficulties in clinical site initiation, including difficulties in recruiting clinical site investigators and clinical site staff;
- delays in receiving authorizations from regulatory authorities to initiate our planned clinical trials;
- diversion of healthcare resources away from the conduct of clinical trials, including the diversion of hospitals serving as our clinical trial sites and hospital staff supporting the conduct of our clinical trials;
- interruption of key clinical trial activities, such as clinical trial site data monitoring, due to limitations on travel imposed or recommended by federal or state governments, employers and others or interruption of clinical trial subject visits and study procedures (such as endoscopies that are deemed non-essential), which may impact the integrity of subject data and clinical study endpoints;
- risk that participants enrolled in our clinical trials will contract COVID-19 while the clinical trial is ongoing, which could impact the results of the clinical trial, including by increasing the number of observed adverse events;
- risk that we are unable to enroll participants in our clinical trials in adequate numbers;
- interruption or delays in the operations of the FDA or other regulatory authorities, which may impact review and approval timelines;
- interruption of, or delays in receiving, supplies of our product candidates from our contract manufacturing organizations due to staffing shortages, production slowdowns or stoppages and disruptions in delivery systems;
- interruptions in preclinical studies due to restricted or limited operations at our laboratory facility;
- delays in necessary interactions with local regulators, ethics committees and other important agencies and contractors due to limitations in employee resources or forced furlough of government employees;
- changes in local regulations as part of a response to the COVID-19 pandemic, which may require us to change the ways in which our clinical trials are conducted, which may result in unexpected costs, or to discontinue such clinical trials altogether;
- limitations on employee resources that would otherwise be focused on the conduct of our preclinical studies and clinical trials, including because of sickness of employees or their families or the desire of employees to avoid contact with large groups of people; and
- interruption or delays to our sourced identification, discovery and clinical activities.

## [Table of Contents](#)

The COVID-19 pandemic continues to rapidly evolve. The extent to which the pandemic impacts our business, preclinical studies and clinical trials will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the pandemic, travel restrictions and social distancing in the United States and other countries, business closures or business disruptions and the effectiveness of actions taken in the United States and other countries to contain and treat the disease.

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

Our ability to compete in the highly competitive biotechnology and pharmaceutical industries depends upon our ability to attract and retain highly qualified managerial, scientific and medical personnel. We are highly dependent on our senior management, including scientific and medical personnel and other key employees. While we expect to engage in an orderly transition process as we integrate newly appointed officers and managers, we face a variety of risks and uncertainties relating to management transition, including diversion of management attention from business concerns, failure to retain other key personnel or loss of institutional knowledge. In addition, the loss of the services of any of our executive officers, other key employees and other scientific and medical advisors, and an inability to find suitable replacements could result in delays in product development and harm our business. In particular, due to our small number of employees, the loss of one employee may have a larger impact on our business than compared to a loss at one of our peers.

We conduct our operations at our facilities in Cambridge, Massachusetts. The Massachusetts region is headquarters to many other biopharmaceutical companies and many academic and research institutions. Competition for skilled personnel in our market is intense and may limit our ability to hire and retain highly qualified personnel on acceptable terms or at all. Changes to U.S. immigration and work authorization laws and regulations, including those that restrain the flow of scientific and professional talent, can be significantly affected by political forces and levels of economic activity. Our business may be materially adversely affected if legislative or administrative changes to immigration or visa laws and regulations impair our hiring processes and goals or projects involving personnel who are not U.S. citizens.

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

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

As of November 30, 2020, we had 17 full-time employees, one part-time employee and two consultants. As our development and commercialization plans and strategies develop, and as we transition into operating as a public company, we expect to need additional managerial, operational, sales, marketing, financial and other personnel. Future growth would impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining and motivating additional employees;



## Table of Contents

- managing our internal development efforts effectively, including the clinical and FDA review process for our product candidates, while complying with our contractual obligations to contractors and other third parties; and
- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to commercialize any product candidates that are approved for marketing will depend, in part, on our ability to effectively manage any future growth, and our management may also have to divert a disproportionate amount of its attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities.

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

If we are not able to effectively expand our organization by hiring new employees and expanding our groups of consultants and contractors, we may not be able to successfully implement the tasks necessary to further develop and potentially commercialize our product candidates and, accordingly, may not achieve our research, development and commercialization goals.

***Our internal computer systems, or those used by our third-party CROs or other contractors or consultants, may fail or suffer security breaches, which could result in a material disruption of the development programs of our product candidates.***

Despite the implementation of security measures, our internal computer systems and those of our current and future CROs and other contractors and consultants are vulnerable to damage from computer viruses, unauthorized access, natural disasters, and telecommunication and electrical failures. While we have not experienced any such material system failure or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations. For example, the loss of data from completed or future preclinical studies and clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we rely on third parties for the manufacture of our product candidates and to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development and commercialization of our product candidates could be delayed.

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

Our operations, and those of our CROs, CMOs and other contractors and consultants, could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics and other natural or man-made disasters or business interruptions, for which we are predominantly self-insured. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses. We rely on

third-party manufacturers to produce our product candidates. Our ability to obtain clinical supplies of our product candidates could be disrupted if the operations of these suppliers are affected by a man-made or natural disaster or other business interruption.

***Comprehensive tax reform legislation could adversely affect our business and financial condition.***

On December 22, 2017, President Trump signed into law the TCJA, which significantly reformed the Internal Revenue Code of 1986, as amended. The TCJA, among other things, contains significant changes to corporate and individual taxation, some of which could adversely impact an investment in our common stock. You are urged to consult your tax adviser regarding the implications of the TCJA on an investment in our common stock.

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

Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, if a corporation undergoes an “ownership change” (generally defined as a greater than 50% change (by value) in its equity ownership by 5% stockholders over a three-year period), the corporation’s ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes to offset its post-change taxable income may be limited. As a result of our most recent private placements and other transactions that have occurred over the past three years, we may have experienced, and, upon closing of this offering, may experience, an “ownership change.” We may also experience ownership changes in the future as a result of subsequent shifts in our stock ownership. As of December 31, 2019, we had U.S. federal net operating loss carryforwards of \$28.5 million and U.S. federal research and development tax credit carryforwards of \$0.6 million, each of which will begin to expire at various dates through 2037 and which could be limited if we experience an “ownership change.” The reduction of the corporate tax rate under the TCJA may cause a reduction in the economic benefit of our net operating loss carryforwards and other deferred tax assets available to us. Under the TCJA, federal net operating losses generated after December 31, 2017 will not be subject to expiration but will not be permitted to be carried back. In addition, under the TCJA, the amount of post 2017 net operating losses that we are permitted to deduct in any taxable year is limited to 80% of our taxable income in such year, where taxable income is determined without regard to the net operating loss deduction itself. As of December 31, 2019, we had a U.S. federal net operating loss carryforward of \$25.5 million, which does not expire but is limited to an annual deduction equal to 80% of annual taxable income.

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

As widely reported, global credit and financial markets have experienced extreme volatility and disruptions in the past several years, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. There can be no assurance that further deterioration in credit and financial markets and confidence in economic conditions will not occur. Our general business strategy may be adversely affected by any such economic downturn, volatile business environment or continued unpredictable and unstable market conditions. If the current equity and credit markets deteriorate, or do not improve, it may make any necessary debt or equity financing more difficult, more costly, and more dilutive.

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

Furthermore, our stock price may decline due in part to the volatility of the stock market and the general economic downturn.

***We may be unable to adequately protect our information systems from cyberattacks, which could result in the disclosure of confidential or proprietary information, including personal data, damage our reputation, and subject us to significant financial and legal exposure.***

We rely on information technology systems that we or our third-party providers operate to process, transmit and store electronic information in our day-to-day operations. In connection with our product discovery efforts, we may collect and use a variety of personal data, such as name, mailing address, email addresses, phone number and clinical trial information. A successful cyberattack could result in the theft or destruction of intellectual property, data, or other misappropriation of assets, or otherwise compromise our confidential or proprietary information and disrupt our operations. Cyberattacks are increasing in their frequency, sophistication and intensity, and have become increasingly difficult to detect. Cyberattacks could include wrongful conduct by hostile foreign governments, industrial espionage, wire fraud and other forms of cyber fraud, the deployment of harmful malware, denial-of-service, social engineering fraud or other means to threaten data security, confidentiality, integrity and availability. A successful cyberattack could cause serious negative consequences for us, including, without limitation, the disruption of operations, the misappropriation of confidential business information, including financial information, trade secrets, financial loss and the disclosure of corporate strategic plans. Although we devote resources to protect our information systems, we realize that cyberattacks are a threat, and there can be no assurance that our efforts will prevent information security breaches that would result in business, legal, financial or reputational harm to us, or would have a material adverse effect on our results of operations and financial condition. Any failure to prevent or mitigate security breaches or improper access to, use of, or disclosure of our clinical data or patients' personal data could result in significant liability under state (e.g., state breach notification laws), federal (e.g., HIPAA, as amended by HITECH), and international law (e.g., the GDPR) and may cause a material adverse impact to our reputation, affect our ability to conduct new studies and potentially disrupt our business.

In addition, the computer systems of various third parties on which we rely, including our CROs and other contractors, consultants and law and accounting firms, may sustain damage from computer viruses, unauthorized access, data breaches, phishing attacks, cybercriminals, natural disasters (including hurricanes and earthquakes), terrorism, war and telecommunication and electrical failures. We rely on our third-party providers to implement effective security measures and identify and correct for any such failures, deficiencies or breaches. If we or our third-party providers fail to maintain or protect our information technology systems and data integrity effectively or fail to anticipate, plan for or manage significant disruptions to our information technology systems, we or our third-party providers could have difficulty preventing, detecting and controlling such cyber-attacks and any such attacks could result in losses described above as well as disputes with physicians, patients and our partners, regulatory sanctions or penalties, increases in operating expenses, expenses or lost revenues or other adverse consequences, any of which could have a material adverse effect on our business, results of operations, financial condition, prospects and cash flows. Any failure by such third parties to prevent or mitigate security breaches or improper access to or disclosure of such information could have similarly adverse consequences for us. If we are unable to prevent or mitigate the impact of such security or data privacy breaches, we could be exposed to litigation and governmental investigations, which could lead to a potential disruption to our business.

#### **Risks Related to this Offering and Ownership of Our Common Stock**

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

Prior to this offering, there was no public trading market for shares of our common stock. Although we have applied to list our common stock on The Nasdaq Global Market, an active trading market for our shares may never develop or be sustained following this offering. You may not be able to sell your shares quickly or at the market price if trading in shares of our common stock is not active. The initial public offering price for our common stock will be determined through negotiations with the underwriters, and the negotiated price may not

## [Table of Contents](#)

be indicative of the market price of the common stock after the offering. As a result of these and other factors, you may be unable to resell your shares of our common stock at or above the initial public offering price. Further, an inactive market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to enter into strategic partnerships or acquire companies or products by using our shares of common stock as consideration.

### ***The price of our stock may be volatile, and you could lose all or part of your investment.***

The trading price of our common stock following this offering is likely to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control, including limited trading volume. In addition to the factors discussed in this “Risk Factors” section and elsewhere in this prospectus, these factors include:

- the results of our ongoing, planned or any future preclinical studies, clinical trials or clinical development programs;
- the commencement, enrollment, or results of clinical trials of our product candidates or any future clinical trials we may conduct, or changes in the development status of our product candidates;
- adverse results or delays in preclinical studies and clinical trials, including as a result of clinical holds;
- our decision to initiate a clinical trial, not to initiate a clinical trial, or to terminate an existing clinical trial;
- any delay in our regulatory filings or any adverse regulatory decisions, including failure to receive regulatory approval of our product candidates;
- changes in laws or regulations applicable to our products, including but not limited to clinical trial requirements for approvals;
- adverse developments concerning our manufacturers or our manufacturing plans;
- our inability to obtain adequate product supply for any licensed product or inability to do so at acceptable prices;
- our inability to establish collaborations if needed;
- our failure to commercialize our product candidates;
- additions or departures of key scientific or management personnel;
- unanticipated serious safety concerns related to the use of our product candidates;
- introduction of new products or services offered by us or our competitors;
- announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by us or our competitors;
- our ability to effectively manage our growth;
- the size and growth of our initial cancer target markets;
- our ability to successfully treat additional types of cancers or at different stages;
- actual or anticipated variations in quarterly operating results;
- our cash position;
- our failure to meet the estimates and projections of the investment community or that we may otherwise provide to the public;
- publication of research reports about us or our industry, or immunotherapy in particular, or positive or negative recommendations or withdrawal of research coverage by securities analysts;

## Table of Contents

- changes in the market valuations of similar companies;
- overall performance of the equity markets;
- sales of our common stock by us or our stockholders in the future;
- trading volume of our common stock;
- changes in accounting practices;
- ineffectiveness of our internal controls;
- disputes or other developments relating to intellectual property or proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our technologies;
- significant lawsuits, including intellectual property or stockholder litigation;
- general political and economic conditions; and
- other events or factors, many of which are beyond our control.

In addition, the stock market in general, and the market for biopharmaceutical companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of our common stock, regardless of our actual operating performance. If the market price of our common stock after this offering does not exceed the initial public offering price, you may not realize any return on your investment in us and may lose some or all of your investment. In the past, securities class action litigation has often been instituted against companies following periods of volatility in the market price of a company's securities. This type of litigation, if instituted, could result in substantial costs and a diversion of management's attention and resources, which would harm our business, financial condition, results of operation and future prospects.

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

***Future sales and issuances of our common stock or rights to purchase common stock, including pursuant to our 2021 Stock Option and Incentive Plan and 2021 Employee Stock Purchase Plan, could result in additional dilution of the percentage ownership of our stockholders and could cause our stock price to fall.***

We expect that significant additional capital may be needed in the future to continue our planned operations, including conducting clinical trials, expanded research and development activities, and costs associated with operating as a public company. To raise capital, we may sell common stock, convertible securities, or other equity securities in one or more transactions at prices and in a manner we determine from time to time. If we sell common stock, convertible securities, or other equity securities, investors may be materially diluted by subsequent sales. Such sales may also result in material dilution to our existing stockholders, and new investors could gain rights, preferences, and privileges senior to the holders of our common stock, including shares of common stock sold in this offering.

Pursuant to our 2021 Plan, which will become effective as of the business day immediately prior to the effective date of the registration statement of which this prospectus forms a part, our management is authorized to grant stock options to our employees, directors, and consultants.

Initially, the aggregate number of shares of our common stock that may be issued pursuant to stock awards under the 2021 Plan will be \_\_\_\_\_ shares. The number of shares of our common stock reserved for issuance under the 2021 Plan shall be cumulatively increased on January 1, 2022 and each January 1 thereafter by \_\_\_\_\_ % of the total number of shares of our common stock outstanding on December 31 of the preceding

## Table of Contents

calendar year or a lesser number of shares determined by our board of directors. Unless our board of directors elects not to increase the number of shares available for future grant each year, our stockholders may experience additional dilution, which could cause our stock price to fall.

Initially, the aggregate number of shares of our common stock that may be issued pursuant to the ESPP will be \_\_\_\_\_ shares. The number of shares of our common stock reserved for issuance under the ESPP will automatically increase each January 1, beginning on January 1, 2022, by the lesser of \_\_\_\_\_ shares of our common stock, \_\_\_\_\_ % of the outstanding number of shares of our common stock on the immediately preceding December 31, or such lesser number of shares as determined by our compensation committee. Unless our compensation committee elects not to increase the number of shares available for future grant each year, our stockholders may experience additional dilution, which could cause our stock price to fall.

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

We may seek additional capital through a combination of public and private equity offerings, debt financings, strategic partnerships and alliances and licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect your rights as a stockholder. The incurrence of indebtedness would result in increased fixed payment obligations and could involve certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. If we raise additional funds through strategic partnerships and alliances and licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies or product candidates, or grant licenses on terms unfavorable to us.

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

Our management will have broad discretion in the application of the net proceeds from this offering, including for any of the purposes described in the section entitled “Use of Proceeds,” and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used appropriately. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. Our management might not apply our net proceeds in ways that ultimately increase or maintain the value of your investment.

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

We currently anticipate that we will retain future earnings for the development, operation, and expansion of our business and do not anticipate declaring or paying any cash dividends for the foreseeable future. In addition, we may enter into agreements that prohibit us from paying cash dividends without prior written consent from our contracting parties, or which other terms prohibiting or limiting the amount of dividends that may be declared or paid on our common stock. Any return to stockholders will therefore be limited to the appreciation of their stock, which may never occur.

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

Prior to this offering, our executive officers, directors, and 5% stockholders beneficially owned approximately \_\_\_\_\_ % of our voting stock as of \_\_\_\_\_, and, assuming the sale by us of \_\_\_\_\_ shares of common stock in this offering, based on and assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and not accounting for any shares

## [Table of Contents](#)

purchased in this offering by certain of our existing stockholders (or their affiliates), we anticipate that same group will hold approximately % of our outstanding voting stock following this offering (assuming no exercise of the underwriters' option to purchase additional shares), without giving effect to any purchases that certain of these holders may make through our directed share program. Therefore, even after this offering, these stockholders will have the ability to influence us through this ownership position. These stockholders may be able to determine all matters requiring stockholder approval. For example, these stockholders may be able to control elections of directors, amendments of our organizational documents, or approval of any merger, sale of assets, or other major corporate transaction. This may prevent or discourage unsolicited acquisition proposals or offers for our common stock that you may feel are in your best interest as one of our stockholders.

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

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act, or JOBS Act, enacted in April 2012. For as long as we continue to be an emerging growth company, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended, or Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in this prospectus and our periodic reports and proxy statements, and exemptions from the requirements of holding nonbinding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved. We could be an emerging growth company for up to five years following the year in which we complete this offering, although circumstances could cause us to lose that status earlier. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the closing of this offering, (b) in which we have total annual gross revenue of at least \$1.07 billion or (c) in which we are deemed to be a large accelerated filer, which requires the market value of our common stock that is held by non-affiliates to exceed \$700 million as of the prior June 30th, and (2) the date on which we have issued more than \$1 billion in non-convertible debt during the prior three-year period.

Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to not "opt out" of this exemption from complying with new or revised accounting standards and, therefore, we will adopt new or revised accounting standards at the time private companies adopt the new or revised accounting standard and will do so until such time that we either (i) irrevocably elect to "opt out" of such extended transition period or (ii) no longer qualify as an emerging growth company.

Even after we no longer qualify as an emerging growth company, we may still qualify as a "smaller reporting company," which would allow us to continue to take advantage of many of the same exemptions from disclosure requirements, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in this prospectus and our periodic reports and proxy statements. We may take advantage of scaled disclosures available to smaller reporting companies until the fiscal year following the determination that either (i) the market value of our voting and nonvoting common stock held by non-affiliates is greater than \$700 million, as measured on the last business day of the most recently completed second fiscal quarter, or (ii) the market value of our voting and nonvoting common stock held by non-affiliates, as measured on the last business day of our most recently completed second fiscal quarter, is less than \$700 million but greater than \$250 million and our annual revenues during our most recently completed fiscal year are greater than \$100 million. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

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

As a public company, we will incur significant legal, accounting, and other expenses that we did not incur as a private company. We will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which will require, among other things, that we file with the Securities and Exchange Commission, or SEC, annual, quarterly, and current reports with respect to our business and financial condition. In addition, the Sarbanes-Oxley Act, as well as rules subsequently adopted by the SEC and The Nasdaq Global Market to implement provisions of the Sarbanes-Oxley Act, impose significant requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. Further, in July 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, was enacted. There are significant corporate governance and executive compensation related provisions in the Dodd-Frank Act that require the SEC to adopt additional rules and regulations in these areas, such as “say on pay” and proxy access. Recent legislation permits emerging growth companies to implement many of these requirements over a longer period and up to five years from the pricing of this offering. We intend to take advantage of this new legislation but cannot guarantee that we will not be required to implement these requirements sooner than budgeted or planned and thereby incur unexpected expenses. Stockholder activism, the current political environment, and the current high level of government intervention and regulatory reform may lead to substantial new regulations and disclosure obligations, which may lead to additional compliance costs and impact the manner in which we operate our business in ways we cannot currently anticipate.

We expect the rules and regulations applicable to public companies to substantially increase our legal and financial compliance costs and to make some activities more time-consuming and costly. If these requirements divert the attention of our management and personnel from other business concerns, they could have a material adverse effect on our business, financial condition, and results of operations. The increased costs will decrease our net income or increase our net loss and may require us to reduce costs in other areas of our business or increase the prices of our products or services. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to incur substantial costs to maintain the same or similar coverage. We cannot predict or estimate the amount or timing of additional costs we may incur to respond to these requirements. The impact of these requirements could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees, or as executive officers.

***Sales of a substantial number of shares of our common stock by our existing stockholders in the public market could cause our stock price to fall.***

If our existing stockholders sell, or indicate an intention to sell, substantial amounts of our common stock in the public market after the lockup and other legal restrictions on resale discussed in this prospectus lapse, the trading price of our common stock could decline. Upon the closing of this offering, we will have outstanding a total of \_\_\_\_\_ shares of common stock. Of these shares, only the shares of common stock sold in this offering by us, plus any shares sold upon exercise of the underwriters’ option to purchase additional shares, will be freely tradable without restriction in the public market immediately following this offering. In connection with this offering, our officers, directors and substantially all of our stockholders have agreed to be subject to a contractual lock-up with the underwriters, which will expire 180 days after the date of this prospectus.

The lock-up agreements contain important exceptions that govern their applicability. Morgan Stanley & Co. LLC, SVB Leerink LLC, and Evercore Group LLC, however, may, in their sole discretion, permit our officers, directors and other stockholders who are subject to these lock-up agreements to sell shares prior to the expiration of the lock-up agreements.

In addition, shares of common stock that are reserved for future issuance under our 2021 Plan and our 2021 Employee Stock Purchase Plan, each of which became effective upon the effectiveness of the registration



## Table of Contents

statement of which this prospectus forms a part, will become eligible for sale in the public market to the extent permitted by the provisions of various vesting schedules, the lock-up agreements and Rule 144 and Rule 701 under the Securities Act of 1933, as amended, or the Securities Act. If these additional shares of common stock are sold, or if it is perceived that they will be sold, in the public market, the trading price of our common stock could decline.

After this offering, the holders of \_\_\_\_\_ shares of our common stock will be entitled to rights with respect to the registration of their shares under the Securities Act, subject to the 180-day lock-up agreements described above. See “Description of Capital Stock—Registration Rights.” Registration of these shares under the Securities Act would result in such shares becoming freely tradable without restriction under the Securities Act, except for shares held by affiliates, as defined in Rule 144 under the Securities Act. Any sales of securities by these stockholders could have a material adverse effect on the trading price of our common stock.

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

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

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

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

***Our amended and restated bylaws which become effective upon the consummation of this offering designate specific courts in as the exclusive forum for certain litigation that may be initiated by the Company's stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us.***

Pursuant to our amended and restated bylaws, which will become effective upon the effectiveness of this registration statement or which this prospectus forms a part, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for state law claims for (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, or other employees to us or our stockholders; (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or our certificate of incorporation or bylaws; (4) any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or bylaws; or (5) any action asserting a claim governed by the internal affairs doctrine, or the Delaware Forum Provision. The Delaware Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Our amended and restated bylaws will further provide that unless we consent in writing to the selection of an alternative forum, the United States District Court for the District of Delaware will be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act, or the Federal Forum Provision, as the Company is incorporated in the State of Delaware. In addition, our amended and restated bylaws will provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and consented to the Delaware Forum Provision and the Federal Forum Provision; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the U.S. federal securities laws and the rules and regulations thereunder.

The Delaware Forum Provision and the Federal Forum Provision in our amended and restated bylaws may impose additional litigation costs on stockholders in pursuing any such claims. Additionally, these forum selection clauses may limit our stockholders' ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers or employees, which may discourage the filing of lawsuits against us and our directors, officers and employees, even though an action, if successful, might benefit our stockholders. In addition, while the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are "facially valid" under Delaware law, there is uncertainty as to whether other courts will enforce our Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The Court of Chancery of the State of Delaware and the United States District Court for the District of Delaware may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

***If we fail to establish and maintain proper and effective internal control over financial reporting, our operating results and our ability to operate our business could be harmed.***

Ensuring that we have adequate internal financial and accounting controls and procedures in place so that we can produce accurate financial statements on a timely basis is a costly and time-consuming effort that needs to be re-evaluated frequently. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. In connection with this offering, we intend to begin the process of documenting, reviewing, and improving our internal controls and procedures for compliance with Section 404 of the Sarbanes-Oxley Act, which will require annual management assessment of the effectiveness of our internal control over financial reporting. We have begun recruiting additional finance and accounting personnel with certain skill sets that we will need as a public company.

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## [Table of Contents](#)

Implementing any appropriate changes to our internal controls may distract our officers and employees, entail substantial costs to modify our existing processes, and take significant time to complete. These changes may not, however, be effective in maintaining the adequacy of our internal controls, and any failure to maintain that adequacy, or consequent inability to produce accurate financial statements on a timely basis, could increase our operating costs and harm our business. In addition, investors' perceptions that our internal controls are inadequate or that we are unable to produce accurate financial statements on a timely basis may harm our stock price and make it more difficult for us to effectively market and sell our service to new and existing customers.

***If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.***

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. Securities and industry analysts do not currently, and may never, publish research on our company. If no securities or industry analysts commence coverage of our company, the trading price for our stock would likely be negatively impacted. In the event securities or industry analysts initiate coverage, if one or more of the analysts who cover us downgrades our stock or publishes inaccurate or unfavorable research about our business, our stock price may decline. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our stock could decrease, which might cause our stock price and trading volume to decline.

## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the sections entitled “Prospectus Summary,” “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business,” contains forward-looking statements concerning our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business operations and financial performance and condition that are based on our management’s belief and assumptions and on information currently available to our management. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expect,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “target,” “seek,” “predict,” “potential,” “continue” or the negative of these terms or other comparable terminology. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Forward-looking statements in this prospectus include, but are not limited to, statements about:

- the success, cost and timing of our clinical development of our product candidates, including CLN-081, CLN-049, and CLN-619;
- the initiation, timing, progress, results, and cost of our research and development programs and our current and future preclinical and clinical studies, including statements regarding the timing of initiation and completion of studies or trials and related preparatory work, the period during which the results of the trials will become available, and our research and development programs;
- our ability to initiate, recruit and enroll patients in and conduct our clinical trials at the pace that we project;
- our ability to obtain and maintain regulatory approval of our product candidates, and any related restrictions, limitations or warnings in the label of any of our product candidates, if approved;
- our ability to compete with companies currently marketing or engaged in the development of treatments that our product candidates are designed to target;
- our reliance on third parties to conduct our clinical trials and to manufacture drug substance for use in our clinical trials;
- the size and growth potential of the markets for oncology and immuno-oncologic diseases and any of our current product candidates or other product candidates we may identify and pursue, and our ability to serve those markets;
- our ability to identify and advance through clinical development any additional product candidates;
- the commercialization of our current product candidates and any other product candidates we may identify and pursue, if approved, including our ability to successfully build a specialty sales force and commercial infrastructure to market our current product candidates and any other product candidates we may identify and pursue;
- the expected benefits of our hub-and-spoke business model, including our ability to identify research priorities and apply a risk-mitigated strategy to efficiently discover and develop product candidates;
- our ability to retain and recruit key personnel;
- our ability to obtain and maintain adequate intellectual property rights;
- our expectations regarding government and third-party payor coverage and reimbursement;
- our estimates of our expenses, ongoing losses, capital requirements and our needs for or ability to obtain additional financing;

## Table of Contents

- our expected uses of the net proceeds to us from this offering;
- the potential benefits of strategic collaboration agreements, our ability to enter into strategic collaborations or arrangements, and our ability to attract collaborators with development, regulatory and commercialization expertise;
- our financial performance;
- developments and projections relating to our competitors or our industry;
- the effect of the COVID-19 pandemic, including mitigation efforts and economic effects, on any of the foregoing or other aspects of our business operations, including but not limited to our preclinical studies and future clinical trials; and
- other risks and uncertainties, including those listed under the section titled “Risk Factors.”

You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under “Risk Factors” and elsewhere in this prospectus. If one or more of these risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in or implied by any forward-looking statements we may make. No forward-looking statement is a guarantee of future performance. You should read this prospectus and the documents that we reference in this prospectus and have filed with the SEC as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from any future results expressed or implied by these forward-looking statements.

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

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

## **MARKET, INDUSTRY AND OTHER DATA**

We obtained the industry, market and competitive position data used throughout this prospectus from our own internal estimates and research, as well as from independent market research, industry and general publications and surveys, governmental agencies and publicly available information in addition to research, surveys and studies conducted by third parties. Internal estimates are derived from publicly available information released by industry analysts and third-party sources, our internal research and our industry experience, and are based on assumptions made by us based on such data and our knowledge of our industry and market, which we believe to be reasonable. In some cases, we do not expressly refer to the sources from which this data is derived. In that regard, when we refer to one or more sources of this type of data in any paragraph, you should assume that other data of this type appearing in the same paragraph is derived from the same sources, unless otherwise expressly stated or the context otherwise requires. In addition, while we believe the industry, market and competitive position data included in this prospectus is reliable and based on reasonable assumptions, such data involve risks and uncertainties and are subject to change based on various factors, including those discussed in “Risk Factors.” These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties or by us.

## USE OF PROCEEDS

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

A \$1.00 increase (decrease) in the assumed initial public offering price of \$            per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by \$            million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) our net proceeds from this offering by \$            million, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

As of September 30, 2020, we had cash, cash equivalents and short-term investments of \$94.9 million. In addition, on December 16, 2020, we received \$124.7 million from the sale of our Series C preferred units. We currently intend to use the net proceeds from this offering, together with our existing cash, cash equivalents, and short term investments for the following:

- approximately \$            million to complete the Phase 1/2a trial of CLN-081, as well as to fund the initiation of a later stage trial in treatment experienced NSCLC patients with EGFRex20ins mutations;
- approximately \$            million to advance CLN-049 and CLN-619 into Phase 1/2a trials for patients with r/r AML and advanced solid tumors, respectively;
- approximately \$            million to advance CLN-617 and CLN-978 through IND-enabling studies and, assuming success of those studies and subject to FDA review of an IND submission, to initiate Phase 1/2a trials with those programs; and
- the remaining proceeds for the continued advancement of our pipeline, including Jade and Opal, milestones for previously in-licensed programs, the identification and advancement of additional programs and development candidates, hiring of additional personnel, costs of operating as a public company, and other general corporate purposes.

We may also use a portion of the net proceeds to make additional investments in our non-wholly-owned subsidiaries, or in-license, acquire, or invest in new businesses, technology, or assets. Although we have no current agreements, commitments, or understandings with respect to any additional investment, in-license, or acquisition, we evaluate such opportunities and engage in related discussions with third parties from time to time.

Based on our current operational plans and assumptions, we expect that the net proceeds from this offering, combined with our current cash, cash equivalents, and short term investments, will be sufficient to fund operations through            . We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. We cannot guarantee that we will be able to raise additional capital on reasonable terms or at all.

This expected use of the net proceeds from this offering represents our intentions based upon our current plans and business conditions. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the net proceeds to be received upon the completion of this offering or the amounts that we will actually spend on the uses set forth above.

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## [Table of Contents](#)

The amounts and timing of our actual expenditures and the extent of our research and development activities may vary significantly depending on numerous factors, including the progress of our development efforts, the status of and results from any preclinical studies or clinical trials we may commence in the future, our ability to take advantage of expedited programs or to obtain regulatory approval for any other therapeutic candidates we may identify and pursue, the timing and costs associated with the manufacture and supply of any other therapeutic candidates we may identify and pursue for clinical development or commercialization, and any unforeseen cash needs. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering, and investors will be relying on the judgment of our management regarding the application of the net proceeds.

Pending our use of the net proceeds from this offering, we intend to invest the net proceeds in a variety of capital preservation instruments, including short-term and long-term interest-bearing instruments, investment-grade securities, and direct or guaranteed obligations of the U.S. government. We cannot predict whether the proceeds invested will yield a favorable return.



## **DIVIDEND POLICY**

We have never made any cash distributions to our members. Subsequent to our Reorganization, we do not anticipate paying any dividends on our capital stock in the foreseeable future. We currently intend to retain all available funds and any future earnings to fund the development and growth of our business. Any future determination to declare dividends will be subject to the discretion of our board of directors and will depend on various factors, including applicable laws, our results of operations, financial condition, future prospects and any other factors deemed relevant by our board of directors. Investors should not purchase our common stock with the expectation of receiving cash dividends.

## REORGANIZATION

### LLC Entity (Cullinan Oncology, LLC)

Currently, the capital structure of Cullinan Oncology, LLC, or the LLC entity, consists of six classes of membership units: Non-voting incentive units, common units, Series Seed preferred units, Series A preferred units, Series B preferred units, and Series C preferred units. The LLC entity is the direct parent company of Cullinan Management, Inc., and other operating subsidiaries. The subsidiaries of the LLC entity hold and advance individual therapeutic candidates, with the exception of our wholly-owned subsidiary Cullinan Management, Inc., or the Corporation, which is our shared services provider and program incubator. Each subsidiary's current governance rights will not change as a result of the Reorganization (as defined below). For more information regarding each subsidiary's capitalization and governance rights, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Basis of Presentation and Consolidation" and for more information on each subsidiary's license agreements, as applicable, see "Business—License Agreements." Excluding our partially-owned subsidiary Cullinan Apollo, the subsidiaries of the LLC entity currently consist of the following:

- The Corporation is our wholly-owned operating subsidiary that employs all of our team members and incubates discovery programs until we establish a "spoke" in which to further advance them. We centralize shared services, including all research and development operations, administrative services, and business development at the Corporation, and then allocate employees and resources to the other operating subsidiaries based on the needs and development stage for each therapeutic candidate or program.
- Cullinan Pearl Corp., or Cullinan Pearl, incorporated in November 2018, is our partially-owned operating subsidiary that has exclusive worldwide rights, excluding Japan, to CLN-081.
- Cullinan Florentine Corp., or Cullinan Florentine, incorporated in December 2019, is our partially-owned operating subsidiary that has exclusive worldwide rights to CLN-049.
- Cullinan Amber Corp., or Cullinan Amber, incorporated in December 2019, is our partially-owned operating subsidiary that has exclusive worldwide rights to the patents related to the technology that originated from and was developed in the laboratory of Professor Dane Wittrup at the Massachusetts Institute of Technology.
- Cullinan MICA, Corp. (formerly known as PDI Therapeutics, Inc.), or Cullinan MICA, which we assumed operational control of in May 2020, is our partially-owned operating subsidiary that owns intellectual property related to CLN-619.
- Cullinan Apollo Corp, or Cullinan Apollo, incorporated in November 2018, is our partially-owned subsidiary. In May 2020, Cullinan Apollo discontinued development of VK-2019 and terminated its license and collaboration agreements with The Wistar Institute.

### Corporate Reorganization

Prior to the completion of this offering, we will complete a series of transactions, which we refer to collectively as the Reorganization. As a result of the Reorganization, we anticipate Cullinan Oncology, LLC will merge with and into the Corporation, with the Corporation being the surviving entity of such merger. The Corporation will become the registrant for purposes of this offering and our consolidated financial statements will be reported by the Corporation.

We believe the steps to the Reorganization will include:

- The LLC entity will contribute all of the stock it owns of each of Cullinan Apollo, Cullinan Florentine, Cullinan Amber, Cullinan Pearl, and Cullinan MICA, or collectively, the Asset Subsidiaries, to the Corporation in exchange for common stock of the Corporation that will result in the Asset Subsidiaries becoming partially-owned subsidiaries of the Corporation;
- Following this contribution and prior to the completion of this offering, the LLC entity will merge with and into the Corporation with the Corporation being the surviving entity of such merger, or the LLC Merger; and

## Table of Contents

- Any other steps necessary to effect the Corporation becoming the registrant for this offering and our combined consolidated financial statements being reported from the Corporation going forward after the Reorganization.

As part of the LLC Merger, by operation of law, the Corporation will acquire all assets of the LLC entity and assume all of its liabilities and obligations. As part of the Reorganization, the holders of existing units in the LLC entity will exchange those units for corresponding shares of capital stock of the Corporation, after which those holders will have received 100% of the outstanding capital stock of the Corporation as of immediately prior to the completion of this offering. As a result of the LLC Merger, the unit holders of the LLC will receive equity in the Corporation as follows:

- Holders of the LLC entity's outstanding Series Seed preferred units shall receive \_\_\_\_\_ shares of the Corporation's Series Seed preferred stock;
- Holders of the LLC entity's outstanding Series A preferred units shall receive \_\_\_\_\_ shares of the Corporation's Series A preferred stock;
- Holders of the LLC entity's outstanding Series B preferred units shall receive \_\_\_\_\_ shares of the Corporation's Series B preferred stock;
- Holders of the LLC entity's outstanding Series C preferred units shall receive \_\_\_\_\_ shares of the Corporation's Series C preferred stock;
- Holders of the LLC entity's outstanding shares of common units shall receive \_\_\_\_\_ shares of the Corporation's restricted common stock.

Following the LLC Merger, and prior to the consummation of this offering, all outstanding preferred stock of the Corporation will automatically be converted on a 1-for-1 basis into common stock of the Corporation.

### **Treatment of Outstanding Incentive Equity of Cullinan Oncology, LLC**

In connection with the Reorganization, all of the outstanding Non-Voting Incentive Units of the LLC entity will be exchanged for shares of the common stock and restricted common stock of the Corporation as provided for in the distribution provisions of the LLC Agreement, and the terms and conditions of the LLC Merger. The portion of the outstanding Non-Voting Incentive Units of the LLC entity that have vested as of the consummation of the Reorganization will be exchanged for shares of common stock of the Corporation, and the remaining portion of unvested outstanding Non-Voting Incentive Units of the LLC entity will be exchanged for restricted common stock of the Corporation. The shares of restricted common stock will be subject to time-based vesting conditions, in accordance with the terms and conditions of the Non-Voting Incentive Units of the LLC entity from which such shares are exchanged. In addition, in connection with the Reorganization, all of the outstanding non-qualified options to purchase common units of the LLC entity will be exchanged for non-qualified options to purchase shares of common stock of the Corporation as provided for in the distribution provisions of the LLC Agreement, and the terms and conditions of the LLC Merger. The non-qualified options to purchase shares of common stock of the Corporation will be subject to time-based vesting conditions, in accordance with the terms and conditions of the non-qualified options to purchase common units of the LLC entity from which such options are exchanged.

### **Holding Company Structure**

Following the consummation of the Reorganization, the Corporation will be a holding company of the Asset Subsidiaries. As the controlling shareholder of the Asset Subsidiaries, with the exception of Cullinan MICA, and with the right to appoint the majority of members of the board of directors of Cullinan MICA, the Corporation will operate and control the business and affairs of the Asset Subsidiaries. The Corporation will consolidate the financial results of its subsidiaries.

## [Table of Contents](#)

In connection with the Reorganization, all of the property and assets of the LLC entity, including equity in the Asset Subsidiaries, will become the property and assets of the Corporation, and all of the debts and obligations of the LLC entity will become the debts and obligations of the Corporation by operation of law. The Corporation will be governed by an amended and restated certificate of incorporation to be filed with the Delaware Secretary of State and amended and restated bylaws, the material portions of each of which are described under the heading “Description of Capital Stock.”

On the effective date of the Reorganization, the members of the board of directors of the LLC entity will become the members of the Corporation’s board of directors and the officers of the LLC entity will become the officers of the Corporation.

The purpose of the Reorganization is to reorganize our corporate structure so that the entity that is offering common stock to the public in this offering is a corporation rather than a limited liability company and so that our existing investors will own our common stock rather than units in a limited liability company. References in this prospectus to our capitalization and other matters pertaining to our equity and shares prior to the Reorganization relate to the capitalization and equity and units of the LLC entity, and after the Reorganization, to the Corporation.

### **Reorganization Equity Exchange**

In October 2020, in connection with the Reorganization, the LLC entity adopted the 2020 Unit Option and Grant Plan, or the 2020 Unit Plan, reserving 36,972,854 million common units for issuance pursuant to the 2020 Unit Plan, and decreased the authorized reserve under the 2016 Equity Incentive Plan such that no more non-voting incentive units could be issued under that plan. Options in respect of 32,493,491 common units were then granted pursuant to the 2020 Unit Plan at an exercise price of \$0.61 per common unit, including the awards to our named executive officers and non-employee directors as described below. The purpose of these option grants was to (a) provide the required equity pursuant to anti-dilution provisions in agreements with certain employees, directors and consultants; (b) grant recently hired individuals equity in accordance with their offer letters and per standard practices; and (c) exchange employees’ shares of restricted stock in Cullinan Amber, Cullinan Pearl, and Cullinan Florentine for restricted common units of the LLC entity as described below, thereby increasing the LLC entity’s ownership in Cullinan Amber, Cullinan Pearl, and Cullinan Florentine.

In addition, in November 2020, the LLC entity entered into a Contribution Agreement, or the Restricted Stock Contribution Agreement, with each holder of restricted stock of Cullinan Amber, Cullinan Pearl, and Cullinan Florentine. Pursuant to the Restricted Stock Contribution Agreement, each holder contributed their respective shares of restricted stock and in exchange received 2,254,231 restricted common units of the LLC entity under the 2020 Unit Plan with an aggregate value equal to the value of the restricted stock contributed to the LLC entity, or the Restricted Stock Contribution.

The board of directors of Cullinan Pearl further authorized the entry into a Common Unit Purchase Agreement with the LLC entity pursuant to which Cullinan Pearl purchased 22,868 common units of the LLC entity for a purchase price of \$0.61 per common unit, for an aggregate of \$13,950, or the Unit Purchase. In addition, the LLC entity entered into subscription agreements with Cullinan Pearl pursuant to which the LLC entity purchased an aggregate of 2,730,225 shares of common stock of Cullinan Pearl.

Simultaneous with the Restricted Stock Contribution, the board of directors of Cullinan Amber, Cullinan Pearl, and Cullinan Florentine determined to accelerate the vesting of the shares of unvested restricted stock immediately prior to the contribution of such stock pursuant to the Restricted Stock Contribution Agreement described above and then terminated their respective stock option and grant plans and the remaining shares reserved for issuance under each respective stock option and grant plan were retired to the status of authorized and unissued shares. The board of directors of Cullinan Pearl also approved the cancellation of all of its outstanding options that were issued pursuant to its stock option and grant plan. In exchange for the cancellation

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[Table of Contents](#)

of the outstanding options, the holders of such options received a number of restricted common units of the LLC that were acquired in the Unit Purchase for each option's spread value using fair market values prepared by a third party accounting firm. Such restricted common units vest on the same schedule as the options they replaced.

In connection with the equity exchange, each of Mr. Hughes and Drs. Baeuerle and Savill received anti-dilution and make-whole option grants under the 2020 Unit Plan as well as a cash bonus award of \$37,500 each. See "Executive Compensation" for additional information.

## CAPITALIZATION

The following table sets forth our cash, cash equivalents, short-term investments and our capitalization as of September 30, 2020:

- on an actual basis;
- on a pro forma basis to give effect to:
  - the issuance and sale of 66,599,045 Series C preferred units in December 2020 for net proceeds of \$124.7 million;
  - the completion of the Reorganization and, subsequent to the Reorganization, the conversion of all outstanding preferred stock into common stock; and
  - the filing and effectiveness of our amended and restated certificate of incorporation, effective immediately prior to the closing of the offering; and
- on a pro forma as adjusted basis to give further effect to our issuance and sale of shares of our common stock in this offering at an assumed initial public offering price of \$            per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma and pro forma as adjusted information below is illustrative only, and our capitalization following the completion of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. You should read this table together with our combined and consolidated financial statements and the related notes appearing at the end of this prospectus and the sections of this prospectus titled “Reorganization,” “Selected Consolidated Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

<b>(In thousands, except share and per share data)</b>	<b>As of September 30, 2020</b>		
	<b>ACTUAL</b>	<b>PRO FORMA</b>	<b>PRO FORMA AS ADJUSTED(1)</b>
Cash, cash equivalents and short-term investments	<u>\$ 94,892</u>	<u>\$ 219,592</u>	<u>\$</u>
Redeemable preferred units:			
Series Seed redeemable preferred units, \$0.0001 par value; 16,000,000 units authorized issued and outstanding, actual; no units authorized, issued or outstanding, pro forma; no units authorized, issued or outstanding, pro forma as adjusted	3,956	—	
Series A1 redeemable preferred units, \$0.0001 par value; 50,000,000 units authorized issued and outstanding, actual; no units authorized, issued or outstanding, pro forma; no units authorized, issued or outstanding, pro forma as adjusted	49,946	—	
Series B redeemable preferred units, \$0.0001 par value: 64,200,000 units authorized, and 63,141,020 units issued and outstanding, actual; no units authorized, issued or outstanding, pro forma; no units authorized, issued or outstanding, pro forma as adjusted	97,909	—	
Members’ deficit, actual; Stockholders’ equity, pro forma and pro forma as adjusted:			
Non-voting incentive units, \$0.0001 par value; 23,860,000 units authorized, 11,896,500 units issued and outstanding, actual; no units authorized, issued and outstanding, pro forma and pro forma as adjusted	1	—	

## Table of Contents

(In thousands, except share and per share data)	As of September 30, 2020		
	ACTUAL	PRO FORMA	PRO FORMA AS ADJUSTED(1)
Common units, \$0.0001 par value; no units authorized, issued and outstanding, actual; no units authorized, issued and outstanding, pro forma and pro forma as adjusted	—	—	
Common stock, \$0.0001 par value; no shares authorized, issued and outstanding, actual; authorized, 207,636,565 shares issued and outstanding, pro forma; authorized, issued and outstanding, pro forma as adjusted	—	21	
Noncontrolling interest in subsidiaries	1,863	1,863	
Additional paid-in capital	770	277,261	
Accumulated other comprehensive income	59	59	
Accumulated deficit	(64,993)	(64,993)	
Total members' deficit, actual; Total stockholders' equity, pro forma and pro forma as adjusted	(62,300)	214,211	
Total capitalization	<u>\$ 89,511</u>	<u>\$ 214,211</u>	<u>\$</u>

- (1) A \$1.00 increase (decrease) in the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash, total stockholders' equity and total capitalization by \$ \_\_\_\_\_ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash, total stockholders' equity and total capitalization by \$ \_\_\_\_\_ million, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The number of shares of our common stock to be outstanding after this offering gives effect to the Reorganization and, subsequent to the Reorganization, the conversion of all outstanding preferred stock into common stock, and is based on (i) an assumed initial public offering price of \$ \_\_\_\_\_ per share, the midpoint of the price range set forth on the cover page of this prospectus, and (ii) \_\_\_\_\_ shares of our common stock (which includes \_\_\_\_\_ shares of restricted common stock) outstanding as of September 30, 2020, which assumes the exchange of all outstanding units of Cullinan Oncology, LLC as of September 30, 2020 and 66,599,045 Series C preferred units issued after September 30, 2020 for an aggregate of \_\_\_\_\_ shares of common stock of Cullinan Management, Inc. (which includes \_\_\_\_\_ shares of restricted common stock) prior to the completion of this offering as if such exchange had occurred as of September 30, 2020. See the section of the prospectus titled "Reorganization."

The table above does not include:

- \_\_\_\_\_ shares of our common stock reserved for future issuance under our 2021 Plan, which will become effective in connection with this offering;
- \_\_\_\_\_ shares of our common stock reserved for future issuance under our 2021 ESPP, which will become effective in connection with this offering;
- 32,493,491 common unit options that were granted pursuant to the 2020 Unit Plan in October 2020 at a weighted average exercise price of \$0.61; and
- 2,254,231 restricted common units granted pursuant to the Restricted Stock Contribution Agreement.

## DILUTION

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

Our historical net tangible book value (deficit) and historical net tangible book value (deficit) per share have not been presented as there were no common shares outstanding as of September 30, 2020.

Our pro forma net tangible book value as of September 30, 2020 was \$214.2 million, or \$1.03 per share of our common stock. Pro forma net tangible book value represents the amount of our total tangible assets less our total liabilities, after giving effect to (i) the issuance of our Series C preferred units and (ii) the Reorganization, including the exchange of all outstanding units of Cullinan Oncology, LLC as of September 30, 2020 and 66,599,045 Series C preferred units issued after September 30, 2020, for an aggregate of 207,636,565 shares of common stock of our wholly-owned subsidiary Cullinan Management (which includes shares of restricted common stock), prior to the completion of this offering, as if such exchange had occurred as of September 30, 2020, assuming an initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and subsequent to the Reorganization, the conversion of all outstanding preferred stock into common stock. Pro forma net tangible book value per share represents pro forma net tangible book value divided by the total number of shares outstanding as of September 30, 2020 after giving effect to the pro forma adjustments described above.

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

Assumed initial public offering price per share	\$
Pro forma net tangible book value per share as of September 30, 2020	\$ 1.03
Increase in pro forma as adjusted net tangible book value per share attributable to new investors purchasing common stock in this offering	_____
Pro forma as adjusted net tangible book value per share after this offering	_____
Dilution per share to new investors purchasing common stock in this offering	\$ _____

A \$1.00 increase (decrease) in the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by \$ \_\_\_\_\_ and dilution per share to new investors purchasing common stock in this offering by \$ \_\_\_\_\_, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase our pro forma as adjusted net tangible book value per share after this offering by \$ \_\_\_\_\_ and decrease the dilution per share to new investors purchasing common stock in this offering by \$ \_\_\_\_\_, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions and estimated offering



## Table of Contents

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

If the underwriters fully exercise their option to purchase additional shares of common stock in this offering, our pro forma as adjusted net tangible book value per share after this offering would be \$ [redacted] and the dilution in pro forma as adjusted net tangible book value per share to new investors purchasing common stock in this offering would be \$ [redacted], assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, as of September 30, 2020, on the pro forma as adjusted basis described above, the total number of shares of common stock purchased from us, the total consideration paid or to be paid, and the average price per share paid or to be paid by existing stockholders and by new investors in this offering at an assumed initial public offering price of \$ [redacted] per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. As the table shows, new investors purchasing common stock in this offering will pay an average price per share substantially higher than our existing stockholders paid.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	\$	%	\$
New investors					
Total		%	\$	%	\$

A \$1.00 increase (decrease) in the assumed initial public offering price of \$ [redacted] per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors by \$ [redacted] million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by [redacted] percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by [redacted] percentage points, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors by \$ [redacted] million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by [redacted] percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by [redacted] percentage points, assuming no change in the assumed initial public offering price per share.

The table above assumes no exercise of the underwriters' option to purchase additional shares in this offering. If the underwriters' option to purchase additional shares is fully exercised, the number of shares of our common stock held by existing stockholders would be reduced to [redacted] % of the total number of shares of our common stock outstanding after this offering, and the number of shares of common stock held by new investors purchasing common stock in this offering would be increased to [redacted] % of the total number of shares of our common stock outstanding after this offering.

The table above is based on 207,636,565 shares of common stock outstanding as of September 30, 2020 and gives effect to the Reorganization and assumes the exchange of all outstanding units of Cullinan Oncology, LLC as of September 30, 2020 and 66,599,045 Series C preferred units issued after September 30, 2020 for an aggregate of [redacted] shares of common stock of our wholly-owned subsidiary Cullinan Management, Inc. (which includes [redacted] shares of restricted common stock) prior to the completion of this offering as if such exchange had occurred as of September 30, 2020.

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## [Table of Contents](#)

The table above does not include:

- shares of our common stock reserved for issuance under our 2021 Stock Option and Incentive Plan, or 2021 Plan, which will become effective in connection with this offering;
- shares of our common stock reserved for issuance under our 2021 Employee Stock Purchase Plan, or 2021 ESPP, which will become effective in connection with this offering;
- 32,493,491 common unit options that were granted pursuant to the 2020 Unit Plan in October 2020 at a weighted average exercise price of \$0.61; and
- 2,254,231 restricted common units granted pursuant to the Restricted Stock Contribution Agreement.

If common stock options are issued under our equity incentive plan, or if we issue additional shares of common stock in the future, there will be further dilution to investors purchasing common stock in this offering.

## SELECTED CONSOLIDATED FINANCIAL DATA

The following information is presented for Cullinan Oncology, LLC, which will merge with and into the Corporation, the entity whose shares are being offered hereby. The consolidated statement of operations and comprehensive loss data for the years ended December 31, 2018 and 2019 and the selected consolidated balance sheet data as of December 31, 2018 and 2019 have been derived from our audited consolidated financial statements. The consolidated statement of operations and comprehensive loss data for the nine months ended September 30, 2019 and 2020 and the selected consolidated balance sheet data as of September 30, 2020 have been derived from our unaudited condensed consolidated financial statements, both of which are included elsewhere in this prospectus. In the opinion of management, the unaudited financial statements include all adjustments, consisting of only normal and recurring adjustments, necessary for a fair presentation of such financial data. You should read this data together with our consolidated financial statements and related notes included elsewhere in this prospectus and the information under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations." Our historical results are not necessarily indicative of the results to be expected in the future for a full year or any interim period.

	YEAR ENDED DECEMBER 31,		NINE MONTHS ENDED SEPTEMBER 30,	
	2018	2019	2019	2020
(in thousands, except share and per share data)				
<b>Consolidated statement of operations data:</b>				
Operating expenses:				
Research and development	\$ 9,584	\$ 16,788	\$ 12,986	\$ 26,582
General and administrative	5,002	5,482	4,305	4,580
Total operating expenses	<u>14,586</u>	<u>22,270</u>	<u>17,291</u>	<u>31,162</u>
Loss from operations	(14,586)	(22,270)	(17,291)	(31,162)
Other income, net:				
Interest income	397	620	368	809
Other (expense) income, net	—	(4)	—	1
Total other income, net	<u>397</u>	<u>616</u>	<u>368</u>	<u>810</u>
Net loss	(14,189)	(21,654)	(16,923)	(30,352)
Net loss attributable to noncontrolling interest	—	(997)	(835)	(6,899)
Net loss attributable to Cullinan	<u>\$ (14,189)</u>	<u>\$ (20,657)</u>	<u>\$ (16,088)</u>	<u>\$ (23,453)</u>
Net loss per unit attributable to common and non-voting incentive unit holders, basic and diluted <sup>(1)</sup>	<u>\$ (5.56)</u>	<u>\$ (3.23)</u>	<u>\$ (2.67)</u>	<u>\$ (2.62)</u>
Total weighted-average common and non-voting incentive units used in computing net loss per unit, basic and diluted <sup>(1)</sup>	<u>2,549,865</u>	<u>6,397,443</u>	<u>6,017,973</u>	<u>8,960,373</u>
Comprehensive loss:				
Net loss	\$ (14,189)	\$ (21,654)	\$ (16,923)	\$ (30,352)
Unrealized (loss) gain on investments	—	(4)	—	63
Comprehensive loss	(14,189)	(21,658)	(16,923)	(30,289)
Comprehensive loss attributable to noncontrolling interest	—	(997)	(835)	(6,899)
Comprehensive loss attributable to Cullinan	<u>\$ (14,189)</u>	<u>\$ (20,661)</u>	<u>\$ (16,088)</u>	<u>\$ (23,390)</u>
Pro forma net loss per share attributable to common stockholders, basic and diluted (unaudited) <sup>(1)(2)</sup>		<u>\$ (0.26)</u>		<u>\$ (0.17)</u>
Total weighted-average common stock outstanding used in computing pro forma net loss per share, basic and diluted (unaudited) <sup>(1)(2)</sup>		<u>80,594,229</u>		<u>136,285,931</u>

## [Table of Contents](#)

- (1) See Note 12 to our consolidated financial statements and our condensed consolidated financial statements included elsewhere in this prospectus for a description of how we compute net loss per unit attributable to common and non-voting incentive unit holders, basic and diluted, and the weighted-average common and non-voting incentive units used in computation of per unit amounts.
- (2) Pro forma net loss per share attributable to common stockholders, basic and diluted (unaudited) and pro forma weighted average common stock outstanding—basic and diluted (unaudited) gives effect to (i) the completion of the Reorganization—see “Reorganization” for further detail—and (ii) subsequent to the Reorganization, the conversion of all outstanding shares of our preferred stock into common stock as if such transactions had occurred on the later of the beginning of the period or the issuance of the redeemable preferred units, but does not reflect the transactions described in “The Reorganization—Reorganization Equity Exchange”, nor does it include units from the Series C offering completed in December 2020.

	<u>As of December 31,</u> <u>2018</u>	<u>As of December 31,</u> <u>2019</u>	<u>As of September 30,</u> <u>2020</u> <u>(unaudited)</u>
	(in thousands)		
<b>Balance Sheet Data:</b>			
Cash, cash equivalents and short-term investments	\$ 33,832	\$ 98,630	\$ 94,892
Working capital <sup>(1)</sup>	32,895	97,568	89,298
Total assets	34,640	100,461	97,317
Redeemable preferred units	53,902	137,774	151,811
Total members' deficit	(20,650)	(39,909)	(62,300)

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of our financial condition and results of operations together with the "Selected Consolidated Financial Data" section of this prospectus and our consolidated financial statements and the related notes appearing elsewhere in this prospectus. This discussion and other parts of this prospectus contain forward-looking statements that involve risks and uncertainties, such as statements regarding our plans, objectives, expectations, intentions and projections. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the "Risk Factors" section of this prospectus.*

### Overview

We are a biopharmaceutical company developing a diversified pipeline of targeted oncology and immuno-oncology therapies with transformative potential for cancer patients. In approximately three and a half years, by leveraging our differentiated hub-and-spoke business model, we have efficiently developed or in-licensed a pipeline of seven distinct programs. Our unique business model leverages a central operating company and separate subsidiaries that are established to hold and advance individual therapeutic candidates. Cullinan Management, Inc., or Cullinan Management, our wholly-owned operating subsidiary, employs all of our team members and incubates discovery programs until we establish a "spoke" in which to further advance them. In addition, we centralize shared services, including all research and development operations, administrative services, and business development, in Cullinan Management and allocate employees and resources to each spoke based on the needs and development stage of each therapeutic candidate. As of September 30, 2020, we had five partially-owned development subsidiaries, or spokes, in addition to Cullinan Management: Cullinan Pearl Corp., or Cullinan Pearl, which is advancing CLN-081; Cullinan Apollo Corp., or Cullinan Apollo, which was formed around VK-2019, a drug that we subsequently decided to discontinue development of in May 2020; Cullinan MICA Corp., or Cullinan MICA, which is advancing CLN-619; Cullinan Florentine Corp., or Cullinan Florentine, which is advancing CLN-049; and Cullinan Amber Corp., or Cullinan Amber, which is developing our AMBER platform and advancing CLN-617 as its first therapeutic candidate. Cullinan Management, Cullinan Pearl, Cullinan MICA, Cullinan Florentine and Cullinan Amber are collectively referred to as the Asset Subsidiaries. Our earlier-stage programs, NexGem, Opal and Jade, are currently held in Cullinan Management. At December 31, 2019, we had four partially-owned development subsidiaries in addition to Cullinan Management: Cullinan Amber, Cullinan Apollo, Cullinan Florentine and Cullinan Pearl.

Since our inception in 2016, we have focused substantially all of our efforts and financial resources on raising capital, organizing and staffing our company, identifying, acquiring or in-licensing, and developing product and technology rights, establishing and protecting our intellectual property portfolio, and developing and advancing our programs. To support these activities, we and our wholly-owned subsidiary, Cullinan Management, (i) identify and secure new programs, (ii) set up new subsidiaries to further advance individual programs, (iii) recruit key management team members, (iv) raise and allocate capital across the portfolio, and (v) provide certain shared services, including research and development operations, administrative services, and business development, to our subsidiaries. We do not have any products approved for sale and have not generated any revenue from product sales.

Since inception, we have funded our operations primarily through the sale of redeemable preferred units. In October 2016, we received \$4.0 million from the purchase and sale of our Series Seed preferred units. Subsequently, in April 2017, we received approximately \$50.0 million from the purchase and sale of our Series A preferred units. In October and December 2019, we received a total of approximately \$84.3 million for the purchase and sale of our Series B preferred units. In February and March 2020, we received approximately \$14.3 million for the additional sale of our Series B preferred units. Through December 16, 2020, after giving effect to the issuance of our Series C preferred units, our investors have provided approximately \$277.0 million in cumulative net proceeds.

As of September 30, 2020, we had cash, cash equivalents, and short-term investments of \$94.9 million. Subsequent to September 30, 2020, we have received \$124.7 million of proceeds from sales of our Series C

## [Table of Contents](#)

preferred units. We have incurred operating losses and have had negative cash flows from operations since our inception. Our net loss was \$14.2 million, \$21.7 million and \$30.4 million, for the years ended December 31, 2018 and 2019 and the nine months ended September 30, 2020, respectively. As of September 30, 2020, we had an accumulated deficit of \$65.0 million. We expect to continue to generate operating losses for the foreseeable future. Our future viability is dependent on the success of our research and development and our ability to access additional capital to fund our operations. There can be no assurance that our current operating plan will be achieved or that additional funding will be available on terms acceptable to us, or at all.

We are subject to risks and uncertainties common to early-stage companies in the biotechnology industry including, but not limited to, new technological innovations, protection of proprietary technology, dependence on key personnel, compliance with government regulations, and the ability to obtain additional capital to fund operations. Our therapeutic programs will require significant additional research and development efforts, including preclinical and clinical testing and regulatory approval prior to commercialization. These efforts require additional capital, adequate personnel and extensive compliance-reporting capabilities. There can be no assurance that our research and development will be successfully completed, that adequate protection for our intellectual property will be obtained, that any products developed will obtain necessary government regulatory approval, or that any approved products will be commercially viable. The current outbreak of the novel coronavirus, or COVID-19, could materially and adversely affect our results of operations, financial condition and cash flows. The full extent of the impact due to the COVID-19 pandemic will depend on future developments that are highly uncertain, including as a result of new information that may emerge concerning COVID-19 and actions taken to contain or treat COVID-19, as well as the economic impact. Given the uncertainty around the extent and timing of the potential future spread or mitigation efforts related to the current outbreak of COVID-19, the financial impact cannot be reasonably estimated at this time.

### **Basis of Presentation and Consolidation**

Since our inception, we have created wholly-owned subsidiaries or made investments in certain controlled entities. Losses attributed to noncontrolling interests are reported separately in our consolidated statement of operations and comprehensive loss.

The entities that are consolidated in our consolidated financial statements include the following:

<u>Consolidated Entities</u>	<u>Current Relationship</u>	<u>Date Control First Acquired</u>	<u>Ownership as of Sep 30, 2020 %<sup>(1)</sup></u>	<u>Ownership as of Dec 18, 2020%<sup>(1)(2)</sup></u>
Cullinan Management, Inc.	Wholly-owned Subsidiary	September 2016	100%	100%
Cullinan Apollo Corp.	Partially-owned Subsidiary	November 2018	71%	71%
Cullinan Pearl Corp.	Partially-owned Subsidiary	November 2018	65%	80%
Cullinan Amber Corp.	Partially-owned Subsidiary	December 2019	52%	90%
Cullinan Florentine Corp.	Partially-owned Subsidiary	December 2019	66%	92% <sup>(3)</sup>
Cullinan MICA Corp.	Partially-owned Subsidiary	May 2020	24% <sup>(4)</sup>	24% <sup>(4)</sup>

- (1) Ownership percentages are reflected on a fully-diluted basis.
- (2) In November 2020, the board of directors of Cullinan Pearl, Cullinan Amber, and Cullinan Florentine terminated their respective stock option and grant plan and the remaining shares reserved for issuance under each respective stock option and grant plan were retired to the status of authorized and unissued shares.
- (3) Reflects the closing of the second tranche of the Series A Preferred Stock financing of Cullinan Florentine, which occurred on December 16, 2020, and the issuance of common stock of Cullinan Florentine to DKFZ and UFE on December 18, 2020.
- (4) Cullinan Oncology, LLC's, or the LLC entity's, ownership will increase to 48%, on a fully-diluted basis, upon completion of the remaining two tranches of Series A financing and are subject to the determination of Cullinan MICA's board. See "—Cullinan MICA" below for additional information.

### ***Cullinan Apollo***

Cullinan Apollo, incorporated in November 2018, is our partially-owned operating subsidiary that was formed around VK-2019. In December 2018, Cullinan Apollo licensed the exclusive worldwide rights to VK-2019, an Epstein-Barr Nuclear Antigen 1 (EBNA1) inhibitor, from The Wistar Institute, or Wistar. Cullinan Apollo also entered into a Collaborative Research Agreement with Wistar to continue preclinical research and development of VK-2019. In May 2020, Cullinan Apollo discontinued development of VK-2019 and terminated its license and collaboration agreements with Wistar.

### ***Cullinan Pearl***

Cullinan Pearl, incorporated in November 2018, is our partially-owned operating subsidiary that has exclusive worldwide rights, excluding Japan, to CLN-081, our orally available small molecule designed as a next generation, irreversible EGFR inhibitor that is in development for the treatment of NSCLC patients with EGFR exon 20 insertion mutations. In February 2019, Cullinan Pearl entered into a licensing and collaboration agreement with Taiho Pharmaceutical, Co., Ltd., or Taiho Pharma, for the worldwide rights to CLN-081 outside of Japan, which Taiho Pharma retained. As of November 30, 2020, the LLC entity and Taiho Ventures, LLC, or Taiho Ventures, have purchased an aggregate of \$23.0 million in Series A preferred stock of Cullinan Pearl. Specifically, in February 2019, Cullinan Pearl issued to Taiho Ventures 1,860,000 shares of Series A Preferred Stock at a price of \$1.00 per share for an aggregate purchase price of \$1,860,000. In August 2020, at the election of the board of directors of Cullinan Pearl, Cullinan Pearl closed its subsequent closing of its Series A Preferred Stock financing and issued to Taiho Ventures an additional 1,206,000 shares of Series A Preferred Stock for an aggregate purchase price of \$1,206,000. As of November 30, 2020, the LLC entity owns 87% and Taiho Ventures owns 13% of the Series A preferred stock. Assuming conversion of the Series A preferred stock, the LLC entity owns 80%, Taiho Ventures owns 10%, and Taiho Pharma owns 10% of the fully diluted common stock outstanding of Cullinan Pearl. Pursuant to a voting agreement, by and among Cullinan Pearl, the LLC entity, Taiho Ventures, and other stockholders of Cullinan Pearl, the Series A Preferred stockholders, acting by majority vote, have the right to appoint two members of the board of directors, Taiho Ventures has the right to appoint one director; the LLC entity's chief executive officer, Mr. Hughes, serves as the fourth board member; and two independent directors are appointed by a majority of the other four Cullinan Pearl board of directors.

### ***Cullinan Amber***

Cullinan Amber, incorporated in December 2019, is our partially-owned operating subsidiary that has exclusive worldwide rights to the patents related to the technology that originated in the laboratory of Professor Dane Wittrup at the Massachusetts Institute of Technology, or MIT. In December 2019, Cullinan Amber entered into an Exclusive Patent License Agreement with MIT. The LLC entity currently owns 90% of the issued equity of Cullinan Amber, on a fully-diluted basis, including 100% of the shares of Series A preferred stock. MIT and Dr. Wittrup each own approximately 5% of the issued and outstanding equity of Cullinan Amber on a fully-diluted basis. Pursuant to the Series A Preferred Stock Purchase Agreement, by and among Cullinan Amber and the LLC entity, upon election by the Cullinan Amber board of directors, the LLC entity will purchase up to an additional 9,000,000 Series A Preferred Stock at a purchase price of \$1.00 per share of Series A Preferred Stock in one or more closings. Pursuant to a voting agreement by and among Cullinan Amber, the LLC entity, and other stockholders, of the three person board of directors, the holders of Series A preferred stock, acting by majority vote, have the right to designate two members of the board of directors.

### ***Cullinan Florentine***

Cullinan Florentine, incorporated in December 2019, is our partially-owned operating subsidiary that has exclusive worldwide rights to CLN-049, our bispecific antibody targeting FLT3 and CD3, pursuant to an Exclusive License Agreement with Deutsches Krebsforschungszentrum, or DKFZ, Eberhard Karls University of Tübingen, Faculty of Medicine, or University of Tübingen, and Universitätsmedizin Gesellschaft für Forschung

## [Table of Contents](#)

und Entwicklung mbH, Tübingen, or UFE. Through December 16, 2020, the LLC entity has purchased an aggregate of \$12.0 million of shares of Series A preferred stock of Cullinan Florentine through two closings of a Series A financing. In connection with the issuance of additional shares of Series A Preferred Stock to the LLC entity and pursuant to the license agreement with DKFZ, UFE and the University of Tübingen, Cullinan Florentine issued to each of DKFZ and UFE an additional 261,540 and 120,270 shares of common stock of Cullinan Florentine, respectively. As a result, the LLC entity currently owns 92% of the fully diluted shares outstanding of Cullinan Florentine, including 100% of the shares of Series A preferred stock. DKFZ and University of Tübingen currently own in the aggregate approximately 8% of the equity of Cullinan Florentine on a fully-diluted basis. Pursuant to a voting agreement, in the form filed as Exhibit 10.19 hereto, between Cullinan Florentine, the LLC entity and other stockholders, of the four person board of directors, the holders of Series A preferred stock, acting by majority vote, have the right to designate two members of the board of directors, DKFZ and UFE, acting jointly, have the right to appoint one director, and the CEO of Cullinan Florentine, who is currently our CEO, Mr. Owen Hughes, is the fourth board member.

### ***Cullinan MICA***

Cullinan MICA, Corp. (formerly known as PDI Therapeutics, Inc.), or Cullinan MICA, of which we assumed operational control in May 2020, is our partially-owned operating subsidiary that owns intellectual property related to CLN-619, our MICA/B-targeted humanized IgG1 monoclonal antibody. The LLC entity purchased 24% of the issued equity of Cullinan MICA, on a fully-diluted basis, including 89% of the outstanding shares of Series A Senior Preferred Stock. Pursuant to the Series A Senior Preferred Stock Purchase Agreement by and among the LLC entity, Cullinan MICA, and other stockholders of Cullinan MICA, the LLC entity will purchase up to an additional \$16.0 million of the aggregate \$18.0 million Series A Senior Preferred Stock in two milestone-dependent closings. The first closing milestone relates to the establishment of an acceptable preliminary dosing, pharmacokinetic, and safety profile, as well as certain Good Manufacturing Practice and regulatory events, in a monotherapy dose escalation study for CLN-619 in patients with advanced solid tumors. Upon the (i) determination of Cullinan MICA's board of directors that the milestone has been achieved or (ii) the election of Cullinan MICA's board of directors to waive the milestone requirements, the purchasers are required to invest approximately an additional \$8.0 million. At that time, the LLC entity will own approximately 37% of the fully diluted capital stock outstanding. The second closing milestone relates to the global expansion cohorts for CLN-619 and will be met upon: confirmation of dosing and pharmacodynamics effects, demonstration of clinical efficacy, and achievement of an acceptable safety profile. Upon the (i) determination of Cullinan MICA's board of directors that the milestone has been achieved or (ii) the election of Cullinan MICA's board of directors to waive the milestone requirements, the purchasers are required to invest approximately an additional \$10.0 million. Upon the second closing, the LLC entity will own approximately 48% of the fully diluted capital stock outstanding. Pursuant to a voting agreement, by and among Cullinan MICA, the LLC entity, and other stockholders of Cullinan MICA, of the five person board of directors, the LLC entity has the right to appoint three members of the board of directors. For additional disclosure on the accounting implications of this transaction, please see Note 5 of our condensed consolidated financial statements.

## **Components of Our Results of Operations**

### ***Revenue***

We have not generated any revenue since our inception and do not expect to generate any revenue from the sale of products in the near future, if at all. If our development efforts for our therapeutic candidates are successful and result in regulatory approval or if we enter into collaboration or license agreements with third parties, we may generate revenue in the future from a combination of product sales or payments from such collaboration or license agreements.



## *Operating expenses*

### *Research and development expenses*

Research and development expenses consist primarily of costs incurred in connection with the research and development of our therapeutic candidates and programs. We expense research and development costs and intangible assets acquired that have no alternative future use as incurred. These expenses include:

- employee-related expenses, including salaries, related benefits and equity-based compensation expense, for employees engaged in research and development functions;
- expenses incurred under agreements with organizations that support our drug discovery and development activities;
- expenses incurred in connection with the preclinical and clinical development of our therapeutic candidates and programs, including under agreements with contract research organizations, or CROs;
- costs related to contract manufacturing organizations, or CMOs, that are primarily engaged to provide drug substance and product for our clinical trials, research and development programs, as well as investigative sites and consultants that conduct our clinical trials, nonclinical studies and other scientific development services;
- the costs of acquiring and manufacturing nonclinical and clinical trial materials, including manufacturing registration and validation batches;
- costs related to compliance with quality and regulatory requirements; and
- payments made under third-party licensing agreements.

Advance payments that we make for goods or services to be received in the future for use in research and development activities are recorded as prepaid expenses. Such amounts are recognized as an expense as the goods are delivered or the related services are performed, or until it is no longer expected that the goods will be delivered or the services rendered.

Therapeutic candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. We expect that our research and development expenses will increase substantially in connection with our planned clinical development activities in the near term and in the future. At this time, we cannot accurately estimate or know the nature, timing and costs of the efforts that will be necessary to complete the clinical development of any current or future therapeutic candidates.

Our clinical development costs may vary significantly based on factors such as:

- per patient trial costs;
- the number of trials required for approval;
- the number of sites included in the trials;
- the countries in which the trials are conducted;
- the length of time required to enroll eligible patients;
- the number of patients that participate in the trials;
- the number of doses that patients receive;
- the drop-out or discontinuation rates of patients;
- potential additional safety monitoring requested by regulatory agencies;
- the duration of patient participation in the trials and follow-up periods;

## Table of Contents

- the cost and timing of manufacturing our therapeutic candidates;
- the phase of development of our therapeutic candidates;
- the efficacy and safety profile of our therapeutic candidates; and
- the number of therapeutic candidates we are developing.

The successful development and commercialization of therapeutic candidates is highly uncertain. This is due to the numerous risks and uncertainties associated with product development and commercialization, including the following:

- the timing and progress of nonclinical and clinical development activities;
- the number and scope of nonclinical and clinical programs we decide to pursue;
- raising necessary additional funds;
- the progress of the development efforts of parties with whom we may enter into collaboration arrangements;
- our ability to maintain our current development programs and to establish new ones;
- our ability to establish new licensing or collaboration arrangements;
- the successful initiation and completion of clinical trials with safety, tolerability and efficacy profiles that are satisfactory to the FDA or any comparable foreign regulatory authority;
- the receipt and related terms of regulatory approvals from applicable regulatory authorities;
- the availability of drug substance and drug product for use in the production of our therapeutic candidates;
- establishing and maintaining agreements with third-party manufacturers for clinical supply for our clinical trials and commercial manufacturing, if our therapeutic candidates are approved;
- our ability to obtain and maintain patents, trade secret protection and regulatory exclusivity, both in the United States and internationally;
- our ability to protect our rights in our intellectual property portfolio;
- the commercialization of our therapeutic candidates, if and when approved;
- obtaining and maintaining third-party insurance coverage and adequate reimbursement;
- the acceptance of our therapeutic candidates, if approved, by patients, the medical community and third-party payors;
- competition with other products; and
- a continued acceptable safety profile of our therapies following approval.

A change in the outcome of any of these variables with respect to the development of our therapeutic candidates could significantly change the costs and timing associated with the development of that therapeutic candidate. We may never succeed in obtaining regulatory approval for any of our therapeutic candidates or programs.

### ***General and administrative expenses***

General and administrative expenses consist primarily of salaries and related costs for personnel in executive management, finance, corporate and business development, and administrative functions. General and administrative expenses also include legal fees relating to patent and corporate matters; professional fees for accounting, auditing, tax, and administrative consulting services; insurance costs; administrative travel expenses; marketing expenses; and other operating costs.

## [Table of Contents](#)

We anticipate that our general and administrative expenses will increase in the future as we increase our headcount to support development of our therapeutic candidates and programs and our continued research activities. We also anticipate that we will incur increased accounting, audit, legal, regulatory, compliance, and director and officer insurance costs as well as investor and public relations expenses associated with being a public company.

### **Other Income**

#### *Interest Income*

Interest income consists of interest income earned on our cash, cash equivalents, and short-term investments.

### **Income Taxes**

The LLC entity has elected to be treated under the Partnership provisions of the Internal Revenue Code. Accordingly, the LLC entity is not viewed as a tax-paying entity in any jurisdiction and all income and deductions of the LLC entity are reported on our members' individual income tax returns and no income taxes are recorded by the LLC entity. The LLC entity does not have any operations.

Our Subsidiaries are taxed as corporations for federal and state income tax purposes. Our Subsidiaries account for income taxes using the asset and liability method in accordance with FASB ASC Topic 740, Income Taxes. Current income taxes are based on taxable income for federal and state reporting purposes. Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases using enacted tax rates in effect for the year in which the differences are expected to affect taxable income. A valuation allowance is provided when it is more likely than not that some portion, or all of a deferred tax asset will not be realized. Due to our Subsidiaries' lacking earnings history, the net deferred tax assets have been fully offset by a valuation allowance.

Our Subsidiaries recognize the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount of benefit that is greater than fifty percent likely to be realized upon settlement. Changes in measurement are reflected in the period in which the change in judgment occurs.

## **Results of Operations**

### **Comparison of Years Ended December 31, 2018 and 2019**

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

<b>(in thousands)</b>	<b>Year Ended December 31,</b>	
	<b>2018</b>	<b>2019</b>
<b>Operating expenses:</b>		
Research and development	\$ 9,584	\$ 16,788
General and administrative	5,002	5,482
Total operating expenses	14,586	22,270
<b>Loss from operations</b>	<b>(14,586)</b>	<b>(22,270)</b>
<b>Other income, net:</b>		
Other income, net	397	616
Total other income, net	397	616
<b>Net loss</b>	<b>\$ (14,189)</b>	<b>\$ (21,654)</b>
Net loss attributable to noncontrolling interest	—	(997)
<b>Net loss attributable to Cullinan</b>	<b>\$ (14,189)</b>	<b>\$ (20,657)</b>

## [Table of Contents](#)

### *Research and Development Expenses*

<u>(in thousands)</u>	<u>Year Ended December 31,</u>		<u>Change</u>
	<u>2018</u>	<u>2019</u>	
Cullinan Pearl (CLN-081)	\$ 114	\$ 7,002	\$ 6,888
Cullinan Apollo (VK-2019)	3,982	4,133	151
Cullinan Florentine (CLN-049)	—	909	909
Cullinan Amber (CLN-617)	—	281	281
Cullinan Wittelsbach Program	3,036	—	(3,036)
Other terminated programs	621	—	(621)
Other personnel and unallocated	1,831	4,463	2,632
Total research and development expenses	<u>\$ 9,584</u>	<u>\$ 16,788</u>	<u>\$ 7,204</u>

Research and development expenses were \$9.6 million for the year ended December 31, 2018, compared to \$16.8 million for the year ended December 31, 2019. We have separately provided additional detail for the research and development expenses incurred in connection with the research and development activities conducted for the therapeutic candidates and programs being developed by our partially-owned subsidiaries Cullinan Amber, Cullinan Florentine, and Cullinan Pearl, certain of our consolidated entities, as we believe they represent key portfolio value drivers. We have also included research and development expense detail for Cullinan Apollo and Cullinan Wittelsbach, which are subsidiaries that we have dissolved, or plan to dissolve in the case of Cullinan Apollo, in the near future. The increase of \$7.2 million was primarily due to CLN-081 clinical activity following our 2019 IND submission and the upfront fee and fair value of common stock issued to Taiho Pharma in connection with our license of ex-Japan rights to CLN-081, as well as increased external research activity associated with our collaborations with Fred Hutch and Adimab LLC, or Adimab, offset by non-recurring costs from our terminated programs, including from Cullinan Wittelsbach.

We are heavily dependent on the success of our therapeutic candidates, the most advanced of which are in preclinical or the early stages of clinical development, which is a lengthy and expensive process with uncertain outcomes and the potential for substantial delays. We cannot give any assurance that any of our therapeutic candidates will receive regulatory approval or, if approved, achieve commercial success.

### *General and Administrative Expenses*

<u>(in thousands)</u>	<u>Year Ended December 31,</u>		<u>Change</u>
	<u>2018</u>	<u>2019</u>	
Personnel-related	\$ 2,580	\$ 2,657	\$ 77
Professional services fees	1,060	1,199	139
Legal fees	663	826	163
Occupancy and other fees	699	800	101
Total general and administrative expenses	<u>\$ 5,002</u>	<u>\$ 5,482</u>	<u>\$ 480</u>

General and administrative expenses were \$5.0 million for the year ended December 31, 2018 compared to \$5.5 million for the year ended December 31, 2019. The increase of \$0.5 million was primarily due to increased expenditure on outside professional services and diligence regarding the Cullinan Amber and Cullinan Florentine transactions, as well as inflationary impact of personnel- and occupancy-related expenses. These increases were largely due to our operations expanding and an increase in headcount to support the additional operations.

### *Other Income, Net*

Other income, net was \$0.4 million during the year ended December 31, 2018 compared to \$0.6 million during the year ended December 31, 2019. The increase of \$0.2 million was primarily related to an increase in interest income resulting from higher average balances on our cash, cash equivalents, and short-term investments.

## [Table of Contents](#)

### *Net Loss Attributable to Noncontrolling Interest*

Net losses are attributed to noncontrolling interests under the hypothetical liquidation at book value, or HLBV, method for certain subsidiaries. The HLBV method is a point in time calculation that utilizes inputs to determine the amount that the noncontrolling interest holders would receive upon a hypothetical liquidation at each balance sheet date based on the liquidation provisions of the respective articles of incorporation. Net loss attributable to noncontrolling interest was nil in 2018 compared to \$1.0 million associated with our partially-owned subsidiary Cullinan Pearl in 2019.

### *Comparison of Periods Ended September 30, 2019 and 2020*

The following table summarizes our results of operations for the nine months ended September 30, 2019 and 2020:

<u>(in thousands)</u>	<u>Nine Months Ended September 30,</u>	
	<u>2019</u>	<u>2020</u>
	<u>(unaudited)</u>	
Operating expenses:		
Research and development	\$ 12,986	\$ 26,582
General and administrative	4,305	4,580
Total operating expenses	<u>17,291</u>	<u>31,162</u>
Loss from operations	(17,291)	(31,162)
Other income, net:		
Other income, net	368	810
Total other income, net	<u>368</u>	<u>810</u>
Net loss	(16,923)	(30,352)
Net loss attributable to noncontrolling interest	(835)	(6,899)
Net loss attributable to Cullinan	<u>\$ (16,088)</u>	<u>\$ (23,453)</u>

### *Research and Development Expenses*

<u>(in thousands)</u>	<u>Nine Months Ended September 30,</u>		<u>Change</u>
	<u>2019</u>	<u>2020</u>	
	<u>(unaudited)</u>		
Cullinan MICA (CLN-619)	\$ —	\$ 8,560	\$ 8,560
Cullinan Florentine (CLN-049)	—	7,281	7,281
Cullinan Pearl (CLN-081)	5,948	5,390	(558)
Cullinan Apollo (VK-2019)	3,256	1,841	(1,415)
Cullinan Amber (CLN-617)	—	437	437
Other personnel and unallocated	3,782	3,073	(709)
Total research and development expenses	<u>\$ 12,986</u>	<u>\$ 26,582</u>	<u>\$13,596</u>

Research and development expenses were \$13.0 million for the nine months ended September 30, 2019, compared to \$26.6 million for the nine months ended September 30, 2020. The increase of \$13.6 million was primarily due to the consolidation of Cullinan MICA's research and development expenses following our Series A investment in May 2020 and the CLN-049 IND-enabling studies in our Cullinan Florentine subsidiary in 2020 compared to 2019, partially offset by lower expenses associated with our Cullinan Apollo program, which was terminated in 2020 as well as the upfront license fee related to CLN-081 in our partially-owned Cullinan Pearl subsidiary that was incurred in 2019.

## [Table of Contents](#)

### *General and Administrative Expenses*

<b>(in thousands)</b>	<b>Nine Months Ended September 30,</b>		<b>Change</b>
	<b>2019</b>	<b>2020</b>	
	<b>(unaudited)</b>		
Personnel-related	\$ 2,226	\$ 1,994	\$ (232)
Professional services fees	897	1,109	212
Legal fees	592	800	208
Occupancy and other fees	590	677	87
Total general and administrative expenses	\$ 4,305	\$ 4,580	\$ 275

General and administrative expenses were \$4.3 million for the nine months ended September 30, 2019 compared to \$4.6 million for the nine months ended September 30, 2020. The increase of \$0.3 million was primarily due increased expenditure on outside professional services firms for diligence and negotiation in connection with the Cullinan MICA transaction as well as accounting and audit fees, partially offset by a reduction in general and administrative personnel compared to 2019.

### *Other Income, Net*

Other income, net was \$0.4 million during the nine months ended September 30, 2019 compared to \$0.8 million during the nine months ended September 30, 2020. The increase of \$0.4 million was primarily related to an increase in interest income resulting from higher average balances on our cash, cash equivalents, and short-term investments.

### *Net Loss Attributable to Noncontrolling Interest*

Net losses are attributed to noncontrolling interests under the HLBV method for certain subsidiaries. Net loss attributable to noncontrolling interest under the HLBV method was \$0.8 million for the nine months ended September 30, 2019, compared to \$6.9 million for the nine months ended September 30, 2020. The increase of \$6.1 million was primarily related to the noncontrolling interest held in our partially-owned subsidiary Cullinan MICA.

## **Liquidity and Capital Resources**

Since our inception, we have incurred significant operating losses. We have not yet commercialized any products and we do not expect to generate revenue from sales of products for several years, if at all. To date, we have funded our operations primarily with proceeds from the sale of our redeemable preferred units. Through December 16, 2020, after giving effect to the sale of our Series C preferred units and our receipt of the net proceeds therefrom, we have received net proceeds of approximately \$277.0 million from sales of our redeemable preferred units. As of September 30, 2020, we had cash, cash equivalents, and short-term investments of \$94.9 million. Subsequent to September 30, 2020, we have received \$124.7 million of net proceeds from sales of our Series C preferred units. Based on our current operational plans and assumptions, we expect that the net proceeds from this offering, combined with our current cash, cash equivalents, and short-term investments, will be sufficient to fund operations through . We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. We cannot guarantee that we will be able to raise additional capital on reasonable terms or at all.

## [Table of Contents](#)

### *Cash flows*

#### *Comparison of Years Ended December 31, 2018 and 2019*

The following table summarizes our sources and uses of cash for each of the periods presented:

<u>(in thousands)</u>	<u>Year Ended December 31,</u>	
	<u>2018</u>	<u>2019</u>
Net cash used in operating activities	\$ (13,549)	\$ (20,897)
Net cash used in investing activities	(261)	(35,400)
Net cash (used in) provided by financing activities	(29)	85,715
Net (decrease) increase in cash and cash equivalents	\$ (13,839)	\$ 29,418

#### *Cash Flow from Operating Activities*

During the year ended December 31, 2018, operating activities used \$13.5 million of cash and primarily consisted of our net loss of \$14.2 million, offset by changes in net operating assets and liabilities of \$0.3 million, and non-cash charges of \$0.3 million. Our non-cash charges of \$0.3 million primarily consisted of a \$0.2 million license expense in exchange for subsidiary capital stock.

During the year ended December 31, 2019, operating activities used \$20.9 million of cash and primarily consisted of our net loss of \$21.7 million, offset by changes in net operating assets and liabilities of \$0.1 million and non-cash charges of \$0.6 million. Our non-cash charges of \$0.6 million primarily consisted of a \$0.5 million license expense in exchange for subsidiary capital stock.

#### *Cash Flow From Investing Activities*

During the year ended December 31, 2018, investing activities used \$0.3 million of cash for the purchases of property and equipment.

During the year ended December 31, 2019, investing activities used \$35.4 million of cash for the purchases short-term investments and less than \$0.1 million for the purchases of property and equipment.

#### *Cash Flow From Financing Activities*

During the year ended December 31, 2018, net cash used in financing activities was less than \$0.1 million, primarily consisting of costs and payments related to the issuance of Series B preferred units and subsidiary preferred equity.

During the year ended December 31, 2019, net cash provided by financing activities was \$85.7 million, which primarily consisted of net proceeds from the issuance of Series B preferred units of \$83.9 million and net proceeds of \$1.8 million related to the issuance of noncontrolling interests.

#### *Comparison of Periods Ended September 30, 2019 and 2020*

The following table summarizes our sources and uses of cash for each of the periods presented:

<u>(in thousands)</u>	<u>Nine Months Ended September 30,</u>	
	<u>2019</u>	<u>2020</u>
	<u>(unaudited)</u>	
Net cash used in operating activities	\$ (16,028)	\$ (20,336)
Net cash used in investing activities	(15)	(16,860)
Net cash provided by financing activities	1,801	15,243
Net decrease in cash and cash equivalents	\$ (14,242)	\$ (21,953)

## [Table of Contents](#)

### *Cash Flow from Operating Activities*

During the nine months ended September 30, 2019, operating activities used \$16.0 million of cash and primarily consisted of our net loss of \$16.9 million and changes in net operating assets and liabilities of \$0.3 million, offset by non-cash charges of \$0.6 million. Our non-cash charges of \$0.6 million primarily consisted of a \$0.5 million license expense in exchange for subsidiary common stock.

During the nine months ended September 30, 2020, operating activities used \$20.3 million of cash and primarily consisted of our net loss of \$30.4 million, offset by changes in net operating assets and liabilities of \$2.4 million and non-cash charges of \$7.7 million. Our non-cash charges of \$7.7 million primarily consisted of a \$1.0 million license expense in exchange for subsidiary common stock and \$6.4 million for acquired in-process research and development assets because they had no alternative future use.

### *Cash Flow From Investing Activities*

During the nine months ended September 30, 2019, investing activities used less than \$0.1 million of cash for the purchases of property and equipment.

During the nine months ended September 30, 2020, investing activities used \$16.9 million of cash and primarily consisted of less than \$0.1 million used for the purchases of property and equipment and \$48.3 million of purchases of short-term investments, offset by \$30.0 million proceeds from sales of short-term investments and \$1.5 million of cash acquired as part of the asset acquisition for our MICA program.

### *Cash Flow From Financing Activities*

During the nine months ended September 30, 2019, net cash provided by financing activities was \$1.8 million, which primarily consisted of proceeds from the issuance of noncontrolling interests.

During the nine months ended September 30, 2020, net cash provided by financing activities was \$15.2 million, which primarily consisted of proceeds from our issuances of Series B preferred units in February and March 2020, net of issuance costs, of \$14.0 million.

### ***Future Funding Requirements***

We expect our expenses to increase substantially in connection with our ongoing activities, particularly as we advance the preclinical activities, manufacturing and clinical trials of our therapeutic candidates. In addition, upon the closing of this offering, we expect to incur additional costs associated with operating as a public company, including significant legal, accounting, investor relations, and other expenses that we did not incur as a private company. Our expenses will also increase as we:

- continue our research and development efforts and submit investigational new drug applications, or INDs, for our therapeutic candidates and programs;
- conduct preclinical studies and clinical trials for our current and future therapeutic candidates, including but not limited to CLN-081, CLN-049, and CLN-619;
- take temporary precautionary measures to help minimize the risk of COVID-19 to our employees;
- experience any delays or encounter any issues with any of the above, including but not limited to failed studies, complex results, safety issues, or other regulatory challenges;
- develop the necessary processes, controls, and manufacturing capabilities to obtain marketing approval for our therapeutic candidates and to support manufacturing on a commercial scale;
- develop and implement plans to establish and operate in-house manufacturing operations and facility;



## Table of Contents

- seek regulatory approvals for any therapeutic candidates that successfully complete clinical trials, if any;
- hire and retain additional personnel, such as non-clinical, clinical, pharmacovigilance, quality assurance, regulatory affairs, manufacturing, distribution, legal, compliance, medical affairs, finance, general and administrative, commercial, and scientific personnel;
- develop, maintain, expand, and protect our intellectual property portfolio; and
- transition our organization to being a public company.

Following this offering, we will be a publicly-traded company and will incur significant legal, accounting, and other expenses that we were not required to incur as a private company. In addition, the Sarbanes-Oxley Act of 2002, as well as rules adopted by the SEC and Nasdaq, requires public companies to implement specified corporate governance practices that are currently not applicable to us as a private company. Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, we will first be required to furnish a report by our management on our internal control over financial reporting for the year ending December 31, 2022. However, while we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants, and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. We expect these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly.

Based on our current operational plans and assumptions, we expect that the net proceeds from this offering, combined with our current cash, cash equivalents, and short-term investments, will be sufficient to fund operations through . We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. As we progress with our development programs and the regulatory review process, we expect to incur significant commercialization expenses related to product manufacturing, pre-commercial activities and commercialization. We may also require additional capital to pursue in-licenses or acquisitions of other programs to further expand our pipeline.

Because of the numerous risks and uncertainties associated with research, development, and commercialization of our therapeutic candidates and programs, we are unable to estimate the exact amount of our working capital requirements. Our future funding requirements will depend on and could increase significantly as a result of many factors, including:

- the scope, progress, results, and costs of drug discovery, laboratory testing, and preclinical and clinical development for our current and future therapeutic candidates;
- timely completion of our preclinical studies and clinical trials, which may be significantly slower or cost more than we currently anticipate and will depend substantially upon the performance of third-party contractors;
- the prevalence, duration and severity of potential side effects or other safety issues experienced by patients receiving our therapeutic candidates or future therapeutic candidates;
- our ability to establish and maintain collaborations and license agreements on favorable terms, if at all, and the extent to which we acquire or in-license technologies or programs, if at all;
- our ability to enroll clinical trials in a timely manner and to quickly resolve any delays or clinical holds that may be imposed on our development programs;

## Table of Contents

- timing delays with respect to preclinical and clinical development of our current and future therapeutic candidates, including as result of the COVID-19 pandemic;
- the costs of expanding our facilities to accommodate our expected growth in personnel;
- our ability and the ability of third parties with whom we contract to manufacture adequate clinical and commercial supplies of our therapeutic candidates or any future therapeutic candidates, remain in good standing with regulatory authorities and develop, validate, and maintain commercially viable manufacturing processes that are compliant with current good manufacturing practices, or cGMP;
- the costs of preparing, filing, and prosecuting patent applications, maintaining and enforcing our intellectual property rights, and defending intellectual property-related claims;
- the extent to which we acquire or in-license technologies or programs;
- the sales price and availability of adequate third-party coverage and reimbursement for our therapeutic candidates, if and when approved; and
- the costs of operating as a public company.

Until such time, if ever, that we can generate product revenue sufficient to achieve profitability, we expect to finance our cash needs through equity offerings, debt financings, government or other third-party funding, marketing and distribution arrangements, and other collaborations, strategic alliances, and licensing arrangements. To the extent that we raise additional capital through the sale of equity, current ownership interests will be diluted. If we raise additional funds through government or third-party funding, collaboration agreements, strategic alliances, licensing arrangements, or marketing and distribution arrangements, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or therapeutic candidates, or grant licenses on terms that may not be favorable to us. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends. If we are unable to raise additional funds when needed, we may be required to delay, limit, reduce, or terminate our product development or future commercialization efforts or grant rights to develop and market products or therapeutic candidates that we would otherwise prefer to develop and market ourselves.

### **Contractual Obligations and Other Commitments**

The following table summarizes our contractual obligations as of December 31, 2019 and the effects that such obligations are expected to have on our liquidity and cash flows in future periods:

<u>(in thousands)</u>	<u>Payments Due by Period</u>				
	<u>Total</u>	<u>Less than 1 Year</u>	<u>1 to 3 Years</u>	<u>3 to 5 Years</u>	<u>More Than 5 Years</u>
Operating lease commitments	\$2,728	\$ 590	\$1,825	\$313	\$ —
Total	\$2,728	\$ 590	\$1,825	\$313	\$ —

We have certain payment obligations under various license and collaboration agreements. Under these agreements, we are required to make milestone payments upon successful completion and achievement of certain intellectual property, clinical, regulatory, and sales milestones. The payment obligations under the license and collaboration agreements are contingent upon future events, such as our achievement of specified development, clinical, regulatory, and commercial milestones, and we will be required to make milestone and royalty payments in connection with the sale of products developed under these agreements. As the achievement and timing of these future milestone payments are not probable or estimable, such amounts have not been included in our consolidated balance sheet as of December 31, 2019, our condensed consolidated balance sheet as of September 30, 2020, or in the contractual obligations table above.

## [Table of Contents](#)

We are expected to make payments of \$1.0 million and \$0.5 million in 2020 and 2021, respectively, related to certain options available to us under our collaboration agreement with Adimab, related to CLN-978.

In addition, we enter into agreements in the normal course of business with CROs for clinical trials and with vendors for preclinical studies, manufacturing services, and other services and products for operating purposes, which are generally cancelable upon written notice. These payments are not included in the contractual obligations table above.

### **Critical Accounting Policies and Estimates**

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

While our significant accounting policies are described in more detail in Note 2 to our consolidated financial statements and condensed consolidated financial statements appearing at the end of this prospectus, we believe that the following accounting policies are those most critical to the judgments and estimates used in the preparation of our consolidated financial statements.

#### ***Principles of Consolidation***

We consolidate entities in which we have a direct or indirect controlling financial interest. We evaluate each of our subsidiaries to determine whether the entity represents a variable interest entity (VIE) for which consolidation should be evaluated under the VIE model, or alternatively, if the entity is a voting interest entity, for which consolidation should be evaluated using the voting interest model. We have concluded that none of our subsidiaries is a VIE and we have consolidated each subsidiary under the voting interest model. Under the voting interest model, we consolidate the entity if it is determined 1) that we directly, or indirectly, have greater than 50% of the voting shares or other equity holders do not have substantive voting, participation, or liquidation rights, or 2) when we have a controlling financial interest through our control of the board of directors, and the significant decisions of the entity are made at the board level.

#### ***Net Loss Attributable to Noncontrolling Interests***

Net loss attributable to noncontrolling interests in our consolidated statements of operations is a result of our investments in our consolidated entities, which include Cullinan Pearl and Cullinan MICA, and consists of the portion of the net loss of those consolidated entities that is not allocated to us. Changes in the amount of net loss attributable to noncontrolling interests related to these subsidiaries are directly impacted by changes in the net loss of the consolidated entity. To the extent that ownership interests in the Asset Subsidiaries are held by entities other than the LLC entity, management reports these as noncontrolling interests on the consolidated balance sheets. Earnings or losses are attributed to noncontrolling interests under the hypothetical liquidation at book value, or HLBV, method. The HLBV method is a point in time calculation that utilizes inputs to determine the amount that we and our noncontrolling interest holders would receive upon a hypothetical liquidation at each balance sheet date based on the liquidation provisions of the respective articles of incorporation.

#### ***Research and Development Contract Costs and Accruals***

We record accrued liabilities for estimated costs of research and development activities conducted by third-party service providers, which include the conduct of preclinical studies, clinical trials, and contract manufacturing

## [Table of Contents](#)

activities. We record the estimated costs of research and development activities based upon the estimated amount of services provided but not yet invoiced and include these costs in accrued research and development liabilities in our consolidated balance sheets and within research and development expense in our consolidated statements of operations and comprehensive loss. These costs are a significant component of our research and development expenses.

We accrue for these costs based on factors such as estimates of the amount of work completed through discussions with internal personnel and external service providers as to the progress or stage of completion of the services and in accordance with agreements established with our third-party service providers for such services. We make significant judgments and estimates in determining the accrued research and development liabilities balance at each reporting period. As actual costs become known, we adjust our accrued estimates. Although we do not expect our estimates to be materially different from amounts actually incurred, the status and timing of services performed, the number of patients enrolled in clinical trials and the rate of patient enrollment may vary from our estimates and could result in us reporting amounts that are too high or too low in any particular period. Our accrued expenses are dependent, in part, upon the receipt of timely and accurate reporting from clinical research organizations and other third-party service providers. We record advance payments to service providers as prepaid assets, which are expensed as the contracted services are performed. To date, there have been no material differences between our accrued costs and actual costs.

### ***Equity-Based Compensation Expense***

Because there is no public market for our non-voting incentive units as we are a private company, our board of directors has determined the fair value of our non-voting incentive units by considering a number of objective and subjective factors, including having contemporaneous and retrospective valuations of our equity performed by a third-party valuation specialist, valuations of comparable peer public companies, sales of our redeemable preferred units, operating and financial performance, the lack of liquidity of our non-voting incentive units, and general and industry-specific economic outlook. The fair value of our non-voting incentive units will be determined by our board of directors until such time as our non-voting incentive units are listed on an established stock exchange. We recognize the compensation cost of equity-based awards using the straight-line method over the requisite service period of the award, which is generally the vesting period of the award. We classify equity-based compensation in our consolidated statements of operations and comprehensive loss in the same manner in which the award recipient's payroll costs are classified or in which the award recipient's service payments are classified. We have elected to recognize the actual forfeitures by reducing the equity-based compensation in the same period as the forfeitures occur.

### ***Income Taxes***

The LLC entity has elected to be treated under the Partnership provisions of the Internal Revenue Code. Accordingly, we are not viewed as a tax-paying entity in any jurisdiction and all income and deductions are reported on the members' individual income tax returns and no income taxes are recorded by the LLC entity. The LLC entity does not have any operations.

Our Subsidiaries are taxed as corporations for federal and state income tax purposes. Our Subsidiaries account for income taxes using the asset and liability method in accordance with FASB ASC Topic 740, Income Taxes. Current income taxes are based on taxable income for federal and state reporting purposes. Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases using enacted tax rates in effect for the year in which the differences are expected to affect taxable income. A valuation allowance is provided when it is more likely than not that some portion, or all of a deferred tax asset will not be realized. Due to our Subsidiaries' lack of earnings history, the net deferred tax assets have been fully offset by a valuation allowance.

## [Table of Contents](#)

Our Subsidiaries recognize the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount of benefit that is greater than fifty percent likely to be realized upon settlement. Changes in measurement are reflected in the period in which the change in judgment occurs.

### ***Net Loss per Unit***

The holders of our redeemable preferred units are entitled to receive distributions, including cumulative returns on their units outstanding, prior and in preference to any distributions on any of our common units and non-voting incentive units, which are also entitled to cumulative returns. For the years ended December 31, 2018 and 2019 and the nine months ended September 30, 2019 and 2020 we determined that our common stock equivalents are our common units and non-voting incentive units.

The Company follows the two-class method when computing net loss per unit as the Company has issued units that meet the definition of participating securities. The two-class method determines net income (loss) per unit for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common unit holders for the period to be allocated between common and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. For the years ended December 31, 2018 and 2019, the Company considers its redeemable preferred units to be participating securities as they are entitled to participate in undistributed earnings along with Common Unit and vested Non-Voting Incentive Unit members. Unvested Non-Voting Incentive Units are not considered participating securities.

Basic net income (loss) per unit attributable to common unit holders is computed by dividing the net income (loss) attributable to common and non-voting incentive unit holders by the weighted average number of common and non-voting incentive units outstanding for the period. Diluted net income (loss) attributable to common and non-voting incentive unit holders is computed by adjusting net income (loss) attributable to common and non-voting incentive unit holders to reallocate undistributed earnings based on the potential impact of dilutive securities. Diluted net income (loss) per unit attributable to common and non-voting incentive unit holders is computed by dividing the diluted net income (loss) attributable to common and non-voting incentive unit holders by the weighted average number of common and non-voting incentive units outstanding for the period, including potential dilutive common and non-voting incentive units. For purpose of this calculation, unvested non-voting incentive units and redeemable preferred units are considered potential dilutive common units.

Our redeemable preferred unit contractually entitles the holders of such units to participate in dividends but does not contractually require the holders of such units to participate in losses of us. Accordingly, in periods in which we report a net loss attributable to common and non-voting incentive unit holders, such losses are not allocated to such participating securities. In periods in which we report a net loss attributable to common unit holders, diluted net loss per unit attributable to common and non-voting incentive unit holders is the same as basic net loss per unit attributable to common unit holders, since dilutive common and non-voting incentive units are not assumed to have been issued if their effect is anti-dilutive.

### **Emerging Growth Company and Smaller Reporting Status**

In April 2012, the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, was enacted. Section 107 of the JOBS Act provides that an “emerging growth company,” or an EGC, can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, or the Securities Act, for complying with new or revised accounting standards. Thus, an EGC can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period for new or revised accounting standards during the period in which we remain an emerging growth company; however, we may adopt certain new or revised accounting standards early.

## [Table of Contents](#)

We will remain an emerging growth company until the earliest to occur of: (1) the last day of the fiscal year in which we have more than \$1.07 billion in annual revenue; (2) the date we qualify as a “large accelerated filer,” with at least \$700.0 million of equity securities held by non-affiliates; (3) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period; and (4) the last day of the fiscal year ending after the fifth anniversary of our initial public offering.

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

### **Off-Balance Sheet Arrangements**

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

### **Recently Issued and Adopted Accounting Pronouncements**

A description of recently issued accounting pronouncements that may potentially impact our financial position and results of operations is disclosed in Note 2 to of our consolidated financial statements appearing at the end of this prospectus.

### **Quantitative and Qualitative Disclosures About Market Risks**

We are a smaller reporting company as defined by Item 10 of Regulation S-K and are not required to provide the information otherwise required under this item.

## BUSINESS

### Overview

We are a biopharmaceutical company focused on developing a diversified pipeline of targeted oncology and immuno-oncology therapies with transformative potential for cancer patients. Our strategy is to build a pipeline of therapeutic candidates that are uncorrelated across multiple dimensions, with a focus on assets that we believe have novel technology, employ differentiated mechanisms, are in a more advanced stage of development than competing candidates, or have a combination of these attributes. In approximately three and a half years, we have efficiently developed or in-licensed a pipeline of seven distinct programs by leveraging our hub-and-spoke business model. We continue to prioritize probability of success and capital efficiency. Specifically, before we advance a therapeutic candidate into clinical development, we evaluate its ability to generate an immune system response or to inhibit oncogenic drivers as a single agent. Importantly, we have terminated programs that do not meet our rigorous criteria for advancement and will continue to do so when we believe we can more efficiently allocate our capital. We currently have one clinical-stage targeted oncology candidate in Phase 1/2a development and six preclinical immuno-oncology candidates and programs. We believe our approach will allow us to advance at least one therapeutic candidate into the clinic and one program into IND-enabling studies each year for at least the next several years.

Our lead candidate, CLN-081, is an orally available small molecule designed as a next generation, irreversible epidermal growth factor receptor, or EGFR, inhibitor that is designed to selectively target cells expressing mutant EGFR variants, including EGFR exon 20 insertion, or EGFRex20ins, mutations, with relative sparing of cells expressing wild type EGFR. We are currently evaluating CLN-081 as a treatment for non-small cell lung cancer, or NSCLC, in adult patients with EGFRex20ins mutations in a Phase 1/2a trial. Our most advanced immuno-oncology therapeutic candidates include CLN-049, a bispecific antibody targeting FLT3 and CD3; and CLN-619, a monoclonal antibody designed to stimulate natural killer, or NK, and T cell responses by engaging a unique target, MICA/B. We intend to initially develop CLN-049 for the treatment of acute myeloid leukemia, or AML, and CLN-619 for the treatment of solid tumors. In addition, through our AMBER platform, we are developing CLN-617, a fusion protein combining, in a single agent, two potent antitumor cytokines, interleukin-2, or IL-2, and interleukin-12, or IL-12, fused with a novel collagen-binding domain designed to enable tumor retention for the treatment of solid tumors. Our pipeline includes three additional immuno-oncology programs in the lead optimization stage that we believe have compelling mechanisms of action and potential for clinical development. We currently hold worldwide development and commercialization rights to each of our therapeutic candidates, except for CLN-081 in Japan.

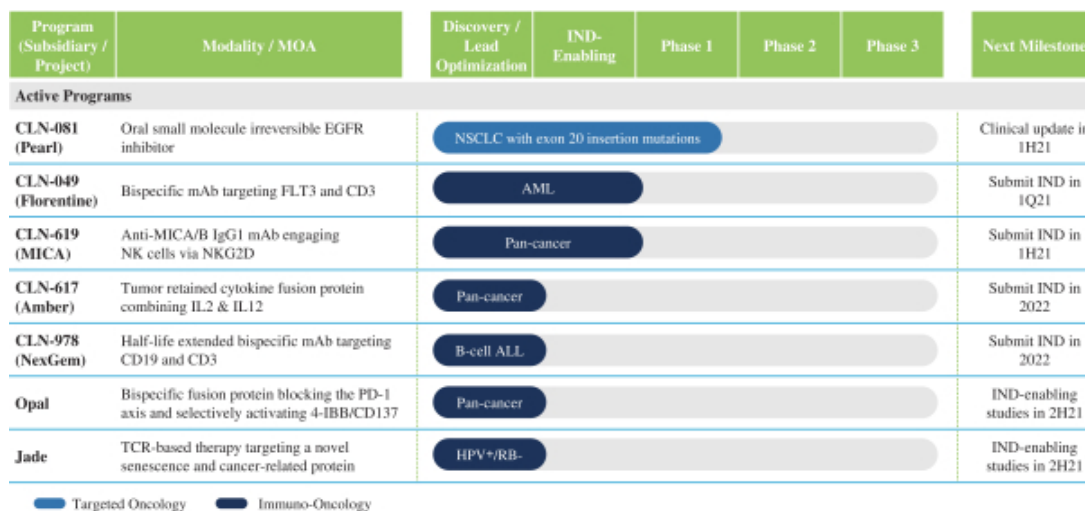
Our unique hub-and-spoke business model leverages a central operating company and separate subsidiaries that are established to hold and advance individual therapeutic candidates. This model enables us to increase operational efficiency, maintain optimal cost structure, attract leading collaborators, and promote asset flexibility. In order to advance and grow our portfolio, we adhere to our Cullinan approach, which is guided by the following core elements:

- Portfolio diversification to mitigate overall risk and maximize optionality
- Capital allocation strategy based on risk-adjusted potential, including staged funding to pre-specified scientific and clinical results
- Virtual infrastructure and key external relationships to maintain a lean operating base
- Internal development capabilities complemented by external business development
- Focus on translational medicine and therapeutic candidates with *in vivo* single agent activity
- Disciplined asset evaluation and selection

**Our Pipeline**

We have built a pipeline of targeted oncology and immuno-oncology therapeutic candidates and programs that are diversified by mechanism, therapeutic approach, modality, and stage of development. On a quarterly basis, we rigorously assess each of our programs using internally defined success criteria to justify continued investment and determine proper capital allocation. When certain programs do not meet our de-risking criteria for advancement, we terminate those programs and preserve our capital and resources to invest in programs with greater potential. As a result, our pipeline will continue to be dynamic. Our current pipeline is summarized in the diagram below:

**Our Pipeline**



Our lead candidate, CLN-081, is an orally available small molecule, designed as a next generation, irreversible EGFR inhibitor that is designed to selectively target cells expressing mutant EGFR variants. CLN-081 is currently in a Phase 1/2a dose escalation and expansion trial evaluating oral, twice-daily, or BID, administration of various doses in patients with NSCLC harboring EGFRex20ins mutations that have had at least one prior treatment with platinum based chemotherapy or another approved standard therapy. In September 2020, at the European Society for Medical Oncology virtual congress, we disclosed preliminary results based on the first 22 patients dosed in this ongoing trial. As of September 1, 2020, amongst 17 evaluable patients across all dose cohorts, we observed a best overall response of partial response in six patients and stable, disease in 11 patients. The partial responses included two confirmed and four unconfirmed partial responses, three of whom had not yet reached a confirmatory scan and one who progressed prior to a confirmatory scan. As of the September 1, 2020 data cut-off, no DLTs, or Grade 3 treatment-related adverse events, or TRAEs, had been reported. In connection with this offering, we subsequently performed an interim analysis of the ongoing study. As of a November 10, 2020 data cut-off, amongst 25 evaluable patients across all dose cohorts, we observed a best overall response of partial response in 10 patients, stable disease in 14 patients, and disease progression in one patient. The partial responses included six confirmed and four unconfirmed partial responses, two of whom



## [Table of Contents](#)

had not yet reached a confirmatory scan. Regarding the two remaining patients with unconfirmed partial responses, one experienced progressive disease due to a new brain lesion growth and one died before their second scan after experiencing aspirational pneumonia that was deemed unrelated to study drug by the investigator. As of the November 10, 2020 data cut-off, we observed one DLT, which was Grade 3 diarrhea TRAE in the 150mg BID dosing cohort, our highest dose evaluated to date, and one other Grade 3 TRAE, which was anemia. We observed no Grade 2 diarrhea TRAEs in the 30, 45, 65, or 100mg BID dose cohorts. We observed one Grade 2 diarrhea TRAE in the 150mg BID dose cohort. As of the November 10, 2020 data cut-off, we observed eight Grade 2 skin rash TRAEs across all dose cohorts. Although these results are preliminary and based on a small number of patients with limited follow-up, we believe that the preclinical and early clinical data as of the data cut-off collectively support the potential of CLN-081 to be a clinically active molecule with a favorable product profile. Given the trial was designed as a dose escalation and expansion study, we anticipate observing additional TRAEs as we enroll more patients and follow them over longer duration periods at higher dose levels.

In addition to CLN-081, our pipeline includes six immuno-oncology biologic candidates designed to stimulate one or multiple dimensions of the immune system as a single agent. Our two most advanced immuno-oncology therapeutic candidates are CLN-049, a bi-specific T cell-engaging antibody targeting FLT3 and CD3, and CLN-619, a monoclonal antibody designed to stimulate NK and T cell responses by engaging a unique target, MICA/B. CLN-049 has demonstrated the ability to redirect T cells to lyse FLT3-expressing AML cells *in vitro* and potent antitumor activity *in vivo* in multiple preclinical studies. Based on its hypothesized mechanism of action, we believe CLN-049 has the potential to be employed across the spectrum of molecularly-defined AML subtypes. We intend to initially develop CLN-049 as a novel therapy for the treatment of patients with relapsed or refractory, or r/r, AML. In preclinical studies, CLN-619 demonstrated antitumor activity as a single agent in multiple *in vivo* models. We believe CLN-619 has the potential to become a novel backbone agent for immuno-oncology therapy given the broad expression of MICA/B across tumor types and the biological rationale for combining CLN-619 with other agents. We intend to initially develop CLN-619 for the treatment of patients with advanced solid tumors.

We are also developing CLN-617, a fusion protein uniquely combining, in a single agent, two potent antitumor cytokines, IL-2 and IL-12, with a collagen-binding domain for the treatment of solid tumors. The combination of IL-2 and IL-12 has synergistically enhanced T and NK cell functions *in vitro* and mediated pronounced therapeutic activity in preclinical tumor models, even in well-established mouse models with primary and/or metastatic tumors. The collagen-binding domain engineered into CLN-617 is designed to retain cytokines in the tumor microenvironment following intratumoral administration, thereby minimizing systemic dissemination and associated toxicities while prolonging immunostimulatory antitumor activity. In preclinical studies, murine surrogates of CLN-617 demonstrated robust single agent antitumor activity in both injected and non-injected contralateral tumors without inducing systemic toxicity, as measured by reduction in body weight. Based on these results, we believe CLN-617 may be capable of generating a systemic immune response that can mediate tumor regression, even in non-injected distal tumors. Given the broad expression of collagen across multiple tumor types and the well-validated antitumor activity of cytokine-based therapies, CLN-617 may have utility across many different types of solid tumors. We refer to the collagen-binding technology used in CLN-617 as AMBER, which we believe represents a novel platform with the potential to broaden the therapeutic window of cytokines and other immuno-stimulatory agents by potentially reducing systemic toxicity.

Our earlier-stage immuno-oncology programs include: CLN-978, a next-generation CD19-targeted, half-life extended T cell engaging antibody; Opal, a bispecific fusion protein that blocks the PD-1 axis and selectively activates the 4-1BB/CD137 pathway on T cells in tumors; and Jade, a cell therapy targeting a novel senescence and cancer-related protein that we are collaborating with the Fred Hutchinson Cancer Research Center to identify naturally occurring T cell receptors, or TCRs, against this target. Depending on the results of our lead optimization efforts, our ongoing preclinical studies, internal portfolio prioritization, and developments in the competitive landscape, we may or may not advance these programs further in development. Furthermore, we are also actively evaluating external collaboration and in-licensing opportunities to continue to expand our pipeline.

Based on early preclinical and clinical results, we have recently terminated multiple programs in order to allocate resources for more promising programs in our portfolio. We believe these decisions demonstrate our

## [Table of Contents](#)

commitment and discipline with respect to our strategy and business model. For example, Apollo, an oral small molecule targeting EBNA1, was terminated due to a lack of translation of the compelling pharmacodynamic effect and antitumor activity seen in preclinical studies into patients. We were able to efficiently evaluate this program with minimal costs, spending approximately \$10 million from initial licensing to date, including costs related to the sponsored research agreement.

### ***Our History and Team***

We began substantive operations in 2017 following Series A funding from F2 Ventures and the UBS Oncology Impact Fund, which is managed by MPM Capital and is one of the largest dedicated pools of capital focused exclusively on oncology investing. Since inception, we have raised approximately \$277.0 million from these investors as well as other institutional investors, including Foresite Capital, Boxer Capital of Tavistock Group, Eventide Asset Management, Nextech Invest, OrbiMed, Venrock Healthcare Capital Partners, Rock Springs Capital, BVF Partners, L.P., and Logos Capital. With less than \$60 million spent to date, we have prudently built a diverse pipeline of seven uncorrelated targeted oncology and immuno-oncology programs.

Critical to our success has been the ability to assemble an accomplished management team with proven track records in targeted oncology and immuno-oncology. We are led by a senior management team with extensive capabilities in immuno-oncology, biologics and small molecule drug development, as well as business development and portfolio management. Collectively, our team possesses a strong record of success, as demonstrated by 36 accepted INDs and six approved New Drug Applications, or NDAs, or Biologics License Applications, or BLAs, and significant previous experiences at leading life sciences companies, including Alexion Pharmaceuticals, Inc., Amgen Inc., Biogen Inc., Bristol Myers Squibb Company, MacroGenics, Inc., Merck & Co., Inc., Novartis International AG, Pfizer Inc., and Sanofi S.A..

### **Our Strategy**

Our goal is to develop targeted oncology and immuno-oncology therapeutics that will dramatically improve the standard-of-care for patients with cancer. The key elements of our strategy are to:

- **Build a pipeline of differentiated oncology therapeutic candidates that are diversified by mechanism, therapeutic approach, modality, and stage of development.** We seek to mitigate capital risk by accumulating and maintaining a diversified portfolio of uncorrelated therapeutic candidates and programs. We also attempt to mitigate technical risk by intentionally carrying a portfolio mix such that some programs are directed toward novel targets, while others focus on more validated pathways. For the latter programs, we seek to in-license or internally design agents with mechanisms or formats that we believe will be responsible for differentiating tolerability, ease of administration, efficacy, or a combination thereof. Importantly, before we advance a therapeutic candidate into clinical development, we evaluate its ability to generate an immune system response or to inhibit oncogenic drivers as a single agent *in vivo*.
- **Expand our pipeline through research collaborations, business development, and internally designed programs.** Our founders and management team are leaders in oncology drug discovery, clinical development, and business development. Their proven track records and longstanding relationships in the life sciences industry provide us with access to ideas and assets from around the world. In addition, their experiences and deep understanding of molecular and cancer biology also enable us to translate novel concepts into internally designed therapeutic candidates. We are actively evaluating external collaboration and in-licensing opportunities as well as internal development opportunities to continue to expand our pipeline.
- **Advance our lead therapeutic candidate, CLN-081, toward potential regulatory approval for the targeted treatment of NSCLC patients with EGFRex20ins mutations.** Our ongoing Phase 1/2a trial includes a flexible design that enables us to expand dosing cohorts upon demonstration of antitumor responses and adequate tolerability. Based on the preliminary results as of the November 10, 2020 data cutoff, we anticipate accumulating additional safety, tolerability, and efficacy data in expanded 65 mg and 100 mg dose cohorts, with a clinical update expected in the first half of 2021. After determining a

recommended Phase 2 dose, or RP2D, we plan to meet with health authorities to discuss the development and regulatory pathways for CLN-081.

- **Establish clinical proof-of-concept for our most advanced immuno-oncology therapeutic candidates, CLN-049 and CLN-619, in patients with hematological malignancies and solid tumors, respectively.** CLN-049's target, FLT3, is expressed frequently on AML cells and leukemic blasts but minimally on healthy blood cells, which differentiates FLT3 from other tumor surface antigens identified in AML, such as CD33 and CD123 that are targeted by antibody-based therapies in development. Furthermore, by targeting extracellular FLT3, we believe CLN-049 has the potential to reach a broader patient population than existing small molecule FLT3 kinase inhibitors acting on the intracellular domain, which are limited to a subset of approximately 25% of AML patients with certain mutations. We intend to submit an IND for a Phase 1/2a trial in adult patients with r/r AML in the first quarter of 2021. Given the mechanistic rationale for both programs and encouraging preclinical results, our goal is to establish clinical proof-of-concept for CLN-049 and CLN-619 through their respective Phase 1/2a trials. CLN-619's target, MICA/B, is expressed by numerous tumor types across both solid tumors and hematological malignancies. Furthermore, the MICA/B receptor, NKG2D, is expressed in both innate and adaptive effector cell populations. We anticipate submitting an IND for a Phase 1/2a trial in the first half of 2021 for the treatment of solid tumors.
- **Continue to advance and evolve our pipeline with a goal of advancing one therapeutic candidate into the clinic and one program into IND-enabling studies each year.** In addition to our three most advanced therapeutic candidates, we have four additional preclinical programs that are designed with the goal of addressing limitations of approved immuno-oncology therapies. For example, we believe CLN-617 is the only single agent immunotherapy in development combining IL-2 and IL-12 with a collagen-binding domain to enhance retention of cytokines within the tumor microenvironment. Another of our research programs, CLN-978, is half-life extended, humanized, single-chain T cell engaging antibody that we believe has the potential to improve on some of the shortcomings of the approved CD3/CD19 bispecific T cell engager, blinatumomab, and to compete with CD19-targeted CAR-T cell therapies.
- **Evaluate strategic opportunities to accelerate development timelines and maximize the value of our portfolio.** We intend to maximize the value for each of our programs by opportunistically leveraging the existing infrastructure of other companies or internally pursuing later-stages of development and commercialization. Our subsidiaries hold the worldwide rights to our therapeutic candidates, except for CLN-081, where our licensor, Taiho Pharmaceutical Co., Ltd., or Taiho Pharma, retains rights for Japan. Our business model provides us with the flexibility to efficiently pursue various types of transactions and collaborations with third parties at the subsidiary level. It also enables us to preserve resources for continued internal investment upon successful achievements of development milestones. We have made and will continue to make decisions regarding each of our subsidiaries and programs with the overarching aim of maximizing both patient benefit and shareholder value.

#### **Our Hub-and-Spoke Business Model**

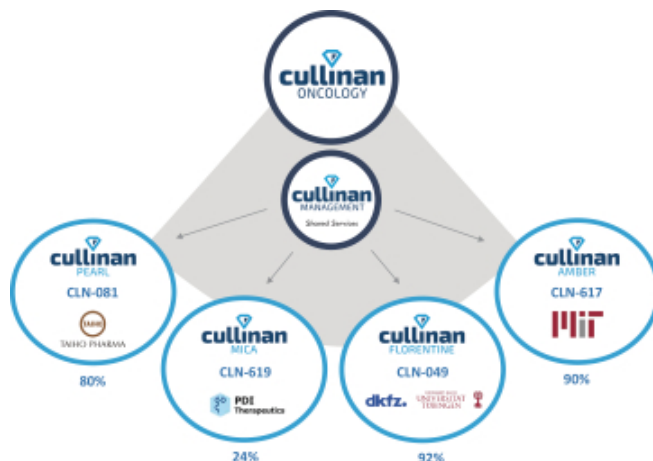
We employ a hub-and-spoke business model to execute our strategy of building a diversified oncology company in a capital efficient manner and to provide us with the flexibility to either advance therapeutic candidates ourselves or through transactions with third parties. Our "hub" consists of a holding company, Cullinan Oncology, LLC, or the LLC entity, and an operating company, Cullinan Management, Inc., or Cullinan Management, which, collectively, provide capital, human resources, and other services to each spoke via a shared services agreement. We believe that by centralizing these shared services, including all research and development operations, administrative services, and business development, and allocating employees and resources to each spoke, we can enhance operational efficiency and maintain an optimal cost structure. For example, as of November 30, 2020, we had 17 full time employees, one part-time employee, and two consultants working on a pipeline of seven active programs. See "Certain Relationships and Related Person Transactions—Agreements with our Subsidiaries—*Services Agreements*" for more information.

## Table of Contents

Our hub-and-spoke model also enables us to access both internal and external expertise to build and develop our pipeline. We incubate internal programs, such as NexGem, Opal, and Jade, in our hub, leveraging Cullinan Management’s network of service providers as needed to support our discovery, lead optimization, and IND-enabling efforts. When we decide to license from or collaborate with external parties, we establish distinct subsidiaries, or “spokes”, to hold and advance those programs. This structure enables us to keep licensors economically incentivized at the program level through our ability to offer equity and access to potential cash milestones and royalty payments. Further, because each spoke is a separate legal entity that holds all of the assets related to the development candidate, including the relevant intellectual property, and has no employees, fixed assets, or overhead costs, we have flexibility both to raise capital at either the parent or subsidiary level and to pursue subsidiary-level licenses or stock sales.

In the figure below, each “spoke” contains the subsidiary’s therapeutic candidate as well as any relevant licensors or shareholders. The LLC entity’s ownership, as of December 18, 2020, as a percentage of fully-diluted shares outstanding is listed below each circle.

### Our Hub-and-Spoke Business Model



The structure of our financing arrangements with each subsidiary enables us to increase our economic ownership when we provide additional capital. Further information about our subsidiaries, including ownership and governance, is included in the “Management’s Discussion and Analysis” section of this prospectus.

Cullinan Management is our wholly-owned operating subsidiary that employs all of our team members and incubates discovery programs until we establish a “spoke” in which to further advance them. This subsidiary currently holds exclusive rights or options to our three earlier-stage programs, NexGem, Opal, and Jade. We centralize shared services, including all research and development operations, administrative services, and business development at Cullinan Management, and allocate employees and resources to each spoke based on the needs and development stage of each therapeutic candidate.

Our hub-and-spoke business model is designed to (i) enhance operational efficiency, (ii) maintain an optimal cost structure, (iii) attract leading collaborators, and (iv) promote asset flexibility, as further described below.

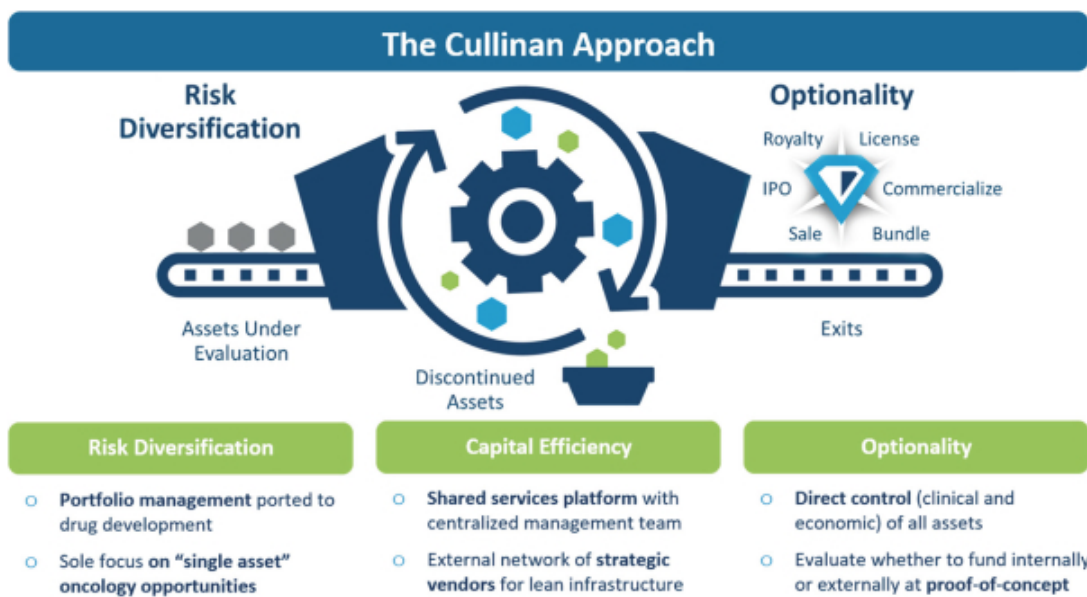
- **Enhance operational efficiency:** We centralize all employees and services at our hub and allocate resources to spokes as needed. We empower managers to access these resources and make program-level decisions in order to increase productivity and speed. We believe this model enables a flexible organizational structure that can achieve scale through the addition of programs without increasing burdensome bureaucracy or redundant infrastructure.

## Table of Contents

- **Maintain an optimal cost structure:** We have a relatively small number of employees and have built a network of trusted external service providers, choosing to leverage their infrastructure and expertise as needed instead of embarking on capital-intensive lab, manufacturing, and equipment expenditures. As of November 30, 2020, we had 17 full time employees, one part-time employee and two consultants working on seven active programs. By reducing overhead costs, we believe we can increase the likelihood that we can generate a return on invested capital.
- **Attract leading collaborators and licensors:** Each of our subsidiaries has its own capitalization and governance, enabling us to keep licensors economically incentivized at the program level. We believe that the experienced leadership team and shared services at our hub differentiate us from other potential licensees.
- **Promote asset flexibility:** Each spoke is a separate legal entity that holds the relevant intellectual property of its therapeutic candidates or programs and has none of its own employees, fixed assets, or overhead costs. This allows us to efficiently pursue various subsidiary-level transactions, such as stock or asset sales, licensing transactions, strategic partnerships, co-development arrangements, or spin-outs. It also provides us with the flexibility to terminate programs with minimal costs if results do not meet our de-risking criteria for advancement.

## The Cullinan Approach

Our mission is to advance and grow a portfolio of innovative, early-stage oncology assets based on the latest scientific breakthroughs. Given these foundations, we think about capital allocation and risk as much as we think about drug development. We believe that by focusing our efforts on translational medicine and portfolio diversification, we can mitigate overall exposure to many of the inherent risks of drug development. The key elements of our approach are illustrated in the figure below.



Fundamental to our success is our ability to apply a disciplined set of criteria for asset evaluation and development advancement, as well as sequenced capital allocation that preserves resources for programs with greater potential. Our approach is guided by the following core elements:

- **Portfolio diversification to mitigate risk and maximize optionality:** We rigorously evaluate which targeted oncology and immuno-oncology therapeutic candidates and programs to develop; however, we recognize that failure is inherent in drug development. For that reason, we maintain a portfolio of

uncorrelated therapeutic candidates to mitigate overall portfolio risk due to the failure of any single program while also providing exposure to a variety of promising mechanisms and pathways. As of November 30, 2020, our portfolio of seven programs is diversified across stage of development (discovery, IND-enabling, and clinical), therapeutic approach (targeted oncology and immuno-oncology), modality (small molecule, monoclonal antibodies, bi-specific antibodies, fusion proteins and cell therapy), and tumor indications. We believe that the uncorrelated nature of our programs will ensure that the success or outcome of any individual program is decoupled from the outcome of others in the portfolio, and that this approach, together with our staged funding and disciplined de-risking criteria, provides a fundamentally reduced corporate risk profile.

- **Capital allocation strategy based on risk-adjusted potential, including staged funding to pre-specified scientific and clinical results:** Our initial investments in our subsidiaries are structured to fund programs to key value inflection points, and we seek to commit additional capital to our subsidiaries only when these hurdles are met. We create development plans that tranche funding to clear pre-specified milestones that test hypotheses early in drug development. Our criteria emphasize iterative evaluation of the potential for single agent activity throughout the development of each program. For example, our partially-owned subsidiary Cullinan MICA's \$26 million Series A financing included three tranches. Following the initial close of \$8 million, subsequent funding is contingent upon achieving clinical and regulatory milestones designed to establish clinical proof-of-concept as a monotherapy. These financing structures enable us to minimize spending on programs that do not meet our de-risking criteria for advancement and preserve resources to invest in programs with greater potential.
- **Virtual infrastructure and key external relationships to maintain a lean operating base:** By centralizing shared services, we are able to efficiently allocate employees and resources based on the needs and development stage for each of our therapeutic candidates. Furthermore, we have a relatively small number of employees and have built a network of trusted external service providers and consultants, choosing to leverage their infrastructure and expertise as needed instead of embarking on capital-intensive lab, manufacturing, and equipment expenditures. We believe the combination of our virtual infrastructure and external network enables us to reduce operating costs.
- **Internal development capabilities complemented by external business development:** We believe that simultaneous engagement of multiple mechanistic approaches through a single molecular agent can drive meaningful clinical benefits in oncology care, especially for immuno-oncology approaches. The therapeutic index of such a multi-functional agent is often dictated by the specific design of the molecule, including the structural backbone, the configuration, and assembly of each component, and the desired biological targets. Following our comprehensive review of the oncology landscape, we sometimes conclude that no external assets fully capture the potential therapeutic benefit from these design principles. In these instances, we leverage our team's deep understanding of molecular and cancer biology, together with external sources of expertise, to develop molecules with optimized designs, either through internally sourced ideas or in collaborations with external research centers of excellence.
- **Focus on translational medicine and therapeutic candidates with *in vivo* single agent activity:** Due to the technical risk and significant capital requirements inherent in drug development, we believe the stage of development where drugs transition from preclinical proof-of-mechanism to clinical proof-of-concept is the greatest opportunity for value creation. By focusing our efforts on this stage of drug development, we believe we can advance programs to critical decision and value inflection points quickly and in a capital efficient manner, while preserving resources until clinical proof-of-concept is achieved. In addition, we believe that our focus on robust *in vivo* single agent activity will potentially increase the probability of success in clinical development and reduce the time and capital required to achieve clinical proof-of-concept. Once proof-of-concept is established, we will seek to maximize the value of the program, either through external business development or with continued internal investment.
- **Disciplined asset evaluation and selection:** We systematically map the oncology landscape, canvassing publicly available literature and patent databases as well as our team's longstanding

relationships with academic research laboratories, other biotechnology and pharmaceutical companies, and venture capital firms. We apply a set of key criteria to narrow our focus to targets and biological pathways with attractive attributes for drug development. Our team vets potential programs or therapeutic candidates across multiple parameters, including mechanistic rationale, preclinical and clinical data generated as a single agent, potential commercial and manufacturing viability, fit within our portfolio, intellectual property position, and the potential impact of competition. Before we acquire or license a program, we determine whether it is likely that we could replicate, and ideally extend, scientific results using our network of trusted service providers, additional assay systems and formats, and rigorous *in vivo* disease models. We only commit the resources to establish a subsidiary around a candidate when it has met these criteria and advanced to the lead optimization stage or later.

## **Our Programs**

### **CLN-081**

Our lead therapeutic candidate, CLN-081 (formerly known as TAS6417), is an orally available small molecule designed as a next generation, irreversible EGFR inhibitor in development for the treatment of a genetically defined subset of patients with NSCLC. CLN-081 was designed with a unique chemical scaffold to bind to the active site of exon 20 insertions, inhibiting mutant activity while preserving wild type EGFR activity. In preclinical studies, CLN-081 demonstrated high selectivity for cells expressing EGFR containing activating mutations, including exon 20 insertions, while relatively sparing cells expressing wild type EGFR and displaying antitumor activity in both *in vitro* and *in vivo* models. In our ongoing Phase 1/2a trial, preliminary clinical activity and tolerability data as of November 10, 2020 are encouraging. Amongst 25 evaluable patients across all dose cohorts, we observed a best overall response of partial response in 10 patients, stable disease in 14 patients, and disease progression in one patient as of the data cut-off. The partial responses included six confirmed and four unconfirmed partial responses, two of whom had not yet reached a confirmatory scan. Regarding the other two patients with an unconfirmed partial response, one experienced progressive disease due to a new brain lesion growth and one died before their second scan after experiencing aspirational pneumonia, deemed by the investigator as unrelated to study drug. As of the November 10, 2020 data cut-off, we observed one DLT, which was Grade 3 diarrhea TRAE in the 150mg BID dosing cohort, our highest dose evaluated to date, and one other Grade 3 TRAE, which was anemia.

We licensed worldwide rights, excluding Japan, to CLN-081 from Taiho Pharma in 2018 and initiated a Phase 1/2a dose escalation and expansion trial in previously treated, adult NSCLC patients with EGFRex20ins mutations. We anticipate providing a clinical update from the ongoing Phase 1/2a trial in the first half of 2021. After determining a RP2D, we plan to meet with health authorities to discuss the development and regulatory pathways for CLN-081.

#### ***Background on NSCLC and EGFR mutations***

Lung cancer is by far the leading cause of cancer deaths among both men and women, comprising almost 25% of all cancer deaths. Each year, more people die of lung cancer than of colon, breast, and prostate cancers combined. The American Cancer Society estimates that, in 2020, there will be approximately 228,820 new cases of lung cancer and approximately 135,720 deaths from lung cancer in the United States. The most common subtype of lung cancer is NSCLC, which represents approximately 80% to 85% of all lung cancers.

EGFR is a receptor tyrosine kinase, or RTK, that normally functions to trigger cell division when growth factors bind to the receptor. Oncogenic mutations in the tyrosine kinase domain can induce growth factor independent activation of EGFR, resulting in uncontrolled cell growth and proliferation. Ultimately, these aberrant signals can contribute to the development of NSCLC. EGFR mutations are present in approximately 15% to 25% of U.S. and Western European NSCLC patients and approximately 30% to 50% of Asian NSCLC patients. Given its important role and prevalence in cancer, mutant EGFR is a critical target in lung cancer therapy. Exon 19 deletion and exon 21 L858R substitution mutations, collectively referred to as classical EGFR mutations, are the most common and account for over 75% of EGFR mutations in NSCLC. Multiple EGFR inhibitors, including gefitinib, erlotinib, afatinib, and osimertinib, target these common mutations and have been approved as first-line therapies, thus validating mutant EGFR as a target for the treatment of NSCLC.

## Table of Contents

Exon 20 insertions, which account for 7% to 13% of all EGFR mutations in NSCLC patients, are the most prevalent after the classical EGFR mutations. We estimate an incidence of approximately 2,000 to 5,000 NSCLC patients in the U.S. and approximately 1,000 to 3,000 patients in France, Germany, Italy, Spain, and the United Kingdom, or EU5, with EGFRex20ins mutations, as shown in the table below.

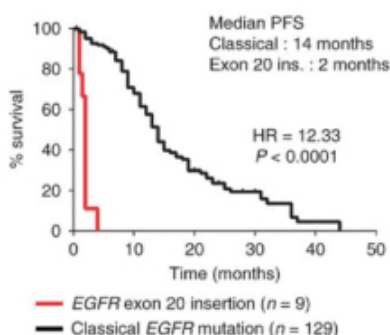
### Incidence of Advanced NSCLC Patients with EGFRex20ins Mutations in the U.S. and EU5

	U.S.	EU5
Annual Incidence of NSCLC	160,000	117,000
% of NSCLC Patients with EGFR Mutations	20% to 25%	15% to 20%
% of Patients with EGFR Mutations with EGFRex20ins Mutations	7% to 13%	
Estimated Incidence of Addressable Patient Population	2,000 to 5,000	1,000 to 3,000

Preclinical studies have shown that exon 20 insertions, as well as classical EGFR mutations, have the characteristics of oncogenic driver mutations, which are responsible for both tumorigenesis and the progression of cancer. However, in contrast to classical EGFR mutations, exon 20 insertions do not sensitize the kinase domain to treatment with approved EGFR inhibitors.

Currently, there are no targeted therapies approved for NSCLC patients with EGFRex20ins mutations. These patients are typically treated with platinum-based chemotherapy regimens but have poor outcomes. A pooled analysis investigating outcomes in this patient population demonstrated a median overall survival, or OS, of 16.2 months and a median progression-free survival, or PFS, of 4.8 months. Results from a separate publication showed a similar disparity in outcomes between NSCLC patients with EGFRex20ins mutations compared to those with classical mutations following treatment with a single agent EGFR inhibitor. As shown in the figure below, patients with EGFRex20ins mutations demonstrated a median PFS of two months as compared to 14 months for patients with classical EGFR mutations.

### NSCLC Patients with Classical Mutations Had Longer Median PFS Than NSCLC Patients with EGFRex20ins Mutations



Numerous other studies investigating approved EGFR inhibitors in patients with EGFRex20ins mutations demonstrated limited efficacy, with response rates ranging from 0% to 28%. These clinical results are supported by preclinical data, which demonstrate that cancer cells bearing EGFRex20ins mutations are not inhibited with clinically-achievable doses of approved EGFR inhibitors. Therefore, we believe there is a high unmet need for NSCLC patients with EGFRex20ins mutations given the limitations of approved EGFR inhibitors and lack of approved targeted therapies for these patients.

The two most advanced EGFR inhibitors in active clinical development for NSCLC patients with EGFRex20ins mutations are poziotinib, from Spectrum Pharmaceuticals, and mobocertinib (TAK-788), from Takeda Pharmaceuticals, Inc., or Takeda. According to data presented at the 2020 American Association for Cancer



## Table of Contents

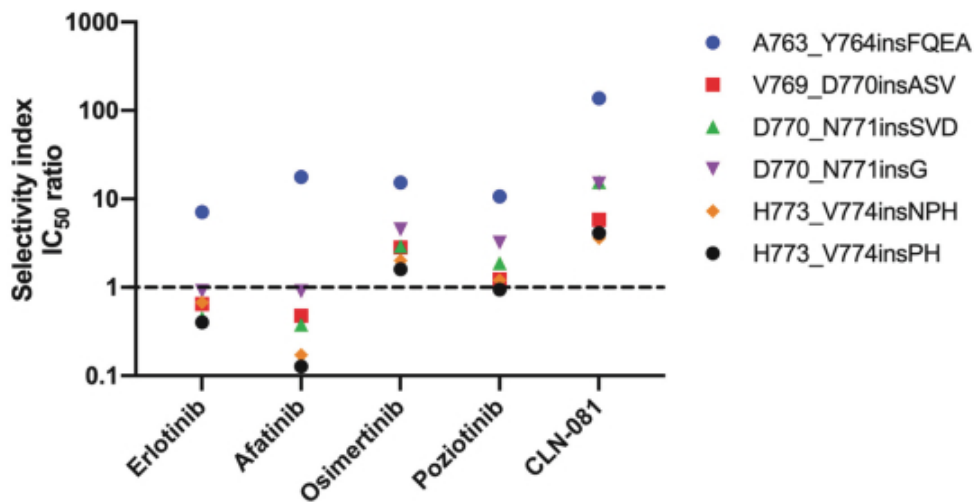
Research, or AACR, Virtual Annual Meeting, poziotinib dosed at 16mg QD was observed to generate a 14.8% objective response rate, or ORR, in the intent to treat population, or ITT, of 115 patients. Treatment-related adverse events of any grade diarrhea or rash, both classical EGFR-related toxicities, were observed in 79% and 60% of patients, respectively, and Grade 3 or greater events were observed in 25% and 28% patients, respectively. Additionally, 68% of patients experienced dose reductions, 88% experienced drug interruptions, and 10% experienced permanent discontinuation due to TRAEs. Clinical trial results with TAK-788 (mobocertinib) were presented at the European Society of Medical Oncology 2020 Virtual Annual Meeting in September 2020. Among 28 patients treated at the maximum-tolerated dose/RP2D of 160mg QD, the confirmed ORR was 43%. Any grade treatment-related diarrhea and rash were observed in 82% and 46% of patients, respectively, while Grade 3 or greater treatment-related diarrhea were observed in 32% of patients. Takeda reported that approximately 18% of patients experienced dose reductions. In 2019, at the 20th World Conference on Lung Cancer, Takeda reported clinical results from a population of 137 patients treated with TAK-788 across multiple dose levels and 72 patients treated with 160 mg QD TAK-788. Among the 72 patients treated with the RP2D of 160mg QD, any grade treatment-related diarrhea and rash were observed in 85% and 36% of patients, respectively, while Grade 3 or greater treatment-related diarrhea were observed in 18% of patients. We did not conduct head-to-head comparative studies of TAK-788 and CLN-081. As a result, comparative conclusions cannot be drawn between the data presented by Takeda on TAK-788 and the data we have observed for CLN-081.

### Our Solution: CLN-081

CLN-081 is a small molecule that was designed as an irreversible EGFR inhibitor with a novel pyrrolopyrimidine scaffold, which is unique among the therapies in development that are targeting EGFRex20ins mutations. CLN-081 is designed to fit into the ATP-binding site of EGFR where it covalently modifies C797, thereby forming a durable drug-protein linkage that irreversibly inhibits the mutant receptor. In preclinical studies, CLN-081 demonstrated high selectivity and inhibition of EGFR in cells expressing mutant EGFR proteins, with substantially less inhibition in cells expressing wild type EGFR.

Our licensor evaluated the selectivity index in vitro of CLN-081 versus competing EGFR inhibitors, as measured by the ratio of the half-maximal growth inhibition, or IC<sub>50</sub>, value of cells expressing wild type EGFR versus cells expressing exon 20 insertion mutant EGFR. As shown below, CLN-081 demonstrated the highest selectivity index, suggesting that CLN-081 may be capable of achieving clinically relevant inhibition of EGFR with exon 20 insertion mutations with relative sparing of wild type EGFR.

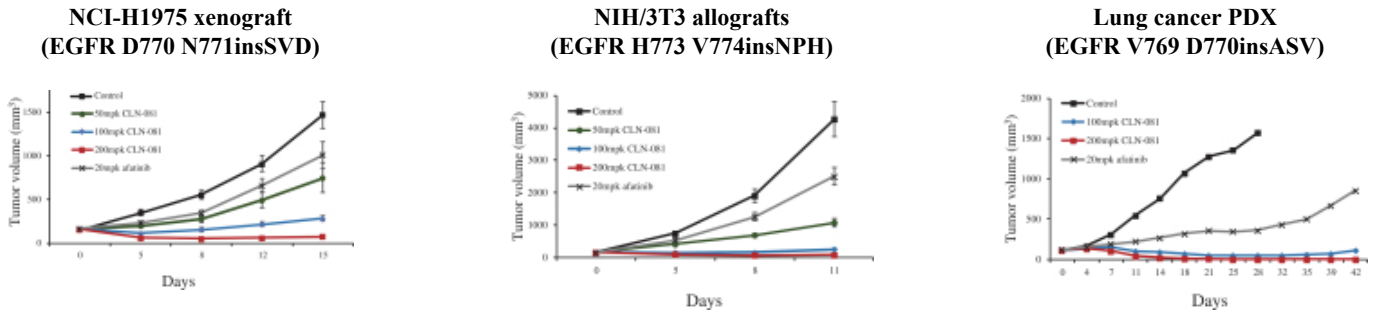
**CLN-081 Demonstrated Superior Selectivity  
Across Multiple EGFRex20ins Mutations**



**Preclinical Data**

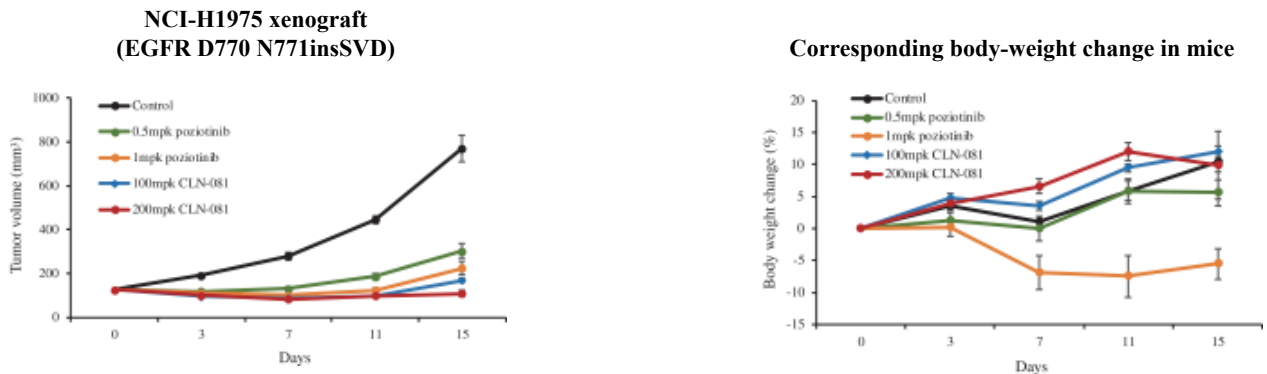
Multiple preclinical studies, including IND-enabling studies, of CLN-081 have been completed, which supported the submission and acceptance of our IND by the FDA in the second quarter of 2019. *In vivo* activity of CLN-081 was evaluated in multiple EGFRex20ins mutation-driven tumor models, including three of the most common insertion mutations: D770\_N771insSVD, H773\_V774 insNPH, and V769\_D770insASV. In all three mouse models, doses of 200 milligrams per kilogram, or mpk, of CLN-081 achieved persistent tumor regression with no body weight loss over five percent. In comparison, 20mpk of afatinib induced only modest tumor growth inhibition in these models. The results of these common insertion mutation models are summarized below.

**Tumor Reduction Observed in Mice With CLN-081 Treatment vs. Afatinib or Vehicle in Multiple EGFRex20ins Mutant NSCLC Models**



In another preclinical study, the antitumor activity and impact on body weight of CLN-081 was compared to that of poziotinib, which, at the time, was the most advanced EGFRex20ins inhibitor in clinical development. Antitumor activity and body weight change were measured in mice bearing H1975 EGFR D770\_N771insSVD xenografts. Comparable tumor growth suppression was observed in the mice treated with 1mpk of poziotinib as those treated with 100mpk of CLN-081. Notably, poziotinib treatment led to body weight loss in all mice. In contrast, mice treated with CLN-081 with doses up to 200mpk showed no significant body weight loss. We believe these results illustrate the potential selectivity and potential therapeutic window for CLN-081. However, preclinical data must be interpreted with caution. We may not observe differentiation in clinical trials that is similar to the results of preclinical comparative studies of CLN-081, and we will not be able to rely upon comparative data from preclinical studies in connection with submissions to the FDA or other regulatory agencies for approval or otherwise.

**CLN-081 Inhibited Tumor Growth and Avoided Weight Loss in NSCLC with EGFRex20ins Mutations**



**Clinical development**

We initiated our ongoing Phase 1/2a trial of CLN-081 in the fourth quarter of 2019. This first-in-human, open-label, multi-center trial is designed to evaluate the safety and tolerability, pharmacokinetics, pharmacodynamics, and preliminary efficacy of CLN-081 in adult NSCLC patients with EGFRex20ins mutations.

As of November 10, 2020, 37 patients across five dose escalation cohorts, including cohorts at 30, 45, 65, 100, and 150 mg BID dose levels, received at least one dose of CLN-081. We have further expanded enrollment at the 30, 65, and 100 mg BID dose levels to further characterize the initial antitumor efficacy of CLN-081. We are actively enrolling patients across sites in the U.S., the Netherlands, Singapore, Hong Kong, and Taiwan, and we plan to initiate additional sites, including in China.

The patient population in our trial is heavily pre-treated, with a median of two prior systemic therapies and more than 80% of patients having received two or more prior therapies at study entry (i.e. 3<sup>rd</sup> line of therapy or greater), as shown in the table below. Further, 40% of patients have received prior treatment with an EGFR inhibitor, including 11% that have received prior treatment with pozoitinib or mobocertinib, and 57% of the patients received prior treatment with a checkpoint inhibitor.

**Demographics and Baseline Characteristics for CLN-081 Patient Population**

Characteristic	All patients (n=35) <sup>1</sup>	TAK-788 <sup>2</sup> (n=28)
Median age, years (range)	64 (44-82)	62 (28-84)
Number of prior systemic anticancer regimens		
1/2	7 (20%) / 14 (40%)	4 (14%) / 9 (32%)
≥3	14 (40%)	15 / 54%
Median (Range)	2 (1-9)	3 (1-7)
Prior EGFR TKI, including pozio / TAK-788 (%)	14 (40%)	6 (21%)
Prior Pozio or TAK-788 (%)	4 (11%)	n/a
Prior checkpoint inhibitor therapy (%)	20 (57%)	17 (61%)
Brain mets at baseline (%)	7 (20%)	12 / (43%)

1) Awaiting baseline demographic data on 2 patients. 2) ASCO 2019 / Analyst Day

These data are derived from two different clinical trials with differences in trial design and patient populations. No head-to-head clinical trials have been conducted.

## [Table of Contents](#)

### *Preliminary safety, pharmacokinetic, and efficacy data*

As of November 10, 2020, we observed one DLT, which was Grade 3 diarrhea TRAE in the 150mg BID dosing cohort, our highest dose evaluated to date, and one other Grade 3 TRAE, which was anemia. TRAEs most common to EGFR inhibitors are outlined below. Rash is the most common TRAE observed as of the data cutoff, with 10 patients experiencing Grade 1 rash, eight patients experiencing Grade 2 rash, and no patients experiencing a Grade 3 or greater rash. In addition to rash, diarrhea is another toxicity common to EGFR inhibitors due to inhibition of wild-type EGFR in the GI tract. As of the data cut-off, we observed nine cases of treatment-related diarrhea, of which seven were Grade 1, one was Grade 2, and one was Grade 3 (both the Grade 2 and Grade 3 TRAEs were at the 150mg BID dose).

Dose (BID)	30 mg	45 mg	65 mg	100 mg	150 mg
Safety Population (n)	8	1	12	13	3
<b>DLTs</b>	--	--	--	--	1
<b>Grade 1 TRAEs commonly associated with EGFR TKIs</b>					
Skin Rash (n)	5	--	4	1	--
Diarrhea (n)	3	--	--	3	1
<b>Grade 2 TRAEs commonly associated with EGFR TKIs</b>					
Skin Rash (n)	--	--	5	3	--
Diarrhea (n)	--	--	--	--	1
<b>Grade 3 TRAEs commonly associated with EGFR TKIs</b>					
Skin Rash (n)	--	--	--	--	--
Diarrhea (n)	--	--	--	--	1
Treatment Related Dose Reduction/Interruption (n)	--	--	1/ 1	2/2	1/1

As of the November 10, 2020 data cut-off, preliminary pharmacokinetic data demonstrated a near dose-dependent trend in exposure, as measured by unbound area under the curve, or AUC, and CMAX values. Furthermore, the target unbound AUC required to achieve tumor regression in preclinical studies was reached starting at the initial dose of 30 mg BID.

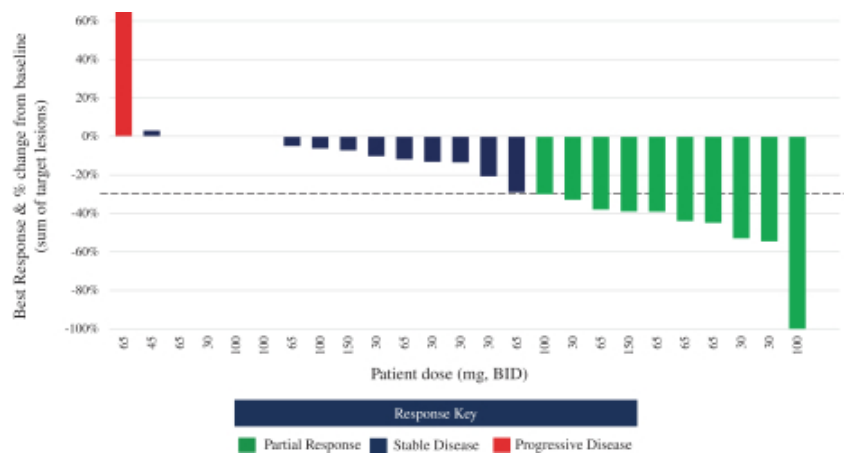
**Table of Contents**

As of November 10, 2020, among 25 evaluable patients, we observed best responses of partial response in 10 patients, stable disease in 14 patients, and disease progression in one patient, as shown in figure (A) below. Twelve patients were not yet evaluable, meaning that treatment was ongoing, but they had not yet reached their initial on-treatment imaging time point. The partial responses included six confirmed and four unconfirmed partial responses, two of whom had not yet reached a confirmatory scan. Regarding the two remaining patients with unconfirmed partial responses, one experienced progressive disease due to a new brain lesion growth and one died before their second scan after experiencing aspirational pneumonia that was deemed unrelated to study drug by the investigator. One of the two patients that will not confirm was previously treated with mobocertinib, or TAK-788, and initially achieved a partial response, but had brain metastases on a subsequent scan. Per RECIST criteria, the appearance of new lesions was considered progression, resulting in an unconfirmed response despite continued response of the target lesion. Among patients who experienced stable disease, all but one experienced either tumor regression or no tumor growth in their target lesions, as shown in figure (B) below. Furthermore, tumor regression was apparent at the first scan post-baseline in the majority of evaluable patients, as shown in figure (C) below. Responses have been observed across several EFGRes20ins mutation sub-types. Patients in the trial have their initial tumor imaging performed after approximately six weeks of treatment, and then every nine weeks thereafter.

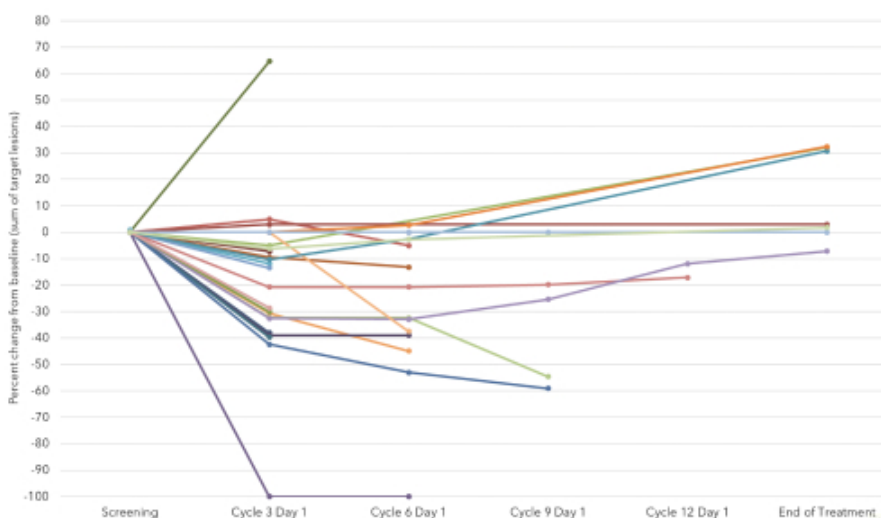
**(A) Preliminary Efficacy Results from Ongoing Phase 1/2a Trial of CLN-081**



**(B) - Best Response % Change from Baseline (target lesion)**



**(C)—Percentage Change in Sum of Target Lesions from Baseline**



**Potential Expansion Opportunities for CLN-081**

In preclinical studies, CLN-081 has also demonstrated activity against other EGFR mutations beyond exon 20 insertions, including exon 19 deletions, the exon 21 L8585R substitution mutation, T790M resistance mutations, other less prevalent mutations, and select combinations of these mutations. We believe this broad spectrum of activity may offer rationale for future clinical expansion opportunities for CLN-081 into NSCLC patients with other types of EGFR mutations. For example, CLN-081 has demonstrated antitumor activity in preclinical studies in EGFR mutations that emerge in patients that develop acquired resistance to osimertinib.

EGFRex20ins mutations also play a role in other tumor types. For example, approximately 70% of sinonasal squamous cell carcinoma is believed to be driven by exon 20 insertion mutant EGFR. Additionally, EGFRex20ins mutations are believed to drive approximately 1% of various solid tumors, including bladder cancer, liver cancer, endometrial cancer, and others.

**CLN-049**

Our second most advanced immuno-oncology therapeutic candidate, CLN-049, is a humanized bispecific antibody that we are developing for the treatment of acute myeloid leukemia, or AML. CLN-049 is designed to simultaneously bind to FLT3 on target leukemic cells and to CD3 on T cells, triggering the T cells to kill the target cancer cells. We have observed that CLN-049 led to highly potent FLT3-dependent killing of leukemic cells *in vitro* at a wide range of FLT3 expression levels on AML cells. In preclinical studies, treatment with CLN-049, even at low doses, led to survival benefit in an AML xenograft model and complete elimination of leukemic blasts in various mouse models implanted with primary patient leukemic cells or AML cell lines.

**Background on Acute Myeloid Leukemia and FLT3**

The American Cancer Society estimates that, in 2020, there will be approximately 20,000 newly-diagnosed patients with AML and approximately 11,000 deaths from AML in the U.S. AML is a complex hematologic malignancy characterized by uncontrolled proliferation of malignant immature myeloid blast cell populations. These blasts may completely infiltrate and replace the bone marrow, resulting in major disruption of normal hematopoiesis and pancytopenia, very high numbers of circulating blasts in the peripheral blood, and infiltration

## [Table of Contents](#)

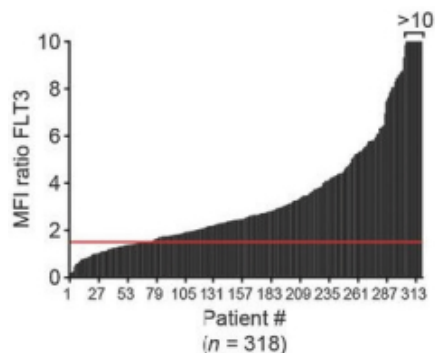
of visceral organs as well as the skin. In addition, patients with AML may be susceptible to bleeding complications due to thrombocytopenia and experience complications from treatment with cytotoxic chemotherapy. These patients may also be severely immuno-compromised secondary to their disease and experience prolonged periods of neutropenia and lymphopenia. As a result, these patients are often susceptible to life-threatening infections that also contribute to severe morbidity and mortality.

Despite advancements in the treatment of AML, there continues to be a high unmet need in these patients. Eligible newly diagnosed patients are typically treated with intensive induction chemotherapy, which may include continuous infusion of cytarabine with an anthracycline, in an attempt to achieve a complete remission. The majority of patients that experience complete remission undergo hematopoietic stem cell transplantation, or HSCT. Despite aggressive first-line combination chemotherapy, the recent approvals of multiple targeted small molecules for molecularly-defined AML patient subsets, and the use of HSCT in patients with a suitable matched donor, the prognosis of patients with AML remains extremely poor. Although 60% to 85% of younger adult patients achieve complete remissions, patients older than 60 years of age have inferior complete response rates of 40% to 60%. In addition, approximately 40% of all patients relapse following HSCT.

FLT3, or FMS-like tyrosine kinase 3, is a Class III RTK with a well-recognized and essential role in hematopoiesis. In healthy individuals, expression of FLT3 is restricted to a subpopulation of hematopoietic stem and progenitor cells, or HSPCs, inducing their proliferation and differentiation into monocytes, dendritic cells, B cells, and T cells. FLT3 has been identified as a proto-oncogene and plays a key role in promoting leukemic cell proliferation and survival. Several small molecule kinase inhibitors targeting FLT3 mutations are in development or have been approved for the treatment of AML. However, these product candidates and approved therapies only address approximately 25% of AML patients who have intracellular FLT3 genetic mutations but do not address the larger subset of patients with extracellular expression of FLT3 on the surface of cancer cells.

Studies have shown that FLT3 is expressed by FACS staining on AML blasts in at least 75% of AML patients, regardless of an oncogenic driver mutation. In one study, leukemic bulk cells from 318 newly diagnosed or relapsed AML patients were evaluated for cell surface FLT3 protein expression, and 78% were found positive for FLT3, as shown in the figure below. This broad expression of FLT3 in AML patients suggests that targeting FLT3 with a biologic agent, namely a T cell engaging bispecific antibody that recruits T cells to kill tumor cells expressing FLT3 on the cell surface, could address a larger AML patient population than the targeted small molecule inhibitors targeting the intracellular signaling domain of FLT3 that are approved or in development. Compared to other tumor surface antigens identified in AML, such as CD33 and CD123, FLT3 expression is generally restricted to a subpopulation of bone marrow HSPCs and circulating dendritic cells. FLT3 plays a key role in driving leukemogenesis and malignant progression of AML, promoting leukemic cell proliferation and survival. We believe that the expression of FLT3 on the surface of leukemic blasts in most AML patients and its role as a known oncogenic driver make it an attractive therapeutic target for a T cell engager approach.

### **Over 75% of AML Patients Show Positive Cell Surface FLT3 Protein Expression**



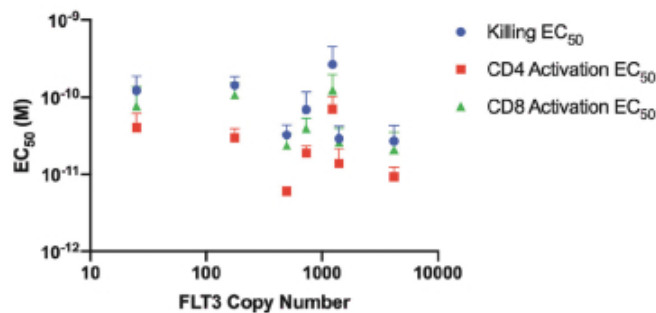
**Our Solution: CLN-049**

CLN-049 is a humanized bispecific antibody construct comprised of two FLT3-binding domains, an Fc-silenced humanized IgG1 backbone, and CD3-binding single-chain Fv domains, or scFvs, fused to the C-terminus of the antibody’s heavy chain. In multiple preclinical studies, CLN-049 has demonstrated the ability to redirect T cells to lyse FLT3-expressing AML cells *in vitro* and potent antitumor activity *in vivo*.

**Preclinical data**

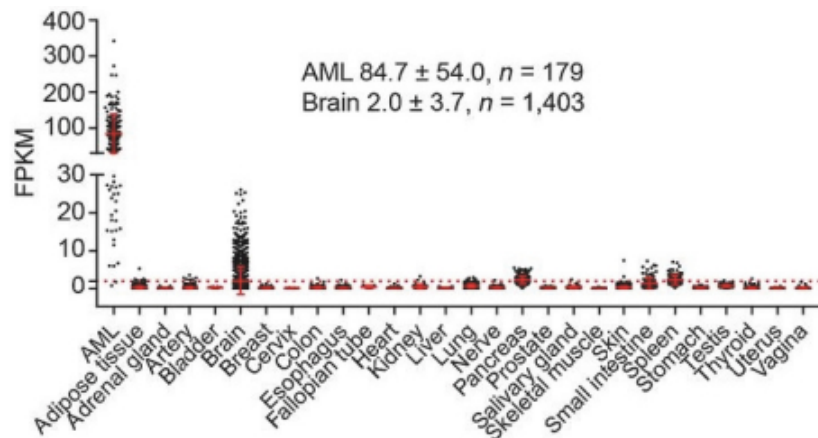
Given the observed variability in FLT3 expression levels among patients, we characterized the killing potential of CLN-049 across multiple cell lines expressing differing levels of FLT3 on the cell surface. As shown in the figures below, CLN-049 was observed to mediate robust target-dependent cell killing *in vitro* across all AML cell lines tested. Importantly, we observed that the EC<sub>50</sub> value, i.e. the drug concentration at which 50% of target cells are killed, was in the sub-nM range and did not seem to be dependent on the number of FLT3 receptor molecules found on AML target cells. In particular, we observed potent target cell killing even when those cells expressed fewer than 100 copies of the FLT3 receptor per cell. Based on these results, we believe CLN-049 may effectively kill AML target cells with even low levels of FLT3 expression, which could potentially translate into deeper and more durable responses in the clinic and may allow us to treat a larger subset of AML patients.

**CLN-049 Demonstrated Killing of Target Cells Expressing a Range of FLT3, *in vitro***



FLT3 is not widely expressed on normal immune cells, but rather is restricted to certain hematopoietic stem cell precursors in the bone marrow and dendritic cell subsets in the periphery. As shown in the figure below, a recent study found that the expression level of FLT3 transcript was significantly higher on AML cells compared to normal solid tissues.

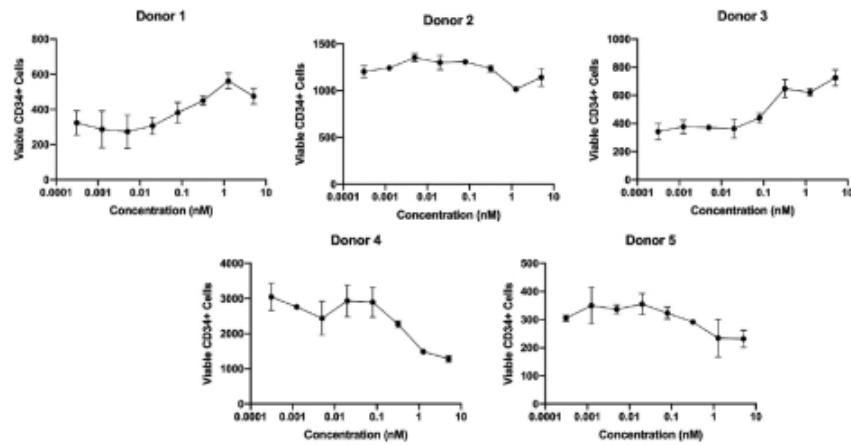
**FLT3 Transcript Level is Higher on AML Cells Than on Normal Human Solid Tissues**





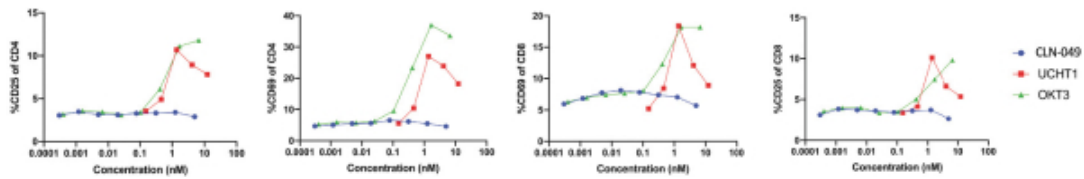
Importantly, we observed that CLN-049 treatment *in vitro* did not lead to a significant reduction in CD34+ bone marrow cells, as shown in the figure below, supporting our hypothesis that CLN-049 preferentially kills FLT3-expressing leukemic cells while sparing normal cells.

**CLN-049 Treatment Did Not Result in Significant Killing of Normal CD34+ Bone Marrow Cells *In Vitro***



CLN-049 has two CD3-binding arms that can potentially crosslink CD3 on T cells, which may result in target cell-independent T cell activation and systemic cytokine-related toxicities. In preclinical studies, we examined whether CLN-049 can lead to spurious T cell activation in the absence of target cells. As shown below, incubation of purified human T cells with CLN-049 in the absence of target-expressing cells did not induce T cell activation markers CD25 and CD69 on either CD4+ or CD8+ T cells as opposed to positive control anti-CD3 antibodies OKT3 and UCHT1 (CLN-049 parental CD3 antibody) that induced T cell activation.

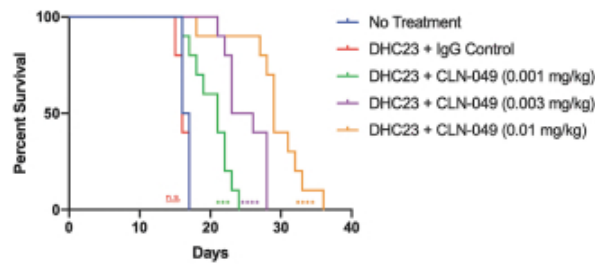
**CLN-049 Did Not Trigger the Upregulation of Activation Marker CD69 On Purified Human CD4+ or CD8+ T Cells in the Absence of FLT3 Expressing Target Cells**



## [Table of Contents](#)

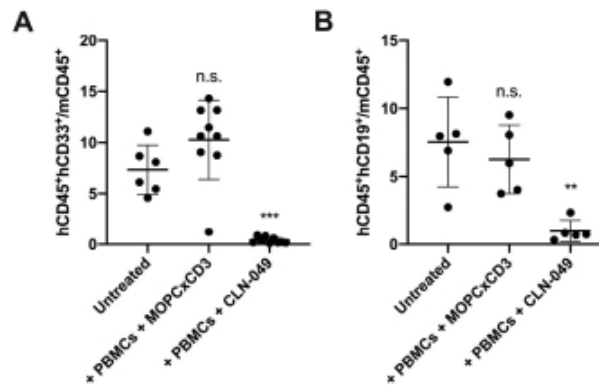
The potential efficacy of CLN-049 was evaluated in a humanized mouse model where a human AML cell line was administered systemically. As shown in the figure below, CLN-049 controlled AML leukemic burden in the engrafted human PBMC (DHC23) mice and led to the extension of the animals' survival in a dose-dependent manner. We believe CLN-049 effected this result by redirecting the T cells in the human PBMC population to kill the target AML cells.

### Dose-dependent Effect of CLN-049 on the Survival of Mice with Disseminated Leukemic AML Cells



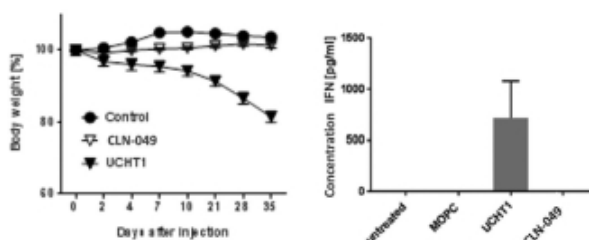
The anti-leukemic activity of CLN-049 was also evaluated using patient-derived AML blasts and PBMCs in a disseminated humanized mouse model. As shown in the figure below, treatment with CLN-049 resulted in a significant reduction in the overall leukemic burden in the bone marrow of both the AML blast (left panel) and ALL cell line model (right panel). In contrast, a control T cell engaging bispecific antibody having the same format as CLN-049 but containing a non-specific target-binding domain did not impact the leukemic burden as compared to untreated control.

### CLN-049 Demonstrated Anti-Leukemic Activity in Humanized Mouse Models with Primary AML and ALL Cells



To further evaluate the safety of CLN-049 *in vivo*, CLN-049 was administered in a humanized mouse model inoculated with human PBMC. This study was specifically designed to test possible off-target effects of CLN-049. As shown in the figure below, the administration of CLN-049 did not cause meaningful body weight loss in the treated mice, with the overall body weight profiles being comparable to those of the control group. In contrast, administration of a bivalent cross-linking anti-CD3 antibody, the parental CD3 antibody UCHT1 from which the scFv domains of CLN-049 were derived, led to significant body weight loss (left panel) and the release of the cytokine interferon in serum (right panel), as shown below.

#### Effect of CLN-049 on Body Weight and Cytokine Release in Humanized Mice



This result further supports our hypothesis that, *in vivo*, the two CD3 binding domains in CLN-049 cannot cross-link CD3 and therefore does not activate T cells in the absence of human FLT3-expressing target cells.

#### Clinical Development Plan

We intend to initially evaluate CLN-049 as a monotherapy in adult patients with r/r AML in a multi-center, dose escalation and dose expansion trial. We have completed IND-enabling pharmacology, pharmacokinetic, and safety studies, and we expect to submit our IND for CLN-049 in the first quarter of 2021.

#### CLN-619

One of our most advanced immuno-oncology therapeutic candidates, CLN-619, is a MICA/B-targeted, humanized IgG1 monoclonal antibody that we intend to initially develop for the treatment of solid tumors. CLN-619 was designed to promote an antitumor response through multiple mechanisms of action, including engagement of NK and T cells for enhanced lysis of cancer cells. The MICA/B receptor, NKG2D, is expressed in both innate and adaptive immune cell populations. Although several companies have disclosed preclinical MICA/B targeting programs, we are unaware of any clinical stage programs. In preclinical studies, CLN-619 demonstrated antitumor activity as a single agent in multiple *in vivo* tumor models. We believe CLN-619 has the potential to become a novel backbone agent for immuno-oncology therapy given the broad expression of MICA/B across tumor types and the biological rationale for combining CLN-619 with other agents.

We have completed IND-enabling pharmacology and toxicology studies and are completing good manufacturing practice, or GMP, process work to support an IND submission in the first half of 2021.

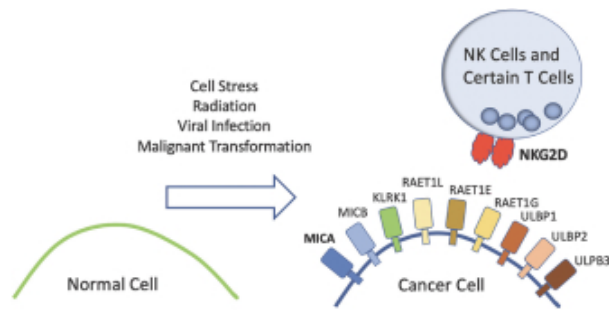
#### Background on NKG2D and MICA/B

NKG2D is a key activating receptor on NK cells responsible for cytolysis upon binding to ligands expressed on target cells. NKG2D is also expressed on other types of immune cells, including CD8<sup>+</sup> αβ T cells, natural killer T, or NKT, cells, and gd T cells, and can prime such cells for activation and enhance their antitumor activity as a co-activating receptor. Healthy cells do not normally express ligands of NKG2D, but will do so in response to cellular stress, such as oxygen or nutrient deprivation, radiation, viral infection, or oncogenic transformation. As illustrated below, there are eight NKG2D ligands in humans: MICA and MICB; UL16 binding protein, or ULBP 1, 2, and 3; and Retinoic Acid Early Transcript, or RAET, 1E, 1G, and 1L (also known

## [Table of Contents](#)

as ULBP 4, 5, and 6). All NKG2D ligands comprise an  $\alpha 1\alpha 2$  extracellular major histocompatibility complex, or MHC, Class I-like superdomain that functionally interacts with the homo-dimeric NKG2D receptor.

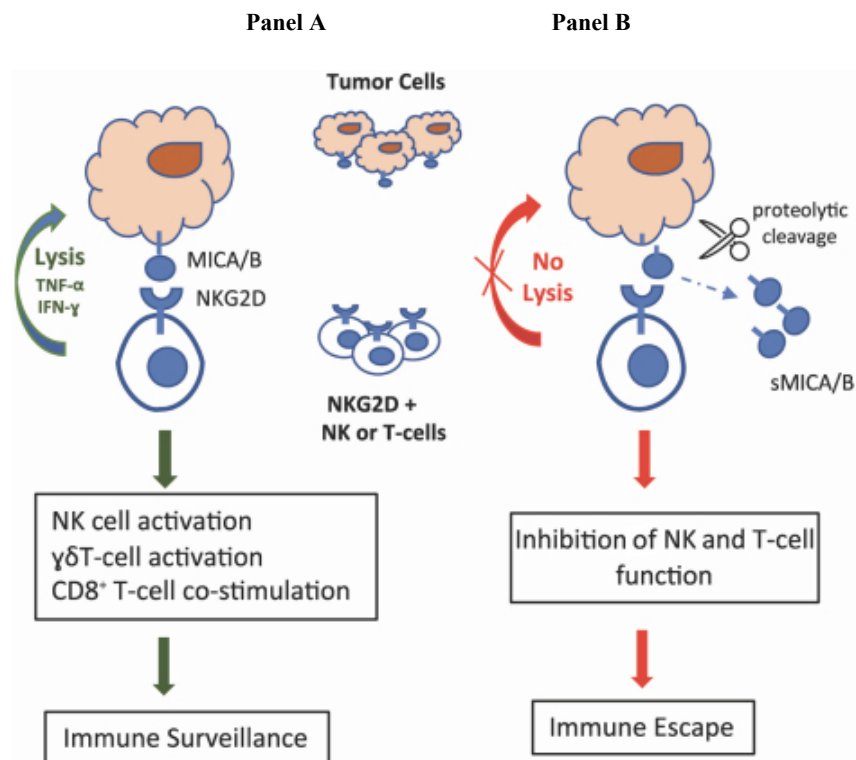
### Overview of NKG2D Ligands



MICA/B proteins are broadly recognized by NK cells, gd T cells, and CD8+  $\alpha\beta$  T cells via the NKG2D receptor. The engagement between the NKG2D receptor and MICA/B proteins triggers the effector cytolytic responses of NK cells and gd T cells against tumor cells expressing MICA/B. In the case of CD8+  $\alpha\beta$  T cells, effector responses mediated by the T cell receptor are strongly enhanced by NKG2D-MICA/B interactions. NKG2D-mediated stimulation also results in the induction of cytokines, which further promotes the recruitment and the proliferation of immune cells and bolsters the immune response.

To evade potential cytotoxic destruction by NK cells and T cells, tumor cells expressing MICA/B have adopted shedding of MICA/B from their cell surface as a key evasion mechanism. The MICA/B  $\alpha 3$  domain contains a stretch of amino acids that allows for protease cleavage of membrane-bound MICA/B and release from the cell surface, thereby reducing cell surface expression of MICA/B and decreasing NKG2D-mediated killing of tumor cells. This mechanism also concomitantly increases the amount of circulating serum MICA/B, or sMICA/B. Soluble NKG2D ligands have also been shown to contribute to an immunosuppressive microenvironment. The mechanisms underlying this biology are illustrated below. Panel A shows the normal mechanism by which tumor-associated ligands of NKG2D, such as MICA/B, can induce tumor cell killing. Panel B shows how tumor cells, through the proteolytic cleavage of MICA/B, can escape immune surveillance and immune cell-mediated killing.

**Role of NKG2D Ligands, MICA/B, in Immune Cell-Mediated Killing of Tumor Cells**



Given that proteolytic shedding of NKG2D ligands is an important immune escape mechanism, soluble levels of NKG2D ligands, such as sMICA, in a patient's serum may serve as an important indicator of prognosis. Several studies have shown that cancer patients with high levels of sMICA have a significantly worse prognosis than those patients with low levels of sMICA. The prognostic role of sMICA has been observed across patients with multiple distinct tumor types, including melanoma, NSCLC, pancreatic cancer, colorectal cancer, hepatocellular carcinoma, and multiple myeloma. Across 19 studies that included more than 2,500 patients, a meta-analysis showed that high sMICA levels were associated with poor prognosis of patients with high statistical significance.

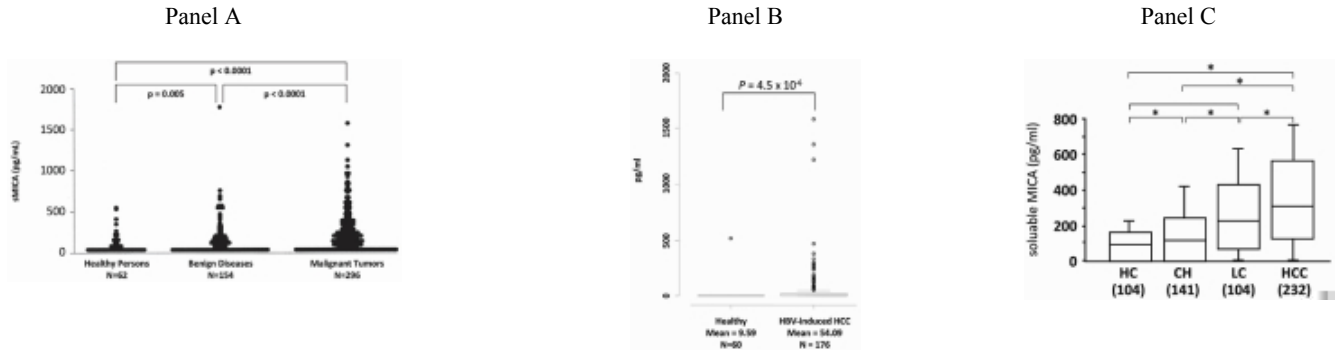
Conversely, multiple studies have shown that the levels of sMICA in healthy individuals are low, usually less than 100 pg/mL, as compared to cancer patients who have high levels of sMICA that can exceed 1,000 pg/mL. However, in the majority of cancer patients, sMICA levels are usually between 100 to 1,000 pg/mL, as

## Table of Contents

shown in the figure below. This data suggests that levels of sMICA/B in a patient's serum may have the potential to be used as a biomarker to evaluate the therapeutic effectiveness of antibodies designed to block proteolytic cleavage of MICA/B from the tumor cell surface.

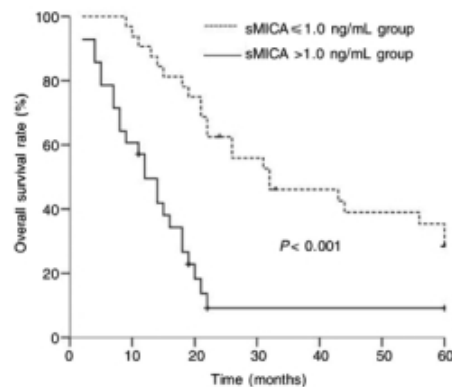
In the figure below, Panel A compares the levels of sMICA in normal healthy individuals to those with benign disease and those with cancer. Panel B shows sMICA levels in patients with hepatocellular carcinoma, or HCC, induced by hepatitis B virus, or HBV, relative to healthy controls and Panel C shows sMICA levels in healthy controls, or HC, compared to patients with chronic hepatitis, or CH, liver cirrhosis, or LC, or HCC.

### Three Independent Studies Demonstrate Elevated Levels of sMICA in Cancer Patients



In a study of 60 patients with advanced hepatocellular carcinoma and different serum levels of MICA, patients in the high serum MICA level group (>1 ng/ml) exhibited poorer survival than patients in the low serum MICA group ( $\leq 1$  ng/ml). The results suggest that higher serum MICA levels relate to poor prognosis in advanced hepatocellular carcinoma.

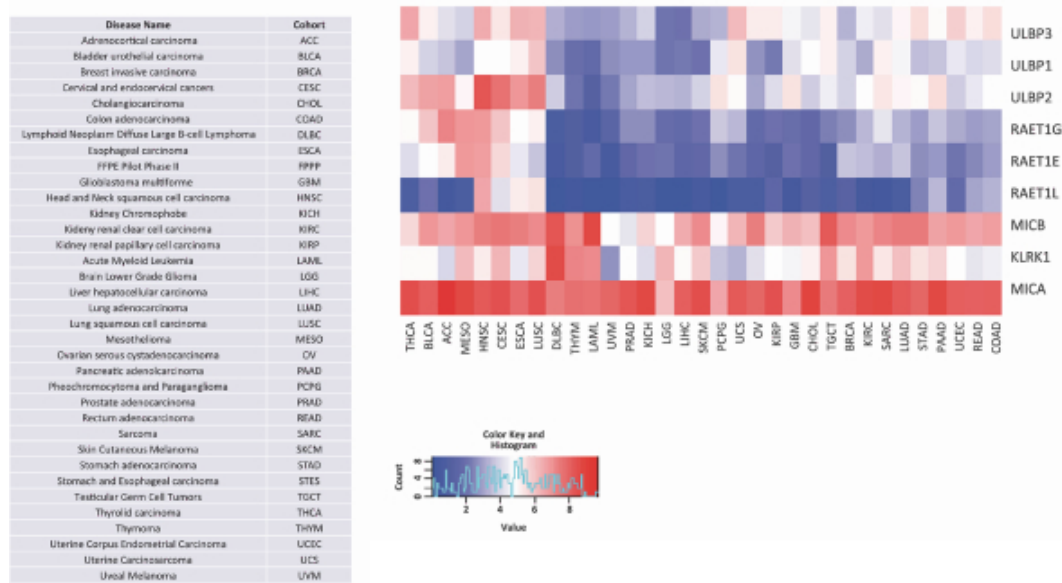
### Kaplan Meier Curve of Hepatocellular Carcinoma Patients with Different Serum Levels of MICA



[Table of Contents](#)

An analysis of the expression of the NKG2D ligands in The Cancer Genome Atlas, or TCGA, shows that MICA and MICB are the two ligands for NKG2D that are most frequently expressed across a wide range of tumor types. In the results of the TCGA analysis shown below, the red shading indicates high expression levels of NKG2D ligands and blue shading indicates low expression levels. We believe the positive expression profile of MICA/B in many tumor types provides attractive development opportunities across a wide range of indications.

**Expression of NKG2D Ligands Across Multiple Tumor Types**



Data generated via analysis of TCGA database by Monoceros Biosystems.

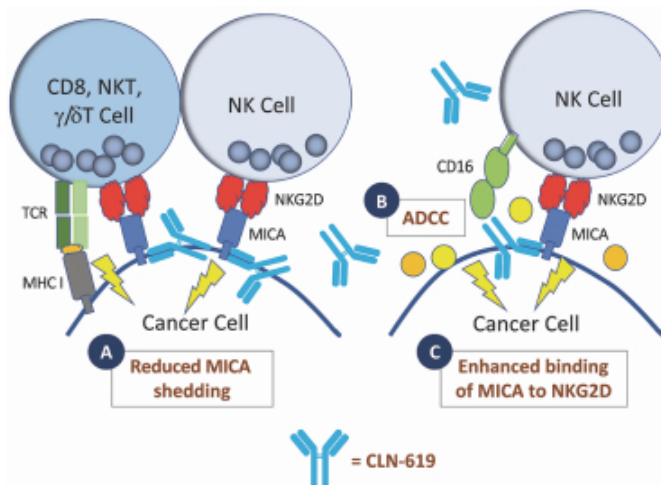
**Our Solution: CLN-619**

CLN-619 is a MICA/B-targeted humanized IgG1 antibody with an antibody-dependent cell-mediated cytotoxicity-, or ADCC-, competent Fc gamma 1 region capable of mediating effector cell functions through binding to Fc gamma receptors on cytotoxic innate immune cells.

We believe CLN-619 may affect antitumor activity through a multi-pronged mechanism of action. First, we believe that CLN-619 may shield the proteolytic cleavage sites of MICA and MICB on cancer cells from proteases commonly found in the tumor microenvironment. This mechanism would enable the accumulation of MICA/B on the surface of cancer cells and the reduction of shed soluble MICA/B circulating in the serum, as illustrated in figure (A) below. In preclinical studies, treatment with parental CLN-619 clones resulted in increased cell surface expression and reduced serum levels of MICA/B in various tumor cell lines, while CLN-619 treatment *in vivo* led to reduced serum levels of MICA/B. Elevated expression of MICA/B on the surface of cancer cells is expected to enhance killing of cancer cells by NK cells via binding of their NKG2D to MICA/B. MICA/B also interacts with NKG2D expressed on gd, CD8+ αβ, and NKT cells, where NKG2D can play the role of a co-activating receptor, lowering the threshold for T cell-mediated cancer cell lysis. Second, CLN-619 has a human IgG1 backbone with a wild-type Fc gamma region, which allows it to engage NK cells by binding to their Fc gamma receptor III/CD16/A, leading to ADCC, as illustrated in figure (B) below. In preclinical studies, treatment with CLN-049 was shown to induce ADCC *in vitro*. Lastly, as illustrated in figure (C) below, our preliminary preclinical data suggests that CLN-619 may have the potential to enhance the binding affinity of

MICA/B to its NKG2D receptors on NK cells or other immune cells to provide for improved cancer cell lysis. We believe that all of these mechanisms may be acting in a coordinated and unique manner to engage NK cells, which could result in the cancer cell lysis observed in the preclinical studies described below.

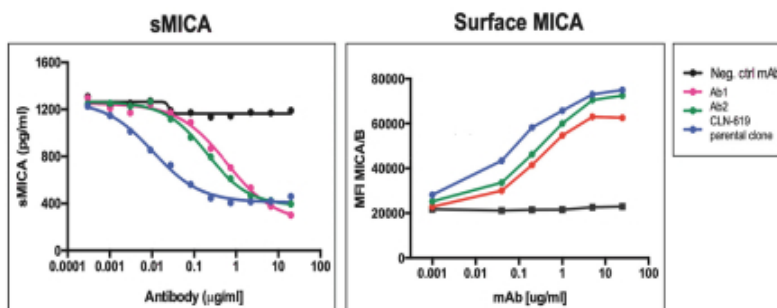
### Three Modes of Action of CLN-619



### Preclinical Data

The key mechanistic underpinning of CLN-619's antitumor activity is its ability to stabilize and prevent the shedding of MICA/B expressed on the surface of cancer cells. In preclinical studies, CLN-619 prevented shedding across a variety of cancer cell lines. In a representative hepatoma PLC/PRF/5 cell line, soluble MICA in the supernatant decreased, and correspondingly, surface MICA levels increased, in a dose-dependent manner, following treatment with CLN-619. CLN-619 was more potent than other antibody candidates (Ab1 and Ab2) in preventing MICA shedding as shown in the figure below.

### Parental Clone of CLN-619 Reduced Serum MICA and Increased Surface MICA Levels in Hepatoma PLC/PRF/5 Cell Lines

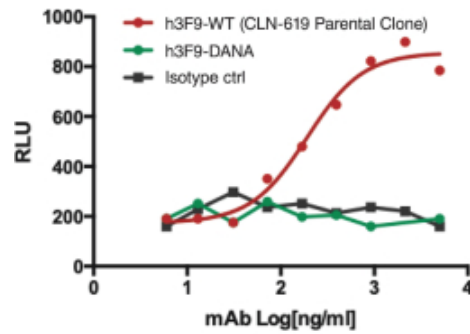


CLN-619 also demonstrated the ability to enhance NK cell-mediated killing of MICA/B expressing cancer cells *in vitro*. In an ADCC reporter bioassay, the parental clone of CLN-619, which has antibody variable region sequences from a mouse hybridoma from which CLN-619 was derived, induced ADCC in a dose-dependent and



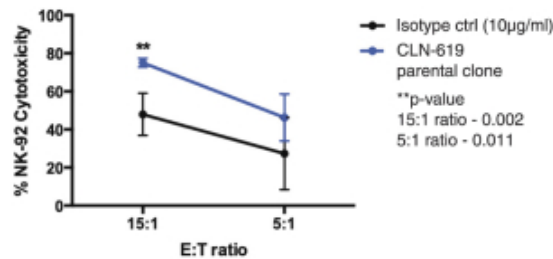
MICA/B binding-dependent manner, as shown in the figure below, where killing activity was measured by the relative luminescence units, or RLU. Such ADCC activity was abrogated when mutations in the Fc region were introduced into h3F9-DANA, which eliminated the binding to FcγRIIIa on NK cells that is key to mediating ADCC. An isotype control also failed to trigger ADCC, demonstrating the requirement of MICA/B target engagement.

**Parental Clone of CLN-619 Induced ADCC *In Vitro***



In an *in vitro* assay using human NK-92 cells and PLC/PRF/5 cancer cells, the parental clone of CLN-619 enhanced the killing of MICA/B-specific cancer cells by NK cells. As shown in the figure below, the parental clone of CLN-619, at both low and high effector to target, or E:T, ratios, significantly enhanced the extent of target cell killing compared to a control antibody.

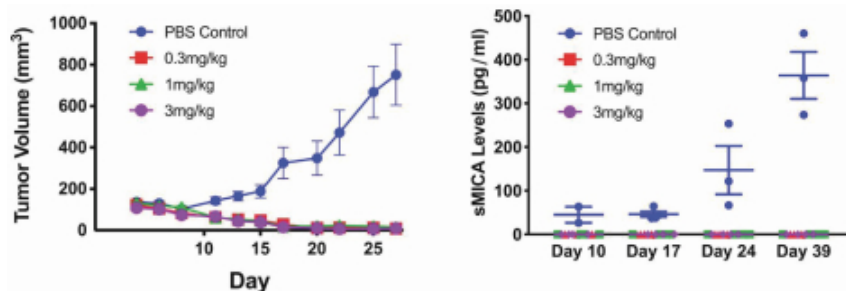
***In Vitro* Assay Using Human NK-92 Cells and PLC/PRF/5 Cancer Cells**



## Table of Contents

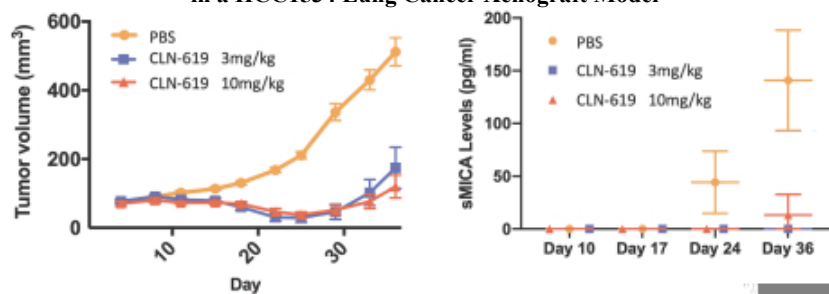
The antitumor activity of CLN-619 was further evaluated in multiple mouse tumor models. In a representative PLC/PRF/5 liver cancer xenograft model, CLN-619 treatment as a single agent resulted in tumor regression at all doses tested, as shown in the left panel of the figure below. In addition, the body weight profiles of treatment groups were comparable to the control group. Importantly, near complete suppression of MICA shedding as measured by soluble MICA levels in the serum was observed, as shown in the right panel of the figure below.

### CLN-619 Demonstrated Tumor Regression and Reduced Serum MICA Levels in a PLC/PRF/5 Liver Cancer Xenograft Model



Similarly, in a representative lung cancer xenograft model, CLN-619 treatment as a single agent resulted in tumor growth inhibition at all doses tested, as shown in the left panel of the figure below. We also observed near complete suppression of MICA shedding at all doses tested as measure by soluble MICA serum levels, as shown in the right panel of the figure below.

### CLN-619 Demonstrated Tumor Growth Inhibition and Reduced Serum MICA Levels in a HCC1534 Lung Cancer Xenograft Model



## Clinical Development Plan

We intend to evaluate CLN-619 as a monotherapy and in combination with pembrolizumab in a multi-center, dose escalation and dose expansion trial. We expect to submit our IND for CLN-619 in the first half of 2021. We are designing our trial to initially evaluate CLN-619 as a monotherapy in patients with advanced solid tumors in dose escalation cohorts. Upon establishing a RP2D, we intend to initiate several expansion cohorts to evaluate the preliminary efficacy of CLN-619 as a monotherapy in patients with selected advanced solid tumors. We also plan to investigate the safety and preliminary efficacy of CLN-619 in combination with pembrolizumab in advanced solid tumors. In addition, candidate biomarkers, including sMICA, will be evaluated in this first-in-human trial to identify patients who may be more likely to respond to CLN-619 and as a means to detect pharmacodynamic activity of CLN-619.

## CLN-617

CLN-617 is a fusion protein uniquely combining, in a single agent, two potent antitumor cytokines, IL-2 and IL-12, with a collagen-binding domain for the treatment of solid tumors. For nearly five decades, clinical researchers have studied the powerful role cytokines play in stimulating an immune response to cancer. Despite numerous advancements in protein engineering, delivery and targeting mechanisms, there are currently only two FDA-approved cytokine-based cancer therapies, with the most recent approval occurring over twenty years ago. Severe toxicities associated with systemic cytokine administration and a short serum half-life have hindered their clinical development and broader commercial uptake.

The structure of CLN-617 contains a collagen-binding domain that is designed to enable the retention of fused cytokines in the local tumor microenvironment following intratumoral administration. Collagen binding may help minimize the systemic dissemination and associated toxicities of IL-2 and IL-12 and prolong their immunostimulatory antitumor activity. In preclinical studies, murine surrogates of CLN-617 demonstrated robust single agent antitumor activity in both injected and non-injected contralateral tumors without inducing systemic toxicity, as measured by reduction in body weight. Given the broad expression of collagen across multiple tumor types and the well-validated antitumor activity of cytokine-based therapies, we believe CLN-617 may have utility across many different types of solid tumors. Based on publicly available information, we believe that we are the only company that (i) is developing an anti-cancer therapeutic candidate that combines IL-2 and IL-12 within a single therapeutic and (ii) has developed a technology for local retention of cytokines. We expect to submit an IND for CLN-617 in 2022.

The collagen-binding retention technology used in CLN-617 is based on technology that originated in the laboratory of Professor Dane Wittrup at the Massachusetts Institute of Technology, or MIT. We have further developed and refined this technology to create our AMBER platform, which we believe represents a novel platform with the potential to broaden the therapeutic window of cytokines and other immunostimulatory agents, with substantially reduced systemic toxicity.

### ***Background on Cytokines as Immunotherapies***

Cytokines are small proteins that regulate innate and adaptive immunity by mediating cell-to-cell communication. In response to inflammatory conditions, cytokines such as IL-2 and IL-12 are locally synthesized and act in a paracrine fashion at the site of their synthesis. IL-2 and IL-12 are two cytokines that amplify and coordinate immune cell responses for tumor control by inducing the stimulation and proliferation of NK and T cells to mediate antitumor immunity. Furthermore, the two cytokines act synergistically to engage complementary NK and T cell signaling pathways and augment the upregulation of each cytokine's cell surface receptor.

Given their natural occurrence as potent antitumor proteins, clinical researchers have been studying cytokines as immunotherapies for decades. In 1992, the FDA approved aldesleukin, a high-dose IL-2 infusion regimen that demonstrated 15-16% overall response rates in clinical trials, for the treatment of metastatic renal cell carcinoma and metastatic melanoma. Clinical and commercial adoption of aldesleukin has been hindered given its association with frequent grade 3 and 4 severe adverse events, including capillary leak syndrome, sepsis risk associated with impaired neutrophil function, pulmonary edema, hypotension, and acute renal insufficiency.

Clinical researchers have attempted to address the shortcomings of cytokine-based therapies through various engineering strategies in order to enhance their pharmacokinetic, or PK, or specificity profiles. For instance, PEGylation of cytokines is being explored to extend the half-life and enable lower or less frequent dosing, both for purposes of patient convenience and reducing toxicities associated with high serum concentrations of cytokines. Other engineering approaches attempt to reduce the affinity of IL-2 for CD25, the high affinity IL-2 receptor alpha subunit expressed on pro-tumor T regulatory cells, or T<sub>regs</sub>, and also on activated effector CD8<sup>+</sup>T cells. However, such modified versions of IL-2 may no longer effectively stimulate effector T cells at low IL-2 doses and will retain the poor PK properties of the cytokine after systemic administration.

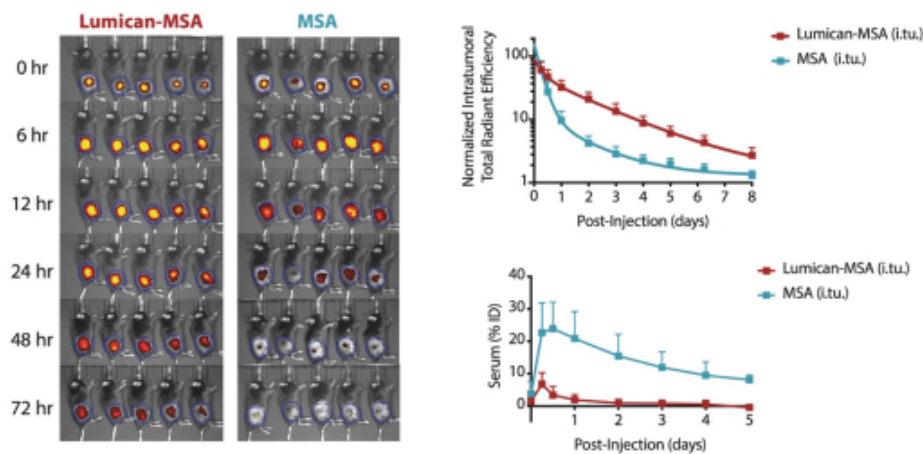
Alternatively, some cytokine-based therapeutic approaches attempt to target the delivery of cytokines to the tumor microenvironment. For example, cytokines have been fused to tumor-targeting antibodies, a format called immunocytokines. These antibodies direct the cytokine to the tumor by targeting cell surface antigens following systemic or local administration. However, this strategy is applicable only to patients that express the specific tumor antigen targeted by the immunocytokine. Furthermore, reduced bioavailability of the cytokine due to antibody internalization and loss of target antigen can limit the efficacy of immunocytokine therapies. Additionally, tumor targeting can be hindered by broad biodistribution due to cytokine affinity for its cognate receptors in blood, limiting bioavailability in the tumor. Another approach being explored to localize cytokine bioactivity to the tumor microenvironment is to obscure the cytokine active site with a tethered blocking domain that is cleaved off by the proteases present in the tumor microenvironment. This approach is still in early preclinical development.

Additionally, delivery of DNA constructs encoding cytokines is another approach to cytokine therapy. Intratumoral administration of plasmid DNA or adenoviruses that induce *in situ* expression of cytokines have also been explored in clinical trials. Likewise, oncolytic viruses, which preferentially replicate in cancer cells and can be administered either intratumorally or systemically, have been designed with genes encoding IL-2 or IL-12. While these approaches ensure that bioactive cytokines are produced in the tumor, they do not prevent systemic leakage of locally produced cytokines from the tumor site. Additionally, *in situ* expression strategies result in the limited ability to control the amount of cytokine expression, which makes pharmacologic dosing challenging.

### Our AMBER Platform

With these challenges in mind, Professor Dane Wittrup's team pioneered the research that formed the basis for our AMBER platform. Results from this research, which were published in *Science Translational Medicine* in 2019, showed that intratumorally anchoring the injected IL-2, IL-12, or the combination of both IL-2 and IL-12 to collagen potentiated a systemic antitumor response while retaining the cytokine payload in the tumor microenvironment, thereby avoiding systemic exposure and toxicities. In the figures below, the ability of lumican, a collagen-binding protein, to mediate tumor retention and prevent systemic distribution was measured following administration of fluorescently labeled lumican fused to mouse serum albumin, or MSA, as compared to MSA alone without a collagen-binding domain. Both the images and quantification shown below demonstrate markedly improved retention of the MSA when fused to collagen-binding lumican. Specifically, the figure on the left demonstrates that MSA, when attached to lumican, is retained in the tumor for a longer period of time upon an intratumoral injection as compared to MSA alone without a collagen-binding domain. The figure on the top right illustrates the absolute quantity of lumican-MSA or MSA retained in a tumor over a period of eight days, while the figure on the bottom right demonstrates serum levels of lumican-MSA or MSA leaked out of the tumor, as a percentage of injected dose over time.

#### Fusion of a Collagen-Binding Protein (Lumican) Improved Tumor Retention of Albumin Following Intratumoral Injection

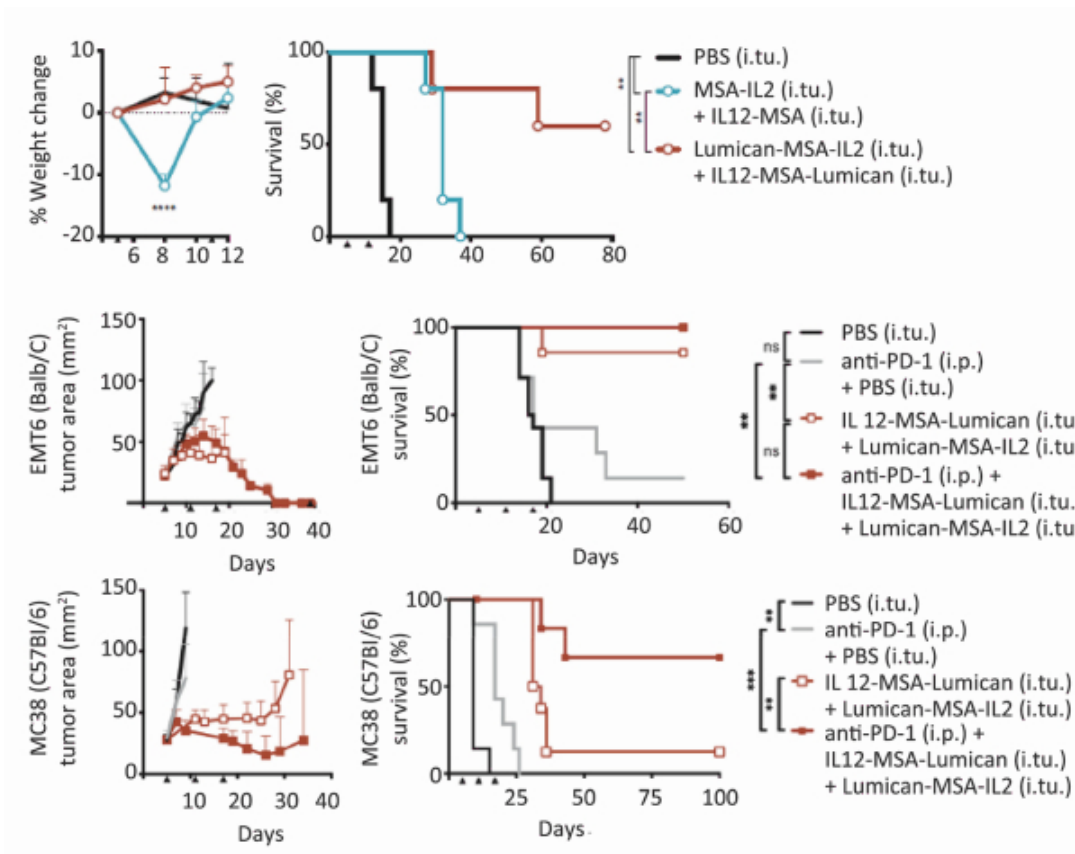


A further study explored the efficacy of lumican-MSA-IL2 and IL12-MSA-lumican fusion proteins each as a monotherapy or in combination in the B16F10 melanoma mouse model. B16F10 melanoma cells grow at highly aggressive rates. They further evade T cell responses via low expression of MHC Class I, making B16F10 tumors one of the most challenging syngeneic models for preclinical immunotherapy studies.

## Table of Contents

The combination of lumican-MSA-IL2 and IL12-MSA-lumican showed survival improvement in all tested tumor models, including melanoma (B16F10), breast cancer (EMT6), and colon cancer (MC38), as shown below. Furthermore, the addition of a PD-1 checkpoint inhibitor demonstrated synergistic antitumor activity, with the triplet combination of lumican-MSA-IL2, IL12-MSA-lumican, and a PD-1 checkpoint inhibitor demonstrating improved tumor regression and survival. Neither monotherapy resulted in increased rates of complete responders. Of note, the combination of IL-2 and IL-12 lumican fusion proteins demonstrated significantly improved survival rates without systemic toxicity, as measured by body weight changes. In contrast, injection of cytokines fused to albumin without a collagen-binding domain were not efficacious and caused significant body weight loss.

### Impact of Lumican-MSA-IL2 and IL12-MSA-Lumican and Their Combination on Tumor Size, Survival Rates and Body Weight



#### Our Solution: CLN-617

CLN-617 is a multi-functional cytokine therapeutic candidate designed to exploit the synergistic activities of IL-2 and IL-12 in a single therapeutic agent. We have validated the bioactivity of several murine surrogate designs and demonstrated antitumor activity in *in vivo* animal models. We intend to submit an IND for CLN-617 in 2022.

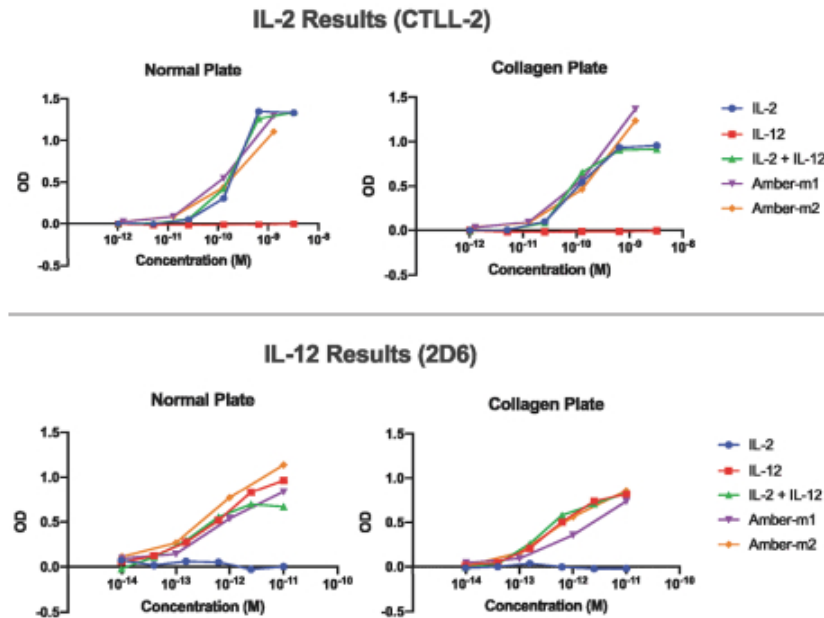
We have generated a variety of multifunctional AMBER-based constructs containing both IL-2 and IL-12 fused to various collagen-binding domains, and we refer to the murine surrogates of these constructs as

## [Table of Contents](#)

AMBER-m1 and AMBER-m2. While Professor Wittrup's foundational study focused on lumican, we evaluated collagen-binding domains with different affinities including other proteins that bind to collagen in the tumor microenvironment to enhance retention of the cytokines.

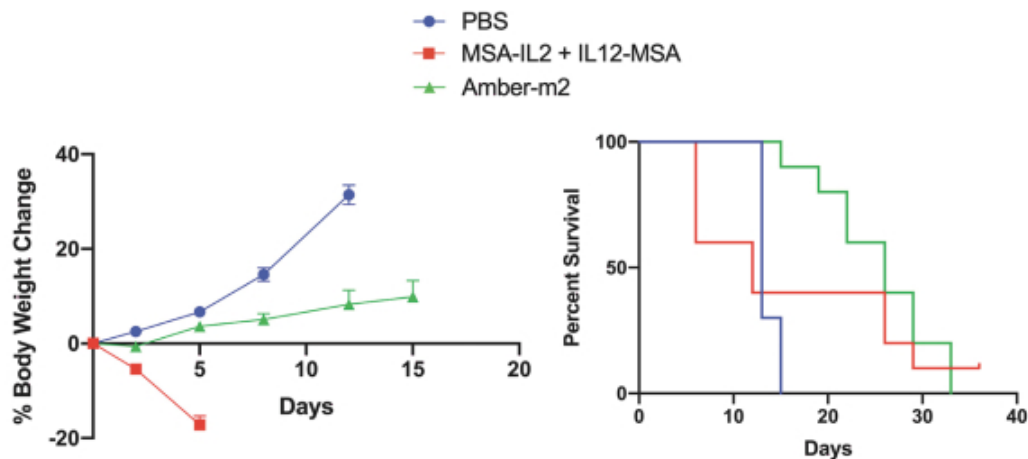
Our murine surrogate AMBER constructs have been assessed for productivity, product quality, and bioactivity. We tested the bioactivity of both IL-2 and IL-12 cytokines by measuring proliferation of respective cell lines in response to IL-2 and IL-12. We compared our constructs with collagen-binding domains to native cytokines in the presence and absence of collagen. As shown below, cytokine activity, measured by optical density, or OD, is maintained in the multifunctional AMBER-m1 and AMBER-m2 constructs and activity is comparable in both the absence and presence of collagen.

### **In AMBER Constructs, Cytokine Activity Was Fully Retained after Fusion to Collagen-Binding Domain**



Based on these results, we further assessed the antitumor activity and tolerability of AMBER-m2 *in vivo* in C57BL/6 mice bearing B16F10 tumors. We compared intratumoral administration of AMBER-m2 to a combination of MSA-IL2 and IL12-MSA, which lack collagen-binding domains. As expected, treatment with MSA-IL2 and IL12-MSA led to systemic toxicity, as measured by reduction in body weight (left panel of figure below). In contrast, AMBER-m2 exhibited single-agent antitumor activity without inducing systemic toxicity, as measured by survival (right panel of figure below). Based on these results, we believe that AMBER-m2, which is presumably retained in the tumor microenvironment, may have the potential to mitigate the systemic toxicity associated with IL-2 and IL-12 therapy, thus potentially improving the therapeutic index while delivering antitumor activity.

**Antitumor Activity and Tolerability of MSA-IL2 + IL12-MSA or AMBER**

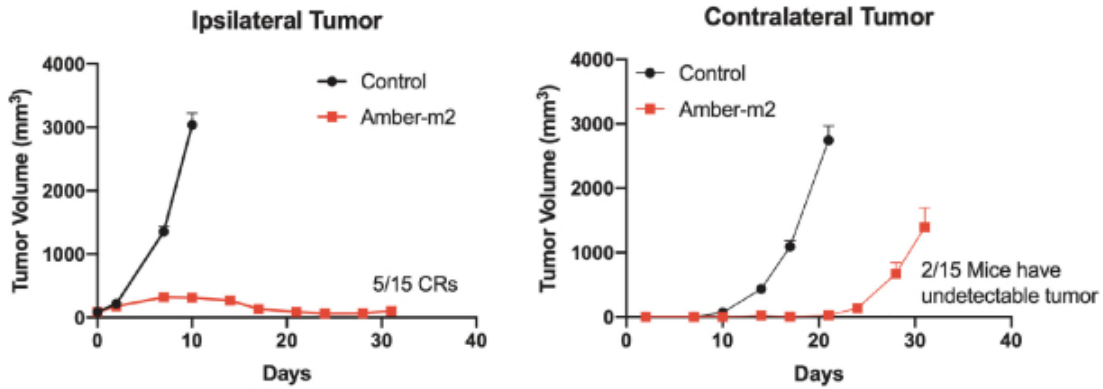


*In the experiments above, body weight changes are no longer recorded following animal death, accounting for the difference in days duration between the left and right figures for the MSA-IL2 + IL12-MSA treated animals.*



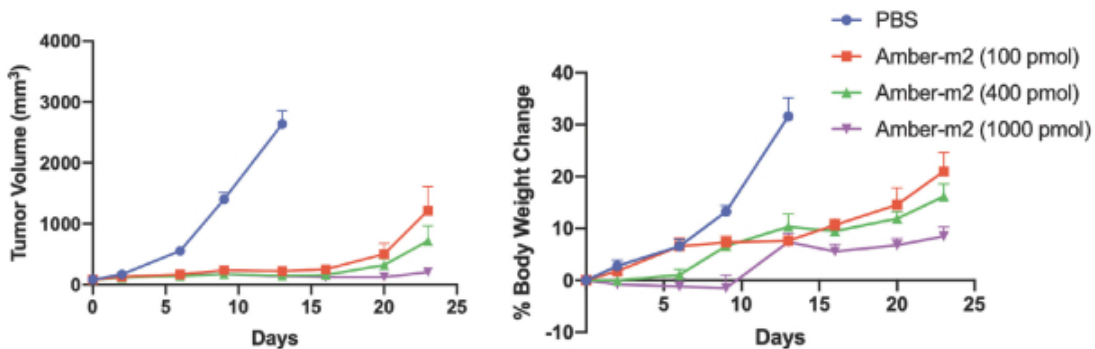
We hypothesized that in addition to mediating local antitumor activity, AMBER-m2 may be capable of generating responses against non-injected contralateral tumors due to the induction of systemic immunity, also known as an abscopal effect. To test our hypothesis, we utilized C57BL/6 mice bearing two B16F10 tumors: an ipsilateral tumor that was directly injected with AMBER-m2 and a contralateral tumor that was implanted 10 days later and never treated with AMBER-m2. Tumor control was observed in both the treated and untreated distal tumors, thus demonstrating an abscopal effect.

**AMBER-m2 Inhibits Tumor Growth in Both Injected (Ipsilateral) and Uninjected (Contralateral) B16F10 Tumors, Providing Evidence for an Abscopal Effect**



We have also evaluated the dose responsiveness of AMBER-m2 in the B16F10 model. Increasing doses of AMBER-m2 led to increased tumor growth control (left panel of figure below) and all doses did so without inducing significant body weight loss (right panel of figure below). Notably, the highest tested dose of 1,000 pmol is an equivalent dose of 6.4 mpk of body weight, which translates to 0.7 mpk of IL-2 and 2.3 mpk of IL-12. In comparison, only 100 pmol of MSA-IL2 and IL12-MSA led to lethal body weight loss.

**Impact of AMBER-m2 on Tumor Growth and Body Weight in the B16F10 Model**



Based on the results of our preclinical studies, we believe that the inclusion of a collagen-binding domain by our AMBER platform has the potential to allow for the safe retention of high levels of cytokines in the tumor microenvironment. While remarkable progress has been made in the treatment of cancer with the adoption of checkpoint inhibitors, including pembrolizumab, ipilimumab, and nivolumab, only a fraction of patients with solid

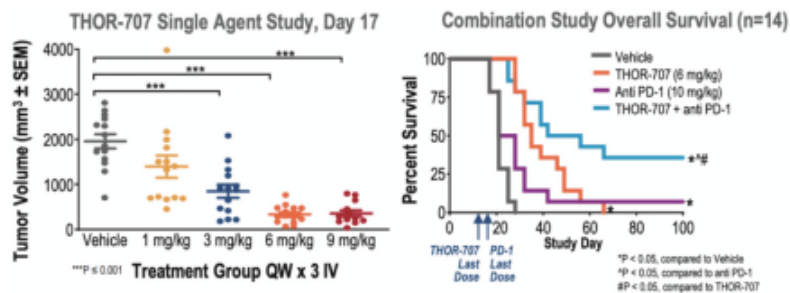
## Table of Contents

tumors respond to these therapies. We believe a well-tolerated agent that can deliver the functional synergies of IL-2 and IL-12 has the potential to treat a broad range of solid tumors, including those that are not responsive to checkpoint inhibitors. In addition, preclinical results show the synergistic effect of adding a checkpoint inhibitor to a IL-2 and IL-12 combination treatment, which we believe may produce deeper responses in patients who respond to checkpoint inhibitors.

We have reviewed the publicly available results of preclinical *in vivo* experiments with other IL-2 and IL-12 based therapeutic candidates. We did not conduct head-to-head comparative studies of the IL-2 and IL-12 based therapeutic candidates described below, and preclinical data may not be similar to clinical results. As a result, comparative conclusions cannot be drawn between these preclinical study data and the preclinical study data we have observed for CLN-617 and AMBER, including due to differences in methodologies, such as dosing and method of administration, and the disease state of the mice.

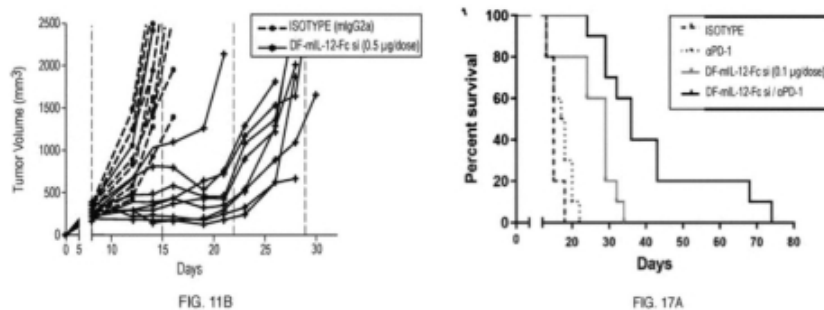
In a study conducted by Synthorx Inc., treatment of syngeneic CT26 tumors with THOR-707, a pegylated IL-2 engineered to have decreased binding to the  $\alpha$  chain of the IL-2 receptor subunit, resulted in tumor growth inhibition as shown in the left panel of the figure below. However, no mouse in the THOR-707 mono-therapy treatment group achieved long-term survival as shown in the right panel of the figure below.

### An Engineered IL-2, Administered as a Monotherapy, Did Not Induce Any Complete Responses in CT26 Tumors



In a study conducted by Dragonfly Therapeutics, treatment of syngeneic B16F10 tumors with a murine IL-12 fused to an Fc domain via intravenous administration resulted in tumor growth inhibition as shown in left panel of the figure below; however, there was no complete tumor eradication in any of the treated animals. Even with treatment in combination with anti-PD-1 checkpoint inhibitor, no long-term survival was achieved in any of the animals as shown in right panel of the figure below.

### An IL-12 Fused to Fc, Administered as a Monotherapy, Did Not Induce Any Complete Responses in B16F10 Tumors



## CLN-978

CLN-978 is a half-life extended, humanized, single-chain bispecific antibody designed to simultaneously engage CD19 on cancer cells and CD3 on T cells, triggering redirected T cells to lyse the target cancer cells. In addition, CLN-978 has a human serum albumin, or HSA, binding domain designed to prolong its serum half-life. CLN-978, referred to as NexGem in the figures below, mediated CD19-dependent target cell lysis *in vitro* on target cell lines with a range of CD19 target expression levels. In preclinical *in vivo* studies, treatment with NexGem, at extremely low and infrequent doses, led to inhibition of tumor growth and tumor regression in a human CD3e transgenic syngeneic lymphoma mouse model. We intend to initially evaluate CLN-978 as a novel treatment for B-cell acute lymphoblastic leukemia, or ALL, and are currently planning IND-enabling pharmacology, pharmacokinetic, and safety studies.

### ***Background on ALL and CD-19***

ALL is characterized by the proliferation of immature lymphocytes in the bone marrow. According to the U.S. SEER database, there is estimated to be approximately 6,150 new cases of ALL and 1,520 deaths from ALL in the U.S. in 2020. Overall, approximately 40% of cases of ALL are in adults, and adult patients have a high mortality rate, accounting for approximately 80% of deaths from ALL.

In the pediatric population, ALL is highly curable with the long-term survival rate exceeding 90%. The treatment of children with ALL has benefited from a deeper understanding of the molecular genetics and pathogenesis of the disease as well as advances in the treatment paradigm, including combination chemotherapy. High rates of clinical trial participation in cooperative group studies in children and the development of risk-stratified treatment paradigms has enabled dose improvements in the standard-of-care for children. In contrast, similar treatment strategies have yielded far less favorable outcomes in the adult population, in part due to the higher prevalence of comorbidities and other high-risk features at diagnosis predisposing them to chemotherapy intolerance and resistance.

Approximately 80% of all ALL cases involve lineage lymphocytes in the bone marrow. CD19 is a cell surface antigen expressed on B cells, including cells that have undergone malignant transformation. The persistence of CD19 in cancerous B-cells has made it an attractive target for CD19-directed therapies, including blinatumomab. Blinatumomab belongs to a class of a bispecific T cell engaging antibody construct called BiTE, and is it currently the only CD19-targeting antibody approved for the treatment of r/r B cell ALL as well as for patients with first or second complete remission with minimal residual disease, or MRD.

We believe an opportunity exists to improve on several aspects of blinatumomab, which is made from two tandemly arranged scFv domains binding to CD19 and CD3, respectively. First, blinatumomab's short half-life of

In a study conducted by Dragonfly Therapeutics, treatment of syngeneic B16F10 tumors with a murine IL-12 fused to an Fc domain via intravenous administration resulted in tumor growth inhibition as shown in left 2.1 hours necessitates continuous intravenous infusion to achieve desirable clinical efficacy. Such continuous administration increases the risk of serious catheter-related infections, which occurred in 9.5% of patients in clinical trials and which can be life-threatening or fatal. The dosing regimen and administration requirements, which include extended hospitalization and inpatient care, also present challenges regarding clinical management and monitoring, and may limit patient access to blinatumomab.

Second, we believe the binding properties of both the CD19 and the CD3 binding domains of blinatumomab may not be optimized to maximize the therapeutic potential of the bispecific T cell engager modality. Specifically, we believe the affinity of each domain to its respective target, on its own and in combination, is a critical determinant for both the efficacy and safety profile of a T cell engager. With regard to safety, main adverse reactions of concern include cytokine release syndrome and neurological toxicities. On the efficacy front, the majority of patients who are refractory to or relapse on blinatumomab treatment still express CD19 on their cancer cells, suggesting a potential benefit from using CD19-specific domains of much higher binding affinity.

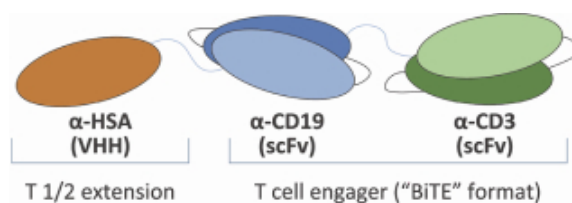
## [Table of Contents](#)

A CD19-targeted chimeric antigen receptor T cell, or CAR, therapy, tisagenlecleucel, has also been approved for the treatment of B-cell ALL. Despite its promising clinical antitumor activity, autologous CAR-T cells have significant logistic and clinical limitations. CAR-T cells are produced on an individual-patient basis, which makes their production complex and expensive. In a number of patients in tisagenlecleucel clinical trials, treatment with CAR-T cells was associated with substantial toxicities, including cytokine release syndrome and neurotoxicity, which necessitated treatment in intensive care units. Furthermore, patients need to be at least 3 months post HSCT, and the entire process of autologous CAR-T cell manufacturing generally takes 22 days on average, which may limit the use of these therapies in patients with highly aggressive leukemia and/or active graft versus host disease. We believe a modality with an antibody-like modality such as CLN-978 has the potential to offer unique advantages over CAR-T therapies, particularly with respect to broader and more immediate access for patients as an off-the-shelf therapy.

### **Our Solution: CLN-978**

We designed CLN-978 based on a BiTE-like format using tandemly arranged scFvs for CD19 and CD3, similar to blinatumomab. In addition, we incorporated a third domain in the form of a single-domain antibody, or VHH, for binding to HSA. We believe that binding of CLN-978 to albumin has the potential to extend its serum half-life, potentially addressing limitations related to its blinatumomab's dosing regimen. An illustration of the CLN-978 structure is shown in the following figure.

#### **Design of CLN-978, a CD19/CD3-bispecific T Cell Engager with Extended Serum Half-life**



We have collaborated with Adimab LLC to generate antibody-derived binding domains specific for CD19, CD3, and HSA with optimized biophysical and biochemical properties, tailored binding affinities as well as other parameters that are key to developability, manufacturability and preclinical testing of drug candidates. In multiple head-to-head preclinical comparison studies, NexGem has demonstrated improved activity compared to blinatumomab both in terms of redirecting of T cells to lyse CD19-expressing cells *in vitro* and enhanced tumor growth inhibition *in vivo*. Although comparative data from preclinical studies must be interpreted with caution and we may not observe the same differential effect in clinical trials, we believe these preclinical results support further evaluation of CLN-978 for its potential to improve upon the clinical efficacy observed with blinatumomab and for its potential to offer a more convenient dosing profile. In addition to convenience, we believe the ability to target cells with low CD19 expression would potentially enable us to address indications that are not yet addressed by blinatumomab, such as non-Hodgkin's lymphoma.

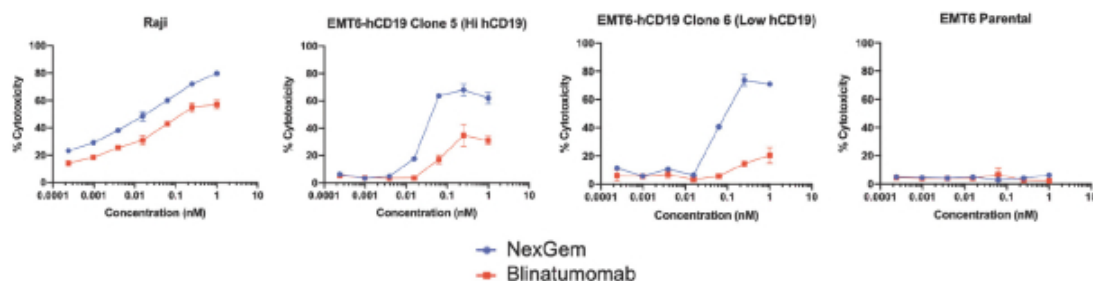
We expect the properties of CLN-978 may facilitate our efforts on manufacturing processes and IND-enabling studies, as we believe they will enable us to leverage standard cell line development and purification technologies for GMP manufacturing and conventional non-human primate models for GLP toxicology assessment.

### **Preclinical Data**

Our NexGem candidates incorporate a CD19 binding domain that was engineered to achieve 100x enhanced binding affinity to CD19 compared to blinatumomab as measured using plasmon resonance, which we believe may contribute to improved cytolytic potency in an *in vitro* model. As shown in the figure below, NexGem

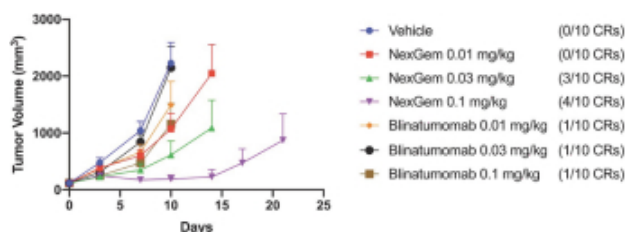
outperformed blinatumomab in the cell lines evaluated as measured by both the EC50 value of redirected cell lysis and the maximum percentage of lysis. Notably, the relative improvement in cytolytic potency of CLN-978 as compared to blinatumomab was the highest in target cells expressing relatively low levels of CD19. We believe this observation supports our hypothesis that CLN-978 may have the potential to more adequately address the patient population with lower levels of CD19 expression and/or patients in which CD19 expression is downregulated as a resistance mechanism to CD19-targeted therapies. It was also shown that the robust lysis of target cells was dependent on CD19 expression, as the EMT6 parental cell line, which lacks CD19 expression, was not susceptible to lysis at any of the drug concentrations tested.

### Comparison of NexGem Versus Blinatumomab *in vitro* Cytotoxicity Assays



NexGem has also demonstrated antitumor activity *in vivo* compared to blinatumomab in a human CD3e transgenic model, where the mice were implanted with a syngeneic tumor engineered to express human CD19. As shown in the figure below, NexGem outperformed blinatumomab in tumor growth inhibition at every dose level tested. Furthermore, at the 0.1 mg/kg dose level, NexGem treatment resulted in a complete response in 40% of mice compared to only 10% of mice treated with blinatumomab.

### Antitumor Activity of NexGem Versus Blinatumomab In a Human CD3 Transgenic Mouse Model Bearing Human CD19 Expressing Syngeneic Tumors



Given the potential contribution of the CD3 binding domain to the cytokine release profile of a T cell engager, we explored multiple variants of the CD3 binding domain of CLN-978. We plan to nominate our final therapeutic candidate based on the totality of evidence, including *in vitro* cell killing, *in vitro* cytokine release, and *in vivo* antitumor activity, to optimize the overall risk-benefit profile of the program.

### Our Earlier-Stage Programs

In addition to the programs described above, we are evaluating two discovery-stage immuno-oncology programs, Opal and Jade, both of which are in the lead optimization stage.

For our Opal program, we are exploring a construct that combines checkpoint inhibition and immune co-stimulatory receptor activation in a single protein. We are evaluating various single-chain fusion protein

## [Table of Contents](#)

formats using an affinity optimized PD-1 extracellular domain and a single-chain 4-1BBL designed to selectively activate the 4-1BB/CD137 pathway on T cells inside tumors. We believe that the combination of these natural binding elements could potentially drive synergistic antitumor immune mobilization while reducing the systemic toxicity often associated with past co-stimulatory immune agonists. We are designing our lead construct such that the activation of the co-stimulatory receptor is dependent on the binding to immune checkpoint ligands, which have generally higher expression levels in tumor tissues compared to normal tissues. We also believe that our approach has the potential to demonstrate advantages over antibody-based bispecific constructs that typically require selection of format specific epitopes and appropriate affinities for target binding.

We are developing our Jade program as part of an ongoing collaboration with the Fred Hutchinson Cancer Research Center, a world leader in finding self-reactive, human T cells of high affinity. Our goal is to develop a TCR-T cell therapy targeting a novel senescence and cancer-related protein. We are collaborating with Fred Hutchinson Cancer Research Center to search for naturally occurring TCRs against this target.

### **Competition**

The biotechnology and pharmaceutical industries are characterized by the rapid evolution of technologies and understanding of disease etiology, intense competition and a strong emphasis on intellectual property. We believe that our differentiated business model, approach, scientific capabilities, know-how and experience provide us with competitive advantages. However, we face, and will continue to face, competition from companies focused on more traditional therapeutic modalities, such as small molecule inhibitors. We expect substantial competition from multiple sources, including major pharmaceutical, specialty pharmaceutical, and existing or emerging biotechnology companies, academic research institutions, governmental agencies and public and private research institutions worldwide. Many of our competitors, either alone or through collaborations, have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These companies also compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and recruiting patients in clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. As a result, our competitors may discover, develop, license or commercialize products before or more successfully than we do.

We also face competition more broadly across the oncology market for cost-effective and reimbursable cancer treatments. The most common methods of treating patients with cancer are surgery, radiation and drug therapy, including chemotherapy, hormone therapy, biologic therapy, such as monoclonal and bispecific antibodies, immunotherapy, cell-based therapy and targeted therapy, or a combination of any such methods. There are a variety of available drug therapies marketed for cancer. In many cases, these drugs are administered in combination to enhance efficacy. While our therapeutic candidates, if any are approved, may compete with these existing drugs and other therapies, to the extent they are ultimately used in combination with or as an adjunct to these therapies, our therapeutic candidates may not be competitive with them. Some of these drugs are branded and subject to patent protection, and others are available on a generic basis. Insurers and other third-party payors may also encourage the use of generic products or specific branded products. As a result, we may face challenges in obtaining market acceptance of, and gaining significant share of the market for, any of our therapeutic candidates that we successfully introduce to the market. In addition, many companies are developing new oncology therapeutics, and we cannot predict what the standard of care will be as our therapeutic candidates progress through clinical development.

With respect to our lead therapeutic candidate, CLN-081, we are aware of other EGFR inhibitors that are in clinical development for the treatment of NSCLC with EGFRex20ins mutations. We believe that the two most advanced are poziotinib from Spectrum Pharmaceuticals and mobocertinib (TAK-788) from Takeda Pharmaceuticals. Additional EGFR inhibitors in development include Black Diamond's BDTX-189 and Dizal

## [Table of Contents](#)

Pharmaceutical's DZD9008. Additionally, Johnson & Johnson is developing amivantamab, an EGFRxcMET bispecific antibody, for the treatment of NSCLC with EGFRex20ins mutations.

With respect to CLN-619, we are aware of several companies that are developing cancer therapies targeting MICA/B as a monotherapy and/or in combination with other agents, including: Innate Pharma, Inc. (in collaboration with AstraZeneca Inc.), CanCure LLC, Genentech Inc., Novartis International AG, and Bristol-Myers Squibb Company. To our knowledge, none of them has entered clinical development.

With respect to CLN-049, we are aware of several companies that are developing bi-specifics for the treatment of AML, including those targeting CD3 and CD33 (Amgen, Amphivena), CD123 (MacroGenics, Xencor), and CCL1/CLEC12A (Merus, Genentech). These agents are limited to a subset of AML blasts that express CD33, CD123, and CCL1, whereas multiple published studies have demonstrated that FLT3 is expressed in at least 70% of AML blasts. Amgen is developing a bispecific T cell engager targeting FLT3 for AML. There are also several targeted small molecule therapies approved for the treatment of r/r or first-line AML, including for AML with FLT3 mutations, such as Astellas' XOSPATA (gilteritinib) and Novartis' RYDAPT (midostaurin). We are also aware of other small molecules that are approved or in development for AML patients with FLT3 mutations, including IDH inhibitors, such as TIBSOVO (ivosidenib) and IDHIFA (enasidenib), BCL2 inhibitors, such as VENCLEXTA (venetoclax), and hedgehog pathway inhibitors, such as DAURISMO (glasdegib).

With respect to CLN-617, we are not aware of any other drug candidates currently under development that integrate both IL-2 and IL-12 into a single multi-functional construct and stimulate the immune system in a tumor-specific manner. We are aware of several companies actively developing clinical-stage programs as either individual IL-2 or IL-12 therapies, including: Nektar Therapeutics, Inc., Alkermes plc, Sanofi, Philogen S.p.A., Roche AG, Apeiron Biologics, and Dragonfly Therapeutics Inc.

With respect to our CLN-978 program, we are aware of a number of companies developing product candidates that target CD19 or other tumor antigens relevant to B-cell ALL using immune cells or other cytotoxic modalities. These mainly include immune cell redirecting therapeutics (e.g., T cell engagers), adoptive cellular therapies (e.g., CAR-Ts), and antibody drug conjugates. Companies developing cell therapies or antibodies targeting CD19 include Morphosys AG, Novartis International AG, Gilead Sciences Inc., Bristol-Myers Squibb Company, Allogene Therapeutics Inc., Nkarta Inc., and Amgen Inc.

If our competitors develop and commercialize drugs that are safer, more effective, have fewer or less severe side effects, are more convenient to administer, are less expensive or with a more favorable label than our therapeutic candidates, we could see a reduction or elimination in our commercial opportunity. Our competitors also may obtain FDA or other regulatory approval for their drugs more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. The key competitive factors affecting the success of all of our therapeutic candidates, if approved, are likely to be their efficacy, safety, convenience, price, the level of generic competition and the availability of reimbursement from government and other third-party payors.

## **License Agreements**

### ***Taiho License Agreement***

In February 2019, our partially-owned subsidiary Cullinan Pearl Corp., or Cullinan Pearl, entered into a License and Collaboration Agreement, or the Taiho License Agreement, with Taiho Pharma. Pursuant to the Taiho License Agreement, Cullinan Pearl obtained an exclusive, royalty-bearing worldwide license (excluding Japan) to develop, manufacture, commercialize and, subject to certain limitations, sublicense CLN-081 (formerly known as TAS6417) and products containing CLN-081, for use worldwide outside Japan, under the licensed patent rights and know-how.

## Table of Contents

Under the Taiho License Agreement, Cullinan Pearl agreed to conduct all development activities in accordance with a target product profile and a development plan intended to generate data to seek regulatory approval of CLN-081 from the FDA and EMA and make such data available to Taiho Pharma for use to seek regulatory approval in Japan. Certain of these development activities require using commercially reasonable efforts. Cullinan Pearl must disclose experimental data, results or similar know-how to Taiho Pharma and grant a non-exclusive, royalty free, worldwide license, with the right to sublicense, to Taiho Pharma to develop, manufacture and commercialize CLN-081 and its products in Japan. Cullinan Pearl, and in certain cases Taiho Pharma, are obligated to provide progress reports to each other on development efforts before and, for so long as such party is developing a licensed product, after the first commercial sale of CLN-081. Taiho Pharma also has right of negotiation with Cullinan Pearl in the event Cullinan Pearl decides to commence negotiations with or if Cullinan Pearl receives a bona fide term sheet from a third party regarding the license, sale, assignment, transfer or material disposition of rights with respect to the licensed product.

As partial consideration for the license, Cullinan Pearl paid an initial, non-refundable, non-creditable license fee of \$2,500,000 and issued Taiho Pharma 1,860,000 shares of Cullinan Pearl common stock. In addition, Cullinan Pearl is obligated to pay non-refundable, non-creditable research and development, regulatory and sales milestone payments upon the occurrence of certain milestone events in an aggregate amount of up to \$154.5 million for development, regulatory and sales milestones. Each milestone is payable only once. No milestones have been achieved to date under the Taiho License Agreement.

Furthermore, on a country-by-country and product-by-product basis, Cullinan Pearl is required to pay running mid single digit to low tens digits royalty percentages of annual aggregate net sales worldwide outside Japan, during the royalty term (such royalty term determined on a product-by-product and country-by-country basis), subject to certain offsets, deductions or reductions related to loss or impairment of exclusivity in the territory. Such royalty obligations will expire on a country-by-country and product-by-product basis upon the latest of (a) the expiration of the last patent which covers a product in such country, (b) the expiration of the applicable exclusivity granted by a regulatory authority and (c) ten years following the first commercial sale of the product in such country.

In the event (i) Taiho Pharma does not exercise its right of negotiation with respect to a licensed product or (ii) Taiho Pharma does exercise its right of negotiation, but the parties do not consummate a transaction, then at the time Cullinan Pearl enters into a subsequent transaction with a third party for (a) less than all or less than substantially all of Cullinan Pearl's rights in a licensed product, Cullinan Pearl is obligated to pay Taiho Pharma a mid single digit to mid teens percentage of revenue from such transactions or (b) all or substantially all of Cullinan Pearl's rights in a licensed product, Cullinan Pearl is obligated to pay Taiho Pharma a low single digit to mid single digit percentage of revenue from such transactions, provided, however, that such payment under (b) shall not be required following the consummation of an initial public offering of Cullinan Pearl meeting certain requirements.

Either party may terminate the agreement upon a material breach by the other party or bankruptcy of the other party. Cullinan Pearl may terminate the Taiho License Agreement at any time and for any commercially reasonable justification. Unless earlier terminated, the Taiho License Agreement continues in effect on a product-by-product basis until it expires upon the expiration of all applicable royalty terms with respect to all products in all countries worldwide.

### ***DKFZ/Tübingen License Agreement***

In August 2020, our partially-owned subsidiary Cullinan Florentine Corp., or Cullinan Florentine, entered into an Exclusive License Agreement, or the DKFZ/Tübingen License Agreement, with Deutsches Krebsforschungszentrum, or DKFZ, Eberhard Karls University of Tübingen, Faculty of Medicine, or University of Tübingen, and Universitätsmedizin Gesellschaft für Forschung und Entwicklung mbH, Tübingen, or UFE. Pursuant to the DKFZ/Tübingen License Agreement, DKFZ and University of Tübingen, collectively referred to



## Table of Contents

as the Licensor, granted to Cullinan Florentine an exclusive (even as to Licensor, UFE and its and their affiliates), worldwide, milestone- and royalty-bearing, license under certain licensed patent rights, applications, technical information and know-how, with the right to grant sublicenses through multiple tiers to research, develop, commercialize or otherwise exploit licensed products, itself and through its affiliates and third parties, within the field. Cullinan Florentine has the sole right, but not the obligation, to prosecute and maintain all licensed patent rights worldwide, provided that Licensor may take over or continue such prosecution and maintenance if Cullinan Florentine elects to cease the prosecution or maintenance of a licensed patent right.

Under the DKFZ/Tübingen License Agreement, Cullinan Florentine is obligated to achieve certain regulatory and research and development performance benchmarks, or collectively, the Performance Benchmarks, by certain specified dates, or collectively, the Performance Dates. If a Performance Benchmark is not achievable by the applicable Performance Date, Cullinan Florentine may extend the Performance Date for any single Performance Benchmark by a mid single digit amount of months by providing written notice to Licensor and paying a non-refundable, non-creditable extension fee per each such extension. Cullinan Florentine may extend the Performance Date for any single Performance Benchmark up to a low single digit amount of times, provided that Cullinan Florentine may only request an extension a mid single digit amount of times. If Cullinan Florentine is unable to seek a further extension per the preceding sentence, then Cullinan Florentine may seek a further extension by providing written notice to Licensor and any such extension shall be subject to the prior written approval of the Licensor, such approval not to be unreasonably withheld or delayed. As of November 30, 2020, Cullinan Florentine has met the first performance benchmark to create a master cell bank.

Cullinan Florentine paid to Licensor an upfront non-refundable, non-creditable option exercise fee of \$600,000 and, as partial consideration for the licenses, has issued 758,246 and 348,682 shares of Common Stock to DKFZ and University of Tübingen, respectively, who together own eight percent (8%) of Cullinan Florentine's fully diluted shares outstanding as of December 18, 2020. DKFZ and UFE were also granted the right to appoint one representative to the board of directors of Cullinan Florentine for so long as DKFZ and UFE in aggregate hold a mid-double digit percentage of shares of Cullinan Florentine common stock issued pursuant to the DKFZ/Tubingen License Agreement or until a financing threshold representing the aggregate investment in Cullinan Florentine is reached.

Additionally, Cullinan Florentine shall pay certain non-refundable, non-creditable milestone payments to Licensor upon the occurrence of certain clinical and regulatory events by a licensed product, whether triggered by Cullinan Florentine, its affiliates or sublicensees. Each milestone payment is paid one time only up to an aggregate of \$28 million. No milestones have been achieved to date under the DKFZ/Tübingen License Agreement.

Furthermore, Cullinan Florentine is required to pay running low to mid single-digit royalty percentage on net sales of each licensed product on a country-by-country and product-by-product basis during the royalty term, subject to certain offsets or reductions. The aggregate, worldwide royalties due to Licensor for net sales of any licensed product in a calendar year shall not be reduced to an amount less than low to mid single-digit percentages. Such royalty obligations will expire on a country-by-country and product-by-product basis upon the later of (a) the expiration of the last valid claim of a patent which covers a product in such country and (b) a low double-digit anniversary following the first commercial sale of a product in such country. Under certain conditions upon a first change in control, Cullinan Florentine shall pay a non-refundable, non-creditable mid single-digit percent of sale proceeds, provided, however, that such payment shall not be required following consummation of an initial public offering of Cullinan Florentine.

Either party may terminate the agreement upon a material breach by the other party or insolvency of the other party. Cullinan Florentine may terminate the DKFZ/Tübingen License Agreement for any or no reason after the first filing of an investigational new drug application or CTA by providing prior written notice. Licensor may terminate the agreement by providing prior written notice, if Cullinan Florentine or any of its affiliates challenges the validity of certain patent rights. Unless earlier terminated, the DKFZ/Tübingen License Agreement continues on a perpetual basis.

***MIT Exclusive Patent License Agreement***

In December 2019, our partially-owned subsidiary Cullinan Amber Corp., or Cullinan Amber, entered into an Exclusive Patent License Agreement, or the MIT License Agreement, with the Massachusetts Institute of Technology, or MIT. Pursuant to the MIT License Agreement, MIT granted to Cullinan Amber an exclusive, worldwide, milestone-, equity- and royalty-bearing license under certain licensed patent rights and applications, with the right to grant sublicenses through three tiers (so long as Cullinan Amber remains an exclusive licensee of the patent rights in the field worldwide) to develop, make, have made, use, sell, have sold, offer to sell, lease, and import licensed products containing specific fusion proteins in the field of diagnosis, prognosis, prophylaxis or treatment of cancer in humans or other animals. MIT shall prepare, file, prosecute and maintain all of the patent rights, and Cullinan Amber shall cooperate with the prosecution, provide comments on patent prosecution documents, and pay all fees and costs relating to such prosecution and maintenance.

Cullinan Amber paid MIT an upfront license issue fee of \$50,000 and shall reimburse MIT for certain documented, out-of-pocket expenses incurred by MIT in connection with the preparation, filing, prosecution, maintenance and defense of the patent rights. As of November 30, 2020 Cullinan Amber has reimbursed MIT for \$48,567 in connection with out-of-pocket expenses incurred by MIT in connection with the preparation, filing, prosecution, maintenance and defense of patent rights. In addition, as partial consideration, Cullinan Amber has issued 200,066 shares of common stock of Cullinan Amber to MIT, which owns five percent (5%) of Cullinan Amber's fully diluted shares outstanding as of November 30, 2020. The MIT License Agreement also provides for anti-dilution adjustments, requiring Cullinan Amber to issue MIT additional shares to ensure the shares issued to MIT do not equal less than the mid single-digit percentage amount until a financing threshold representing the aggregate investment in Cullinan Amber is reached. MIT was also granted participation rights, up to a low double-digit percentage of the securities issued, in any proposed financings of Cullinan Amber. Cullinan Amber is also responsible for paying non-refundable, creditable annual license maintenance fees in an increasing amount over a certain number of years of the license and a fixed amount subsequent to this period of time. In addition, MIT granted to Cullinan Amber an exclusive option to amend the definition of field to include expansion fields, and each such amendment would trigger the payment to MIT of an amendment fee and cause an amendment, to be negotiated upon exercise of the option, to Cullinan Amber's financial obligations with respect to the licensed products to reflect the additional rights and value being added.

Additionally, Cullinan Amber shall pay certain non-refundable, non-creditable milestone payments to MIT upon the achievement by itself or its sublicensees of certain clinical and regulatory milestones in an aggregate amount up to \$7 million for each distinct licensed product. Each milestone payment is paid one time only up to a certain payment amount, except there are separate milestone payments payable for a second and third indication of a licensed product in an aggregate amount up to \$5.5 million per product. Cullinan Amber shall also pay to MIT certain one-time milestone payments for the achievement of certain commercial milestones based on the calculation of net sales across all licensed products in all indications in an aggregate amount up to \$12.5 million. No milestones have been achieved to date under the MIT License Agreement.

Under certain conditions upon a change in control, Cullinan Amber is required to pay a specified change in control fee and Cullinan Amber's clinical and regulatory milestone payments shall be increased by a certain low three-digit percentage amount.

Furthermore, Cullinan Amber is required to pay a running mid single-digit royalty percentage on net sales of all licensed products for each reporting period, subject to certain offsets or reductions. The royalties due to MIT for net sales of all licensed products shall not be reduced by more than fifty percent (50%). Cullinan Amber is also required to share any income from sublicensing the licensed products, with the percentage to be determined by the clinical phase of the licensed product, no greater than low-to-mid double digit percentages. Such royalty obligations will expire on a country-by-country and product-by-product basis upon the expiration or abandonment of all issued patents and filed patent applications within the patent rights.

## [Table of Contents](#)

Under the MIT License Agreement, MIT must notify Cullinan Amber of certain patentable inventions conceived and reduced to practice during a certain period of time, or Improvements, and Cullinan Amber has the option to acquire rights to those improvements upon MIT's approval of a business and development plan, not to be unreasonably withheld, for a specified fee. In addition to this specified fee, Cullinan Amber's financial obligations with respect to the Improvements may be amended to reflect the value being added, such as by adding an upfront fee, maintenance fees, and milestone payments.

Cullinan Amber may voluntarily terminate the MIT License Agreement for any reason after providing written notice within a specified period of time in advance, provided that all amounts due to MIT have been paid. MIT has the right to terminate the MIT License Agreement upon written notice to Cullinan Amber if Cullinan Amber ceases to carry out its business related to the MIT License Agreement. Either party may terminate the MIT License Agreement upon a material breach by the other party. Unless earlier terminated, the MIT License Agreement shall remain in effect until the expiration or abandonment of all issued patents and the filed patent application within the patent rights.

### ***Adimab Collaboration Agreement***

In November 2018, our wholly-owned subsidiary Cullinan Management entered into a Collaboration Agreement, or the Adimab Collaboration Agreement, with Adimab, LLC, or Adimab. Pursuant to the Adimab Collaboration Agreement, Cullinan Management selected a single-digit number of biological targets against which Adimab used its proprietary platform technology to discover and/or optimize antibodies based upon mutually agreed upon research plans. Under the Adimab Collaboration Agreement, Cullinan Management has the ability to select a specified low single-digit number of additional biological targets against which Adimab will provide additional antibody discovery and optimization services.

During the research term and evaluation term for a given research program with Adimab, Cullinan Management has a non-exclusive worldwide license under Adimab's technology to perform certain research activities and to evaluate the program antibodies to determine whether Cullinan Management wants to exercise its option to obtain a royalty-free, fully paid, non-exclusive license under Adimab's background patent rights to exploit such antibodies sublicenseable through multiple tiers. In the event Cullinan Management exercises its option, it will pay an option fee for each target subject to certain adjustments.

Under the Adimab Collaboration Agreement, Cullinan Management paid a one-time, non-creditable, non-refundable technology access fee. Cullinan Management is also required to pay an annual access fee. Cullinan Management is also required to pay research funding fees in connection with Adimab's full-time employees' compensation for performance of Adimab's obligations under the Adimab Collaboration Agreement. Cullinan Management is also obligated to make certain research delivery, clinical and sales milestone payments to Adimab in an aggregate amount of up to \$15.8 million for each product, on a product-by-product basis, subject to certain reductions and discounts.

Furthermore, Cullinan Management is obligated to pay certain royalty payments on a product-by-product basis at a low single-digit percentage of annual aggregate worldwide net sales. Such royalty obligations will expire on a country-by-country and product-by-product basis upon the later of (a) a certain low double-digit number of years after the first commercial sale of such product in such country and (b) the expiration of the last issued and not expired, permanently revoked, or invalid claim within a program patent covering such product as defined in the agreement.

Cullinan Management may terminate the Adimab Collaboration Agreement at any time, for any reason, upon a specified period advance written notice. The term of the Adimab Collaboration Agreement expires upon the last research program's evaluation term in the event no Adimab Option is exercised or, in the event an Adimab Option is exercised, after the royalty term thereof expires.

## Intellectual Property

Our intellectual property is critical to our business and we strive to protect it, including by obtaining, maintaining, defending, and enforcing patents and other intellectual property, in the United States and internationally, for our proprietary therapeutic molecules, technology, improvements, platforms, product candidates and components thereof, novel biological discoveries, new therapeutic approaches and potential indications, and other inventions that are important to our business. For our product candidates, generally we initially pursue patent protection covering compositions of matter, methods of use, and methods of production. Throughout the development of our product candidates, we will seek to identify additional means of obtaining patent protection that would potentially enhance commercial success, including improvement to pharmaceutical formulations, methods of use and production.

As of September 30, 2020, our patent portfolio includes ten patent families, including both patent applications we own, and issued patents and patent applications exclusively in-licensed from external technology originators in a respective field. Specifically, we have exclusively in-licensed at least 2 issued US patents, 29 patents issued in foreign jurisdictions, and 44 patent applications pending worldwide. Our earliest issued patents are expected to expire in 2034. Later patents, that may issue from our pending patent applications, are expected to expire between 2037 and 2041, excluding any patent term adjustments or extensions, if applicable, that may be available. As to the patent term extension to restore patent term effectively lost following patent grant but during the FDA regulatory review process, the restoration period cannot be longer than five years and the total patent term including the restoration period must not exceed 14 years following FDA approval.

Our portfolio related to our CLN-081 product candidate includes five patent families directed to compositions, and methods of using such compositions therapeutically. The first family, which is in-licensed from Taiho Pharmaceuticals, covers compositions with claims directed to our CLN-081 product candidate. This patent family includes issued patents in the U.S., major European countries and China, and such patents are expected to expire in 2034, excluding any patent term adjustments or extensions, if applicable. Within this family, patent application were filed in Australia, Brazil, Canada, China, Hong Kong, Macau, European Patent Office, Austria, Belgium, Switzerland, Czech Republic, Germany, Denmark, Spain, Finland, France, United Kingdom, Greece, Hungary, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Romania, Sweden, Turkey, Indonesia, India, Japan, Korea, Mexico, Malaysia, Philippines, Russian Federation, Singapore, Thailand, Taiwan, United States of America, and Vietnam. Three families, also in-licensed from Taiho Pharmaceuticals, include both issued patents and pending patent applications with claims directed to methods of using the CLN-081 product candidate in treating additional diseases where we believe CLN-081 has potential to be active. The first of these three families, titled “Selective Inhibitor of Exon20 Insertion Mutant EGFR”, is expected to expire in 2037, excluding any patent term adjustments or extensions, if applicable, that may be available. Within this family, patent applications have so far been filed in Australia, Brazil, Canada, China, European Patent Office, Indonesia, Israel, Japan, Jordan, Korea, Malaysia, Mexico, New Zealand, Philippines, Russian Federation, Singapore, Thailand, United States of America, Vietnam, South Africa, and Taiwan. The second of these three families, titled “Selective Inhibitor of Exon 18 and Exon 21 Mutant EGFR”, is expected to expire in 2038, excluding any patent term adjustments or extensions, if applicable, that may be available. Within this family, patent applications have so far been filed in Australia, Canada, China, European Patent Office, Israel, Korea, Taiwan, Singapore, and United States of America. The third of these three families, titled “L718 and/or L792 mutant type treating resistance EGFR inhibitor”, is expected to expire in 2039, excluding any patent term adjustments or extensions, if applicable, that may be available. An international application has been filed under this family. We own a fifth application, which is directed to certain methods of use and dosing protocols. This family is expected to expire in 2041, excluding any patent term adjustments or extensions, if applicable, that may be available. US provisional applications have been filed under this family.

We, through Cullinan MICA, own three patent families related to our CLN-619 product candidate, including patent families directed to compositions, and methods of using such compositions therapeutically. The family of patent applications with claims directed to CLN-619 compositions, if issued, are expected to expire in 2039, excluding any patent term adjustments or extensions, if applicable. An international application has been filed under this family and country-specific applications have been filed so far in Australia and Canada. We plan to

## [Table of Contents](#)

enter into additional jurisdictions prior to the applicable deadlines. The family of patent applications with claims directed to additional anti-MICA antibody compositions, if issued, are expected to expire in 2039, excluding any patent term adjustments or extensions, if applicable. An international application has been filed under this family and country-specific applications have been filed so far in Australia and Canada. We plan to enter into additional jurisdictions prior to the applicable deadlines. The family of patent applications with claims directed to additional anti-MICA antibody compositions and methods of use, if issued, are expected to expire in 2041, excluding any patent term adjustments or extensions, if applicable. A US provisional application has been filed under this family.

Our portfolio related to our CLN-049 product candidate includes one patent family, in-licensed from the University of Tubingen, directed to compositions, and methods of using such compositions therapeutically. This family of patent applications contain claims directed to CLN-049 compositions, which, if issued, are expected to expire in 2039, excluding any patent term adjustments or extensions, if applicable. An international application has been filed under this family.

Our portfolio related to our CLN-617 product candidate and Cullinan Amber program includes one patent family, in-licensed from the Massachusetts Institute of Technology, directed to compositions, and methods of using such compositions therapeutically. This family of patent applications contain claims covering Cullinan Amber related compositions, which, if issued, are expected to expire in 2039, excluding any patent term adjustments or extensions, if applicable. An international application has been filed under this family.

Individual patents extend for varying periods depending on the date of filing of the patent application or the date of patent issuance and the legal term of patents in the countries in which they are obtained. Generally, patents issued for regularly filed applications in the United States are granted a term of 20 years from the earliest effective non-provisional filing date. In addition, in certain instances, a patent term can be extended to recapture a portion of the U.S. Patent and Trademark Office, or the USPTO, review period in issuing the patent as well as a portion of the term effectively lost as a result of the FDA regulatory review period.

### **Manufacturing**

We do not own or operate, and currently have no plans to establish, any GMP manufacturing facilities. We rely, and expect to continue to rely, on third parties for the manufacture of our product candidates for preclinical and clinical testing, as well as for commercial manufacture if any of our product candidates obtain marketing approval. We also rely, and expect to continue to rely, on third parties to package, label, store and distribute our investigational product candidates and, if marketing approval is obtained, our commercial products. We believe this strategy allows us to maintain a more efficient infrastructure by eliminating the need for us to invest in our own manufacturing facilities, equipment and personnel while also enabling us to focus our expertise and resources on the development of new product candidates.

We receive material from our contract manufacturing organizations, or CMOs, for preclinical testing. We receive clinical supply material manufactured in compliance with current Good Manufacturing Practice requirements, or cGMPs, and we conduct audits before and during the trial, in cooperation with a CMO, to ensure compliance with the mutually agreed process descriptions and cGMP regulations.

We generally expect to rely on third parties for the manufacture of companion diagnostics for our products, which are assays or tests that identify an appropriate patient population. Depending on the technology solutions we choose, we may rely on multiple third parties to manufacture and sell a single test.

To date, we have obtained drug substance (DS) for CLN-049 and CLN-619, our most advanced biologic candidates, from single-source third-party contract manufacturers, Abzena and WuXi, respectively. While any reduction or halt in supply of DS from these contract manufacturers could limit our ability to develop our product candidates until we find a qualified replacement contract manufacturer, we have procured sufficient DS to support our planned clinical studies for both CLN-049 and CLN-619. WuXi has also supplied CLN-049 drug

## [Table of Contents](#)

product (DP), and we have procured sufficient CLN-049 DP for our planned clinical studies. We have engaged a separate contract manufacturer to produce CLN-619 DP, which is intended to be sufficient for our planned clinical studies. We intend to put in place agreements under which our third-party contract manufacturers will generally provide us with necessary quantities of DS and DP on a project-by-project basis, based on our projected development and commercial supply needs.

Our CLN-049 and CLN-619 product candidates are manufactured from a vial of a master cell bank, or MCB, from the respective production cell lines. We have one MCB for each program that was produced and tested in accordance with cGMPs and applicable regulations. For CLN-049, the MCB is stored in one location, and we are making plans to store at a second location. The research cell bank (RCB) for CLN-049 is stored at a different location from the MCB. For CLN-619, the MCB is stored at two independent sites, and the RCB is stored at a separate location from the RCB locations. We intend to produce working cell banks for each product candidate later in product development. It is possible that we could lose multiple cell banks from multiple locations and have our manufacturing severely impacted by the need to replace the cell banks. However, we believe we have adequate backup should any particular cell bank be lost in a catastrophic event.

## **Governmental Regulation**

### ***United States Food and Drug Administration Regulation***

The United States Food and Drug Administration, or FDA, and other U.S. regulatory authorities at federal, state and local levels, as well as in foreign countries, extensively regulate, among other things, the research, development, testing, manufacture, quality control, import, export, labeling, packaging, storage, distribution, record keeping, approval, advertising, promotion, marketing, post-approval monitoring and post-approval reporting of drugs and biologics such as those we are developing. We, along with our vendors, collaboration partners, clinical research organizations, or CROs, clinical trial investigators, and CMOs will be required to navigate the various preclinical, clinical, manufacturing and commercial approval requirements of the governing regulatory agencies of the countries in which we wish to conduct studies or seek approval of our product candidates. The process of obtaining regulatory approvals of drugs and ensuring subsequent compliance with appropriate United States federal, state, local and foreign statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable regulatory requirements at any time during the product development process or post-approval may subject an applicant to delays in development or approval, as well as administrative and judicial sanctions.

In the United States, the FDA regulates drugs under the FDCA, and biologics under the FDCA and the Public Health Service Act, or PHSA, and their implementing regulations. Both drugs and biologics are also subject to other federal, state and local statutes and regulations. Our product candidates are early-stage and have not been approved by the FDA for marketing in the United States.

Our product candidates must be approved for therapeutic indications by the FDA before they may be marketed in the United States. For our drug product candidates regulated under the FDCA, such as CLN-081, FDA must approve a NDA. For our biologic product candidates regulated under the FDCA and PHSA, such as CLN-049 and CLN-619, FDA must approve a BLA. The process is similar and generally involves the following:

- completion of extensive preclinical studies in accordance with applicable regulations, including studies conducted in accordance with Good Laboratory Practice, or GLP, requirements;
- submission to the FDA of an IND application which must become effective before clinical trials may begin and must be updated annually and when certain changes are made;
- approval by an Institutional Review Board, or IRB, or independent ethics committee at each clinical trial site before each trial may be initiated;
- performance of adequate and well-controlled clinical trials in accordance with Good Clinical Practice, or GCP, requirements and other clinical trial-related regulations to establish the safety and efficacy of the investigational product for each proposed indication;

## [Table of Contents](#)

- preparation and submission to the FDA of an NDA or BLA;
- payment of user fees for FDA review of the NDA or BLA;
- a determination by the FDA within 60 days of its receipt of an NDA or BLA to file the application for review;
- satisfactory completion of one or more FDA pre-approval inspections of the manufacturing facility or facilities where the product will be produced to assess compliance with cGMPs to assure that the facilities, methods and controls are adequate to ensure and preserve the drug or biological product's identity, strength, quality and purity;
- satisfactory completion of any FDA audits of the clinical trial sites that generated the data in support of the NDA or BLA; and
- FDA review and approval of the NDA or BLA, including, where applicable, consideration of the views of any FDA advisory committee, prior to any commercial marketing or sale of the drug or biologic in the United States.

### ***Preclinical and Clinical Trials***

Before testing any drug or biologic in humans, the product candidate must undergo rigorous preclinical testing. Preclinical studies include laboratory evaluations of chemistry, formulation and stability, as well as *in vitro* and animal studies to assess safety and in some cases to establish the rationale for therapeutic use. The conduct of preclinical studies is subject to federal and state regulations and requirements, including GLP requirements for safety and toxicology studies. In the United States, the results of the preclinical studies, together with manufacturing information and analytical data must be submitted to the FDA as part of an IND.

An IND is a request for authorization from the FDA to administer an investigational product to humans, and must become effective before clinical trials may begin. The central focus of an IND submission is on the general investigational plan and the protocol(s) for clinical studies. The IND also includes results of animal and *in vitro* studies assessing the toxicology, pharmacokinetics, pharmacology, and pharmacodynamic characteristics of the product; chemistry, manufacturing, and controls information; and any available human data or literature to support the use of the investigational product. In the United States, the IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day time period, raises concerns or questions about the conduct of the clinical trial, including concerns that human research subjects will be exposed to unreasonable health risks, and imposes a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Some long-term preclinical testing may continue after the IND is submitted. Accordingly, submission of an IND may or may not result in FDA authorization to begin a trial.

The clinical stage of development involves the administration of the product candidate to healthy volunteers or patients under the supervision of qualified investigators, generally physicians not employed by or under the trial sponsor's control, in accordance with GCP requirements, which include the requirements that all research subjects provide their informed consent for their participation in any clinical trial. Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, dosing procedures, subject selection and exclusion criteria and the parameters and criteria to be used in monitoring safety and evaluating effectiveness. Each protocol, and any subsequent amendments to the protocol, must be submitted to the FDA as part of the IND. Furthermore, each clinical trial must be reviewed and approved by an IRB, either centrally or at each institution at which the clinical trial will be conducted, to ensure that the risks to individuals participating in the clinical trials are minimized and are reasonable related to the anticipated benefits. The IRB also approves the informed consent form that must be provided to each clinical trial subject or his or her legal representative, and must monitor the clinical trial until completed.

The FDA may, at any time during the initial 30-day IND review period or while clinical trials are ongoing under the IND, impose a partial or complete clinical hold based on concerns for patient safety and/or

## [Table of Contents](#)

noncompliance with regulatory requirements. This order issued by the FDA would delay a proposed clinical study or cause suspension of an ongoing study until all outstanding concerns have been adequately addressed, and the FDA has notified the company that investigations may proceed. Imposition of a clinical hold could cause significant delays or difficulties in completing planned clinical studies in a timely manner. In addition, the IRB, or the sponsor may suspend or discontinue a clinical trial at any time on various grounds, including a finding that the subjects are being exposed to an unacceptable health risk. Some studies also include oversight by an independent group of qualified experts organized by the clinical study sponsor, known as a data safety monitoring board, which provides authorization for whether or not a study may move forward at designated check points based on access to certain data from the study and may halt the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy. There also are requirements governing the reporting of ongoing clinical trials and completed clinical trials to public registries. In the United States, information about applicable clinical trials, including clinical trials results, must be submitted within specific timeframes for publication on the [www.clinicaltrials.gov](http://www.clinicaltrials.gov) website.

A sponsor who wishes to conduct a clinical trial outside of the United States may, but need not, obtain FDA authorization to conduct the clinical trial under an IND. The FDA will accept a well-designed and well-conducted foreign clinical study not conducted under an IND if the study was conducted in accordance with GCP requirements, and the FDA is able to validate the data through an onsite inspection if deemed necessary.

Clinical trials to evaluate therapeutic indications to support NDAs and BLAs for marketing approval are typically conducted in three sequential phases, which may overlap.

- Phase 1—Phase 1 clinical trials involve initial introduction of the investigational product in a limited population of healthy human volunteers or patients with the target disease or condition. These studies are typically designed to test the safety, dosage tolerance, absorption, metabolism and distribution of the investigational product in humans, evaluate the side effects associated with increasing doses, and, if possible, to gain early evidence of effectiveness.
- Phase 2—Phase 2 clinical trials typically involve administration of the investigational product to a limited patient population with a specified disease or condition to evaluate the preliminary efficacy, optimal dosages and dosing schedule and to identify possible adverse side effects and safety risks. Multiple Phase 2 clinical trials may be conducted to obtain information prior to beginning larger and more expensive Phase 3 clinical trials.
- Phase 3—Phase 3 clinical trials typically involve administration of the investigational product to an expanded patient population to further evaluate dosage, to provide substantial evidence of clinical efficacy and to further test for safety, generally at multiple geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk/benefit ratio of the investigational product and to provide an adequate basis for product approval. Generally, two adequate and well-controlled Phase 3 clinical trials are required by the FDA for approval of an NDA or BLA.

Post-approval trials, sometimes referred to as Phase 4 clinical trials, may be conducted after initial marketing approval. These trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication and are commonly intended to generate additional safety data regarding use of the product in a clinical setting. In certain instances, the FDA may mandate the performance of Phase 4 clinical trials as a condition of approval of an NDA or BLA. Failure to exhibit due diligence with regard to conducting required Phase 4 clinical trials could result in withdrawal of approval for products.

Progress reports detailing the results of the clinical trials, among other information, must be submitted at least annually to the FDA and written IND safety reports must be submitted to the FDA and the investigators fifteen days after the trial sponsor determines the information qualifies for reporting for serious and unexpected suspected adverse events, findings from other studies or animal or *in vitro* testing that suggest a significant risk for human participants exposed to the drug or biologic and any clinically important increase in the rate of a serious suspected adverse reaction over that listed in the protocol or investigator brochure. The sponsor must also



## [Table of Contents](#)

notify the FDA of any unexpected fatal or life-threatening suspected adverse reaction as soon as possible but in no case later than seven calendar days after the sponsor's initial receipt of the information.

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

### ***Expanded Access***

Expanded access, sometimes called "compassionate use," is the use of investigational products outside of clinical trials to treat patients with serious or immediately life-threatening diseases or conditions when there are no comparable or satisfactory alternative treatment options. FDA regulations allow access to investigational products under an IND by the company or the treating physician for treatment purposes on a case-by-case basis for the following groups: individual patients (single-patient IND applications for treatment in emergency settings and non-emergency settings); intermediate-size patient populations; and larger populations for use of the investigational product under a treatment protocol or treatment IND application.

There is no requirement for a company to provide expanded access to its investigational product. However, if a company decides to make its investigational product available for expanded access, FDA reviews each request for expanded access and determines if treatment may proceed. Expanded access may be appropriate when all of the following criteria apply: the patient has a serious or immediately life-threatening disease or condition, and there is no comparable or satisfactory alternative therapy to diagnose, monitor, or treat the disease or condition; the potential benefit justifies the potential risks of the treatment and the potential risks are not unreasonable in the context of the disease or condition to be treated; and providing the investigational product for the requested use will not interfere with the initiation, conduct, or completion of clinical investigations that could support marketing approval of the expanded access use or otherwise compromise the potential development of the expanded access use.

In addition, on May 30, 2018, the Right to Try Act was signed into law. The law, among other things, provides an additional mechanism for patients with a life-threatening condition who have exhausted approved treatments and are unable to participate in clinical trials to access certain investigational products that have completed a Phase I clinical trial, are the subject of an active IND, and are undergoing investigation for FDA approval. Unlike the expanded access framework described above, Right to Try does not require FDA to review or approve requests for use of the investigational product. There is no obligation for a company to make its investigational products available to eligible patients under the Right to Try Act.

Under the FDCA, sponsors of one or more investigational products for the treatment of a serious disease or condition must make publicly available their policy for evaluating and responding to requests for expanded access for individual patients. Sponsors are required to make such policies publicly available upon the earlier of initiation of a Phase 2 or Phase 3 study, or 15 days after the investigational drug or biologic receives designation as a breakthrough therapy, fast track product, or regenerative medicine advanced therapy. There is no obligation for a sponsor to make its investigational products available to eligible patients as a result of the Right to Try Act, but the sponsor must develop an internal policy and respond to patient requests according to that policy.

### ***FDA Marketing Application Review Process***

Assuming successful completion of the required clinical testing, the results of the preclinical studies and clinical trials, together with detailed information relating to the product's chemistry, manufacture, controls and

## [Table of Contents](#)

proposed labeling, among other things, are submitted to the United States FDA as part of an NDA or BLA requesting approval to market the product for one or more indications. An NDA is a request for approval to market a new drug for one or more specified indications, and a BLA is a request for approval to market a new biologic for one or more specified indications. The NDA or BLA must include all relevant data available from pertinent pre-clinical studies and clinical studies, including negative or ambiguous results as well as positive findings, together with detailed information relating to the product's chemistry, manufacturing, controls, and proposed labeling, among other things. Data may come from company-sponsored clinical trials intended to test the safety and efficacy of a product's use or from a number of alternative sources, including studies initiated by investigators. To support marketing approval, the data submitted must be sufficient in quality and quantity to establish the safety and efficacy of the investigational drug, or the safety, purity and potency of the investigational biologic, to the satisfaction of the FDA. FDA approval of an NDA or BLA must be obtained before a drug or biologic may be marketed in the United States.

In addition, under the Pediatric Research Equity Act, or PREA, certain NDAs and BLAs and certain supplements to an NDA or BLA must contain data to assess the safety and effectiveness of the drug or biological product candidate for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The Food and Drug Administration Safety and Innovation Act requires that a sponsor who is planning to submit a marketing application for a drug or biological product that includes a new active ingredient or clinically active component, new indication, new dosage form, new dosing regimen or new route of administration submit an initial Pediatric Study Plan within 60 days after an end-of-Phase 2 meeting or as may be agreed between the sponsor and FDA. Unless otherwise required by regulation, PREA does not apply to a drug or biological product for an indication for which orphan designation has been granted.

In the United States, the FDA reviews all submitted NDAs and BLAs to ensure they are sufficiently complete to permit substantive review before it accepts them for filing, and may request additional information rather than accepting the NDA or BLA for filing. The FDA makes a decision on accepting an NDA or BLA for filing within 60 days of receipt, and such decision could include a refusal to file by the FDA. Once the submission is accepted for filing, the FDA begins an in-depth substantive review of the application. The FDA reviews an NDA or BLA to determine, among other things, whether the product is safe and effective and whether the facility in which it is manufactured, processed, packaged or held meets standards, including cGMP requirements, designed to assure and preserve the product's identity, strength, quality and purity. Under the goals and policies agreed to by the FDA under the Prescription Drug User Fee Act, or PDUFA, the FDA targets ten months, from the filing date, in which to complete its initial review of an original NDA or BLA and respond to the applicant, and six months from the filing date of an original NDA or BLA filed for priority review. The FDA does not always meet its PDUFA goal dates for standard or priority NDAs or BLAs, and the review process is often extended by FDA requests for additional information or clarification.

Further, under PDUFA, as amended, each NDA or BLA must be accompanied by a user fee, and the sponsor of an approved NDA or BLA is also subject to an annual program fee. FDA adjusts the PDUFA user fees on an annual basis. Fee waivers or reductions may be available in certain circumstances, including a waiver of the application fee for the first application filed by a small business. Additionally, no user fees are assessed on NDAs or BLAs for products designated as orphan drugs, unless the product also includes a non-orphan indication.

The FDA may refer an application for a drug or biologic to an advisory committee. An advisory committee is a panel of independent experts, including clinicians and other scientific experts, which reviews, evaluates and provides a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

Before approving an NDA or BLA, the FDA typically will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes

and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving an NDA or BLA, the FDA may inspect one or more clinical trial sites to assure compliance with GCP and other requirements and the integrity of the clinical data submitted to the FDA.

After evaluating the application and all related information, including the advisory committee recommendation, if any, and inspection reports regarding the manufacturing facilities and clinical trial sites, the FDA may issue an approval letter, or, in some cases, a Complete Response Letter. A Complete Response Letter indicates that the review cycle of the application is complete and the application is not ready for approval. A Complete Response Letter will usually describe all of the deficiencies that the FDA has identified in the NDA or BLA, except that where the FDA determines that the data supporting the application are inadequate to support approval, the FDA may issue the Complete Response Letter without first conducting required inspections, testing submitted product lots, and/or reviewing proposed labeling. In issuing the Complete Response Letter, the FDA may recommend actions that the applicant might take to place the NDA or BLA in condition for approval, including requests for additional information or clarification. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those conditions have been met to the FDA's satisfaction, the FDA will typically issue an approval letter. An approval letter authorizes commercial marketing of the product with specific prescribing information for specific indications.

Even if the FDA approves a product, depending on the specific risk(s) to be addressed, the FDA may limit the approved indications for use of the product, require that contraindications, warnings or precautions be included in the product labeling, require that post-approval studies, including Phase 4 clinical trials, be conducted to further assess a product's safety or efficacy after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution and use restrictions or other risk management mechanisms under a risk evaluation and mitigation strategy, or REMS, which can materially affect the potential market and profitability of the product. REMS can include medication guides, communication plans for healthcare professionals, and elements to assure safe use, or ETASU. ETASU can include, but are not limited to, special training or certification for prescribing or dispensing, dispensing only under certain circumstances, special monitoring, and the use of patent registries. The FDA may prevent or limit further marketing of a product based on the results of post-marketing studies or surveillance programs. After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes, and additional labeling claims, are subject to further testing requirements and FDA review and approval.

### ***Orphan Drug Designation and Exclusivity***

Under the Orphan Drug Act, the FDA may grant orphan drug designation, or ODD, to a drug or biologic intended to treat a rare disease or condition, defined as a disease or condition with either a patient population of fewer than 200,000 individuals in the United States, or a patient population greater of than 200,000 individuals in the United States when there is no reasonable expectation that the cost of developing and making available the drug or biologic in the United States will be recovered from sales in the United States of that drug or biologic. ODD must be requested before submitting an NDA or BLA. After the FDA grants ODD, the generic identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA.

If a product that has received ODD and subsequently receives the first FDA approval for that drug for the disease for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications, including a full NDA or BLA, to market the same drug or biologic for the same indication for seven years from the approval of the NDA or BLA, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity or if the FDA finds that the holder of the orphan drug exclusivity has not shown that it can assure the availability of sufficient quantities of the orphan drug to meet the needs of patients with the disease or condition for which the drug was designated. Orphan drug exclusivity does not prevent the FDA from approving a different drug or biologic for

## [Table of Contents](#)

the same disease or condition, or the same drug or biologic for a different disease or condition. Among the other benefits of ODD are tax credits for certain research and a waiver of the NDA or BLA application user fee.

A designated orphan drug may not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received ODD. In addition, orphan drug exclusive marketing rights in the United States may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition.

### ***Expedited Development and Review Programs***

The FDA maintains several programs intended to facilitate and expedite development and review of new drugs and biologics to address unmet medical needs in the treatment of serious or life-threatening diseases or conditions. These programs include Fast Track designation, Breakthrough Therapy designation, priority review and accelerated approval.

A new drug or biologic is eligible for Fast Track designation if it is intended to treat a serious or life-threatening disease or condition and demonstrates the potential to address unmet medical needs for such disease or condition. Fast track designation applies to the combination of the product and the specific indication for which it is being studied. Fast Track designation provides increased opportunities for sponsor interactions with the FDA during preclinical and clinical development, in addition to the potential for rolling review once a marketing application is filed, meaning that the FDA may initiate review of sections of a Fast Track product's application before the application is complete upon satisfaction of certain conditions.

In addition, a new drug or biological product may be eligible for Breakthrough Therapy designation if it is intended to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the drug or biologic, alone or in combination with or more other drugs or biologics, may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Breakthrough Therapy designation provides all the features of Fast Track designation in addition to intensive guidance on an efficient development program beginning as early as Phase 1, and FDA organizational commitment to expedited development, including involvement of senior managers and experienced review staff in a cross-disciplinary review, where appropriate.

Any product submitted to the FDA for approval, including a product with Fast Track, or Breakthrough Therapy designation, may also be eligible priority review. A product is eligible for priority review if it is intended to treat a serious or life-threatening disease or condition, and if approved, would provide a significant improvement in safety or effectiveness. For original NDAs and BLAs, priority review designation means the FDA's goal is to take action on the marketing application within six months of the 60-day filing date (compared with ten months under standard review).

The FDA may grant accelerated approval to a product intended to treat a serious or life-threatening disease or condition that generally provides a meaningful therapeutic advantage to patients over available treatments, and demonstrates an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, or IMM, that is reasonably likely to predict an effect on IMM or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments.

For drugs granted accelerated approval, the FDA generally requires sponsors to conduct, in a diligent manner, adequate and well-controlled post-approval confirmatory studies to verify and describe the product's clinical benefit. Failure to conduct required post-approval studies with due diligence, failure to confirm a clinical benefit during the post-approval studies, or dissemination of false or misleading promotional materials would allow the FDA to withdraw the product approval on an expedited basis. All promotional materials for product

candidates approved under accelerated approval are subject to prior review by the FDA unless FDA informs the applicant otherwise.

#### ***FDA Approval or Clearance of Companion Diagnostics***

In August 2014, the FDA issued final guidance clarifying the requirements that will apply to approval of therapeutic products and *in vitro* companion diagnostics. According to the guidance, for novel drugs and biologics, a companion diagnostic device and its corresponding therapeutic should be approved or cleared contemporaneously by the FDA for the use indicated in the therapeutic product's labeling. Approval or clearance of the companion diagnostic device will ensure that the device has been adequately evaluated and has adequate performance characteristics in the intended population. In July 2016, the FDA issued a draft guidance intended to assist sponsors of the therapeutic products and *in vitro* companion diagnostic devices on issues related to co-development of the products.

Under the FDCA, *in vitro* diagnostics, including companion diagnostics, are regulated as medical devices. In the United States, the FDCA and its implementing regulations, and other federal and state statutes and regulations govern, among other things, medical device design and development, preclinical and clinical testing, premarket clearance or approval, registration and listing, manufacturing, labeling, storage, advertising and promotion, sales and distribution, export and import, and post-market surveillance. Unless an exemption applies, diagnostic tests require marketing clearance or approval from the FDA prior to commercial distribution.

The FDA previously has required *in vitro* companion diagnostics intended to select the patients who will respond to a product candidate to obtain pre-market approval, or PMA, simultaneously with approval of the therapeutic product candidate. The PMA process, including the gathering of clinical and preclinical data and the submission to and review by the FDA, can take several years or longer. It involves a rigorous premarket review during which the applicant must prepare and provide the FDA with reasonable assurance of the device's safety and effectiveness and information about the device and its components regarding, among other things, device design, manufacturing and labeling. PMA applications are subject to an application fee.

A clinical trial is typically required for a PMA application and, in a small percentage of cases, the FDA may require a clinical study in support of a 510(k) submission. A manufacturer that wishes to conduct a clinical study involving the device is subject to the FDA's investigational device exemption, or IDE, regulation. The IDE regulations distinguish between significant and non-significant risk device studies and the procedures for obtaining approval to begin the study differ accordingly. Also, some types of studies are exempt from the IDE regulations. A significant risk device presents a potential for serious risk to the health, safety, or welfare of a subject. Significant risk devices are devices that are substantially important in diagnosing, curing, mitigating, or treating disease or in preventing impairment to human health. Studies of devices that pose a significant risk require both FDA and an IRB approval prior to initiation of a clinical study. Many companion diagnostics are considered significant risk devices due to their role in diagnosing a disease or condition. Non-significant risk devices are devices that do not pose a significant risk to the human subjects. A non-significant risk device study requires only IRB approval prior to initiation of a clinical study.

After a device is placed on the market, it remains subject to significant regulatory requirements. Medical devices may be marketed only for the uses and indications for which they are cleared or approved. Device manufacturers must also establish registration and device listings with the FDA.

In the United States, device manufacturers are also subject to FDA's medical device reporting regulations, which require that a manufacturer report to the FDA if a device it markets may have caused or contributed to a death or serious injury, or has malfunctioned and the device or a similar device that it markets would be likely to cause or contribute to a death or serious injury, if the malfunction were to recur, and FDA's correction and removal reporting regulations, which require that manufacturers report to the FDA corrections or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FDCA that may present

## [Table of Contents](#)

a risk to health. A medical device manufacturer's manufacturing processes and those of its suppliers are required to comply with the applicable portions of the Quality System Regulation, which covers the methods and documentation of the design, testing, production, processes, controls, quality assurance, labeling, packaging and shipping of medical devices. Domestic facility records and manufacturing processes are subject to periodic unscheduled inspections by the FDA. The FDA also may inspect foreign facilities that export products to the United States.

### ***Post-Approval Requirements for Drugs and Biologics in the United States***

In the United States, drugs and biologics manufactured or distributed pursuant to FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to recordkeeping, periodic reporting, product sampling and distribution, reporting of adverse experiences with the product, complying with promotion and advertising requirements, which include restrictions on promoting products for unapproved uses or patient populations (known as "off-label use") and limitations on industry-sponsored scientific and educational activities. Although physicians may prescribe approved products for off-label uses, manufacturers may not market or promote such uses. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, including not only by Company employees but also by agents of the Company or those speaking on the Company's behalf, and a company that is found to have improperly promoted off-label uses may be subject to significant liability. Failure to comply with these requirements can result in, among other things, adverse publicity, warning letters, corrective advertising and potential civil and criminal penalties, including liabilities under the False Claims Act where products carry reimbursement under federal health care programs. Promotional materials for approved drugs and biologics must be submitted to the FDA in conjunction with their first use or first publication. Further, if there are any modifications to the product, including changes in indications, labeling or manufacturing processes or facilities, the applicant may be required to submit and obtain FDA approval of a new or supplemental NDA or BLA, which may require the development of additional data or preclinical studies and clinical trials.

The FDA may impose a number of post-approval requirements as a condition of approval of an NDA or BLA. For example, the FDA may require post-market testing, including Phase 4 clinical trials, and surveillance to further assess and monitor the product's safety and effectiveness after commercialization.

In addition, drug and biologics manufacturers and their subcontractors involved in the manufacture and distribution of approved products are required to register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with ongoing regulatory requirements, including cGMP, which impose certain procedural and documentation requirements upon us and our CMOs. Changes to the manufacturing process are strictly regulated, and, depending on the significance of the change, may require prior FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and impose reporting requirements upon us and any third-party manufacturers that we may decide to use. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain compliance with cGMP and other aspects of regulatory compliance. Failure to comply with statutory and regulatory requirements can subject a manufacturer to possible legal or regulatory action, such as warning letters, suspension of manufacturing, product seizures, injunctions, civil penalties or criminal prosecution. There is also a continuing, annual program fee for any marketed product.

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

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or product recalls;

## Table of Contents

- safety alerts, Dear Healthcare Provider letters, press releases or other communications containing warnings or other safety information about the product;
- mandated modification of promotional materials and labeling and issuance of corrective information;
- fines, warning letters, or untitled letters;
- holds on clinical trials;
- refusal of the FDA to approve applications or supplements to approved applications, or suspension or revocation of product approvals;
- product recall, seizure or detention, or refusal to permit the import or export of products;
- injunctions or the imposition of civil or criminal penalties; and
- consent decrees, corporate integrity agreements, debarment or exclusion from federal healthcare programs.

### ***United States Patent Term Restoration and Marketing Exclusivity***

Depending upon the timing, duration and specifics of FDA approval of our future product candidates, some of our United States patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, commonly referred to as the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit restoration of the patent term of up to five years as compensation for patent term lost during the FDA regulatory review process. Patent-term restoration, however, cannot extend the remaining term of a patent beyond a total of 14 years from the product's approval date and only those claims covering such approved drug product, a method for using it or a method for manufacturing it may be extended. The patent-term restoration period is generally one-half the time between the effective date of an IND and the submission date of an NDA or BLA plus the time between the submission date of an NDA or BLA and the approval of that application, except that the review period is reduced by any time during which the applicant failed to exercise due diligence. Only one patent applicable to an approved drug is eligible for the extension and the application for the extension must be submitted prior to the expiration of the patent. The USPTO, in consultation with the FDA, reviews and approves the application for any patent term extension or restoration. In the future, we may apply for restoration of patent term for our currently owned or licensed patents to add patent life beyond its current expiration date, depending on the expected length of the clinical trials and other factors involved in the filing of the relevant NDA or BLA.

Regulatory exclusivity provisions under the FDCA also can delay the submission or the approval of certain applications. The FDCA provides a five-year period of non-patent marketing exclusivity within the United States to the first applicant to gain approval of an NDA for a new chemical entity. A drug is a new chemical entity if the FDA has not previously approved any other new drug containing the same active moiety, which is the molecule or ion responsible for the action of the drug substance. During the exclusivity period, the FDA may not accept for review an ANDA, or a 505(b)(2) NDA submitted by another company for another version of such drug where the applicant does not own or have a legal right of reference to all the data required for approval. However, an application may be submitted after four years if it contains a certification of patent invalidity or non-infringement.

The FDCA also provides three years of exclusivity for an NDA, 505(b)(2) NDA or supplement to an existing NDA if new clinical investigations, other than bioavailability studies, that were conducted or sponsored by the applicant are deemed by the FDA to be essential to the approval of the application, for example, new indications, dosages or strengths of an existing drug. This three-year exclusivity covers only the conditions of use associated with the new clinical investigations and does not prohibit the FDA from approving ANDAs for drugs containing the original active agent for other conditions of use. Five-year and three-year exclusivity will not delay the submission or approval of a full NDA. However, an applicant submitting a full NDA would be required to conduct or obtain a right of reference to all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and effectiveness.

## [Table of Contents](#)

In addition, both drugs and biologics can also obtain pediatric exclusivity in the United States. Pediatric exclusivity, if granted, adds six months to existing exclusivity periods and patent terms. This six-month exclusivity, which runs from the end of other exclusivity protection or patent term, may be granted based on the voluntary completion of a pediatric study in accordance with an FDA-issued “Written Request” for such a study.

### ***United States Biosimilars and Exclusivity***

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively, the ACA, signed into law in 2010, includes a subtitle called the Biologics Price Competition and Innovation Act, or BPCIA, which created an abbreviated approval pathway for biological products that are biosimilar to or interchangeable with an FDA-licensed reference biological product. The FDA has issued several guidance documents outlining an approach to review and approval of biosimilars in the United States. Biosimilarity, which requires that there be no clinically meaningful differences between the biological product and the reference product in terms of safety, purity, and potency, can be shown through analytical studies, animal studies, and a clinical study or studies. Interchangeability requires that a product is biosimilar to the reference product and the product must demonstrate that it can be expected to produce the same clinical results as the reference product in any given patient and, for products that are administered multiple times to an individual, the biologic and the reference biologic may be alternated or switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic.

Under the BPCIA, a reference biological product is granted 12 years of data exclusivity from the time of first licensure of the product, and an application for a biosimilar product may not be submitted to the FDA until four years following the date that the reference product was first licensed by the FDA. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a full BLA for the competing product containing that applicant’s own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of its product. The BPCIA also created certain exclusivity periods for biosimilars approved as interchangeable products. At this juncture, it is unclear whether products deemed “interchangeable” by the FDA will, in fact, be readily substituted by pharmacies, which are governed by state pharmacy law.

The BPCIA is complex and continues to be interpreted and implemented by the FDA. In addition, government proposals have sought to reduce the 12-year reference product exclusivity period. Other aspects of the Patient Protection and Affordable Care Act, some of which may impact the BPCIA exclusivity provisions, have also been the subject of recent litigation. As a result, the ultimate impact, implementation, and regulatory interpretation of the BPCIA remain subject to significant uncertainty.

### ***Other United States Regulatory Matters***

Manufacturing, sales, promotion and other activities of product candidates following product approval, where applicable, or commercialization are also subject to regulation by numerous regulatory authorities in the United States in addition to the FDA, which may include the Centers for Medicare & Medicaid Services, or CMS, other divisions of the Department of Health and Human Services, or HHS, the Department of Justice, the Drug Enforcement Administration, the Consumer Product Safety Commission, the Federal Trade Commission, the Occupational Safety & Health Administration, the Environmental Protection Agency and state and local governments and governmental agencies.

### ***Other Healthcare Laws in the United States***

In the United States, healthcare providers, physicians, and third-party payors will play a primary role in the recommendation and prescription of any products for which we obtain marketing approval. Our business



## [Table of Contents](#)

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

- The federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, offering, paying, receiving or providing any remuneration (including any kickback, bribe, or certain rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made, in whole or in part, under a federal healthcare program such as Medicare and Medicaid; a person or entity need not have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it in order to have committed a violation;
- The federal civil and criminal false claims laws, including the civil False Claims Act, or FCA, which prohibit individuals or entities from, among other things, knowingly presenting, or causing to be presented, to the federal government, claims for payment or approval that are false, fictitious or fraudulent; knowingly making, using, or causing to be made or used, a false statement or record material to a false or fraudulent claim or obligation to pay or transmit money or property to the federal government; or knowingly concealing or knowingly and improperly avoiding or decreasing an obligation to pay money to the federal government;
- Manufacturers can be held liable under the FCA even when they do not submit claims directly to government payors if they are deemed to “cause” the submission of false or fraudulent claims. In addition, the government may assert that a claim that includes items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act. The FCA also permits a private individual acting as a “whistleblower” to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery;
- The federal civil monetary penalties laws, which impose civil fines for, among other things, the offering or transfer or remuneration to a Medicare or state healthcare program beneficiary if the person knows or should know it is likely to influence the beneficiary’s selection of a particular provider, practitioner, or supplier of services reimbursable by Medicare or a state health care program, unless an exception applies;
- The Health Insurance Portability and Accountability Act of 1996, or HIPAA, imposes criminal and civil liability for knowingly and willfully executing a scheme, or attempting to execute a scheme, to defraud any healthcare benefit program, including private payors, knowingly and willfully embezzling or stealing from a healthcare benefit program, willfully obstructing a criminal investigation of a healthcare offense, or falsifying, concealing or covering up a material fact or making any materially false statements in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the federal Anti-Kickback Statute, a person or entity need not have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and their respective implementing regulations, imposes, among other things, specified requirements on covered entities and their business associates relating to the privacy and security of individually identifiable health information including mandatory contractual terms and required implementation of technical safeguards of such information. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates in some cases, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys’ fees and costs associated with pursuing federal civil actions;

## [Table of Contents](#)

- The Physician Payments Sunshine Act, enacted as part of the ACA, imposed new annual reporting requirements for certain manufacturers of drugs, devices, biologics, and medical supplies for which payment is available under Medicare, Medicaid, or the Children’s Health Insurance Program, for certain payments and “transfers of value” provided to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members. In addition, many states also require reporting of payments or other transfers of value, many of which differ from each other in significant ways, are often not pre-empted, and may have a more prohibitive effect than the Sunshine Act, thus further complicating compliance efforts. Effective January 1, 2022, these reporting obligations will extend to include transfers of value made in the previous year to certain non-physician providers such as physician assistants and nurse practitioners; and
- Analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third party-payors, including private insurers, and may be broader in scope than their federal equivalents; state and foreign laws require pharmaceutical companies to comply with the pharmaceutical industry’s voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers; state and foreign laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers, and restrict marketing practices or require disclosure of marketing expenditures and pricing information; state and local laws that require the registration of pharmaceutical sales representatives; state and foreign laws that govern the privacy and security of health information in some circumstances. These data privacy and security laws may differ from each other in significant ways and often are not pre-empted by HIPAA, which may complicate compliance efforts.

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

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

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

### ***United States Coverage and Reimbursement***

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

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

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

### ***Healthcare Reform***

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

- created an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic products, apportioned among these entities according to their market share in certain government healthcare programs;
- expanded eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to certain individuals with income at or below 133% of the federal poverty level, thereby potentially increasing a manufacturer's Medicaid rebate liability;

## Table of Contents

- expanded manufacturers' rebate liability under the Medicaid Drug Rebate Program by increasing the minimum rebate for both branded and generic drugs and revising the definition of "average manufacturer price," or AMP, for calculating and reporting Medicaid drug rebates on outpatient prescription drug prices;
- addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected;
- expanded the types of entities eligible for the 340B drug discount program;
- established the Medicare Part D coverage gap discount program by requiring manufacturers to provide point-of-sale-discounts off the negotiated price of applicable brand drugs to eligible beneficiaries during their coverage gap period as a condition for the manufacturers' outpatient drugs to be covered under Medicare Part D; and
- created a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

There remain numerous judicial, administrative, executive, and legislative challenges to certain aspects of the Affordable Care. For example, various portions of the ACA are currently undergoing legal and constitutional challenges in the United States Supreme Court, and the Trump Administration has issued various Executive Orders that eliminated cost sharing subsidies and various provisions that would impose a fiscal burden on states or a cost, fee, tax, penalty or regulatory burden on individuals, healthcare providers, health insurers, or manufacturers of pharmaceuticals or biologics. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, it has enacted laws that modify certain provisions of the ACA such as removing penalties, starting January 1, 2019, for not complying with the ACA's individual mandate to carry health insurance, eliminating the implementation of certain of the ACA's mandated fees, and increasing the point-of-sale discount that is owed by pharmaceutical manufacturers who participate in Medicare Part D. On December 14, 2018, a Texas U.S. District Court Judge ruled that the ACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Cuts and Jobs Act of 2017. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit upheld the District Court ruling that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. On March 2, 2020, the United States Supreme Court granted the petitions for writs of certiorari to review this case, and has allotted one hour for oral arguments, which are expected to occur in the fall.

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

Moreover, payment methodologies may be subject to changes in healthcare legislation and regulatory initiatives. For example, in the United States, CMS may develop new payment and delivery models, such as bundled payment models. In addition, recently there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their commercial products, which has resulted in several Congressional inquiries and proposed and enacted state and federal legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for pharmaceutical products. For example, at the federal level, the Trump administration's budget proposal for fiscal year 2021 includes a \$135 billion allowance

## [Table of Contents](#)

to support legislative proposals seeking to reduce drug prices, increase competition, lower out-of-pocket drug costs for patients, and increase patient access to lower-cost generic and biosimilar drugs. On March 10, 2020, the Trump administration sent “principles” for drug pricing to Congress, calling for legislation that would, among other things, cap Medicare Part D beneficiary out-of-pocket pharmacy expenses, provide an option to cap Medicare Part D beneficiary monthly out-of-pocket expenses, and place limits on pharmaceutical price increases. Further, the Trump administration previously released a “Blueprint” to lower drug prices and reduce out of pocket costs of drugs that contained proposals to increase drug manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products, and reduce the out of pocket costs of drug products paid by consumers. HHS has solicited feedback on some of these measures and has implemented others under its existing authority. For example, in May 2019, CMS issued a final rule to allow Medicare Advantage Plans the option of using step therapy, a type of prior authorization, for Part B drugs beginning January 1, 2020. This final rule codified CMS’s policy change that was effective January 1, 2019. Although a number of these and other measures may require additional authorization to become effective, Congress and the Trump administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payers. In addition, individual states in the United States have also increasingly passed legislation and implemented regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. In addition, it is possible that additional governmental action is taken to address the COVID-19 pandemic. For example, on April 18, 2020, CMS announced that qualified health plan issuers under the ACA may suspend activities related to the collection and reporting of quality data that would have otherwise been reported between May and June 2020 given the challenges healthcare providers are facing responding to the COVID-19 virus.

Outside the United States, ensuring coverage and adequate payment for a product also involves challenges. Pricing of prescription pharmaceuticals is subject to government control in many countries. Pricing negotiations with government authorities can extend well beyond the receipt of regulatory approval for a product and may require a clinical trial that compares the cost-effectiveness of a product to other available therapies. The conduct of such a clinical trial could be expensive and result in delays in commercialization.

In the European Union, pricing and reimbursement schemes vary widely from country to country. Some countries provide that products may be marketed only after a reimbursement price has been agreed. Some countries may require the completion of additional studies that compare the cost-effectiveness of a particular product candidate to currently available therapies or so-called health technology assessments, in order to obtain reimbursement or pricing approval. For example, the European Union provides options for its member states to restrict the range of products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. European Union member states may approve a specific price for a product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the product on the market. Other member states allow companies to fix their own prices for products, but monitor and control prescription volumes and issue guidance to physicians to limit prescriptions. Recently, many countries in the European Union have increased the amount of discounts required on pharmaceuticals and these efforts could continue as countries attempt to manage healthcare expenditures, especially in light of the severe fiscal and debt crises experienced by many countries in the European Union. The downward pressure on healthcare costs in general, particularly prescription products, has become intense. As a result, increasingly high barriers are being erected to the entry of new products. Political, economic and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after reimbursement has been obtained. Reference pricing used by various European Union member states, and parallel trade, i.e., arbitrage between low-priced and high-priced member states, can further reduce prices. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favorable reimbursement and pricing arrangements for any products, if approved in those countries.

### ***Compliance with Other Federal and State Laws or Requirements; Changing Legal Requirements***

If any products that we may develop are made available in the United States to authorized users of the Federal Supply Schedule of the General Services Administration, additional laws and requirements apply. Products must meet applicable child-resistant packaging requirements under the U.S. Poison Prevention Packaging Act. Manufacturing, labeling, packaging, distribution, sales, promotion and other activities also are potentially subject to federal and state consumer protection and unfair competition laws, among other requirements to we may be subject.

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

The failure to comply with any of these laws or regulatory requirements subjects firms to possible legal or regulatory action. Depending on the circumstances, failure to meet applicable regulatory requirements can result in criminal prosecution, fines or other penalties, injunctions, exclusion from federal healthcare programs, requests for recall, seizure of products, total or partial suspension of production, denial or withdrawal of product approvals, relabeling or repackaging, or refusal to allow a firm to enter into supply contracts, including government contracts. Any claim or action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. Prohibitions or restrictions on marketing, sales or withdrawal of future products marketed by us could materially affect our business in an adverse way.

Changes in regulations, statutes or the interpretation of existing regulations could impact our business in the future by requiring, for example: (i) changes to our manufacturing arrangements; (ii) additions or modifications to product labeling or packaging; (iii) the recall or discontinuation of our products; or (iv) additional record-keeping requirements. If any such changes were to be imposed, they could adversely affect the operation of our business.

### ***European Union Drug Development***

In the European Union, our future products also may be subject to extensive regulatory requirements. As in the United States, medicinal products can be marketed only if a marketing authorization from the competent regulatory agencies has been obtained.

Similar to the United States, the various phases of preclinical and clinical research in the European Union are subject to significant regulatory controls. Although the EU Clinical Trials Directive 2001/20/EC has sought to harmonize the EU clinical trials regulatory framework, setting out common rules for the control and authorization of clinical trials in the European Union, the EU Member States have transposed and applied the provisions of the Directive differently. This has led to significant variations in the member state regimes. Under the current regime, before a clinical trial can be initiated it must be approved in each of the EU countries where the trial is to be conducted by two distinct bodies: the National Competent Authority, or NCA, and one or more Ethics Committees, or ECs. Under the current regime all suspected unexpected serious adverse reactions to the investigated drug that occur during the clinical trial have to be reported to the NCA and ECs of the Member State where they occurred.

The EU clinical trials legislation currently is undergoing a transition process mainly aimed at harmonizing and streamlining clinical-trial authorization, simplifying adverse-event reporting procedures, improving the supervision of clinical trials and increasing their transparency. Recently enacted Clinical Trials Regulation EU No 536/2014 ensures that the rules for conducting clinical trials in the European Union will be identical.

We are in the process of applying to renew our status with EMA as a small and medium-sized enterprise, or SME. If we obtain SME status with EMA, it will provide access to administrative, regulatory and financial support, including fee reductions for scientific advice and regulatory procedures.

### ***European Union Drug Marketing***

Much like the Anti-Kickback Statute prohibition in the United States, the provision of benefits or advantages to physicians to induce or encourage the prescription, recommendation, endorsement, purchase, supply, order or use of medicinal products is also prohibited in the European Union. The provision of benefits or advantages to physicians is governed by the national anti-bribery laws of European Union Member States, such as the UK Bribery Act 2010. Infringement of these laws could result in substantial fines and imprisonment.

Payments made to physicians in certain European Union Member States must be publicly disclosed. Moreover, agreements with physicians often must be the subject of prior notification and approval by the physician's employer, his or her competent professional organization and/or the regulatory authorities of the individual EU Member States. These requirements are provided in the national laws, industry codes or professional codes of conduct, applicable in the EU Member States. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

### ***European Union Drug Review and Approval***

In the European Economic Area, or EEA, which is comprised of the 27 Member States of the European Union together with Norway, Iceland and Liechtenstein, medicinal products can only be commercialized after obtaining a Marketing Authorization, or MA. There are two types of marketing authorizations.

- The Community MA is issued by the European Commission through the Centralized Procedure, based on the opinion of the Committee for Medicinal Products for Human Use, or CHMP, of the EMA, and is valid throughout the entire territory of the EEA. The Centralized Procedure is mandatory for certain types of products, such as biotechnology medicinal products, orphan medicinal products, advanced-therapy medicines such as gene-therapy, somatic cell-therapy or tissue-engineered medicines and medicinal products containing a new active substance indicated for the treatment of HIV, AIDS, cancer, neurodegenerative disorders, diabetes, auto-immune and other immune dysfunctions and viral diseases. The Centralized Procedure is optional for products containing a new active substance not yet authorized in the EEA, or for products that constitute a significant therapeutic, scientific or technical innovation or which are in the interest of public health in the European Union.
- National MAs, which are issued by the competent authorities of the Member States of the EEA and only cover their respective territory, are available for products not falling within the mandatory scope of the Centralized Procedure. Where a product has already been authorized for marketing in a Member State of the EEA, this National MA can be recognized in another Member States through the Mutual Recognition Procedure. If the product has not received a National MA in any Member State at the time of application, it can be approved simultaneously in various Member States through the Decentralized Procedure. Under the Decentralized Procedure an identical dossier is submitted to the competent authorities of each of the Member States in which the MA is sought, one of which is selected by the applicant as the Reference Member State, or RMS. The competent authority of the RMS prepares a draft assessment report, a draft summary of the product characteristics, or SPC, and a draft of the labeling and package leaflet, which are sent to the other Member States (referred to as the Member States Concerned) for their approval. If the Member States Concerned raise no objections, based on a potential serious risk to public health, to the assessment, SPC, labeling, or packaging proposed by the RMS, the product is subsequently granted a national MA in all the Member States (i.e., in the RMS and the Member States Concerned).

Under the above described procedures, before granting the MA, the EMA or the competent authorities of the Member States of the EEA make an assessment of the risk-benefit balance of the product on the basis of scientific criteria concerning its quality, safety and efficacy.

### ***European Union New Chemical Entity Exclusivity***

In the European Union, new chemical entities (including both small molecules and biological medicinal products), sometimes referred to as new active substances, qualify for eight years of data exclusivity upon

## [Table of Contents](#)

marketing authorization and an additional two years of market exclusivity. The data exclusivity, if granted, prevents regulatory authorities in the European Union from referencing the innovator's data to assess a generic application for eight years, after which generic marketing authorization can be submitted, and the innovator's data may be referenced, but not approved for two years. The overall ten-year period will be extended to a maximum of 11 years if, during the first eight years of those ten years, the marketing authorization holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to their authorization, are determined to bring a significant clinical benefit in comparison with currently approved therapies.

### ***European Union Orphan Designation and Exclusivity***

In the European Union, the EMA's Committee for Orphan Medicinal Products grants orphan drug designation to promote the development of products that are intended for the diagnosis, prevention or treatment of life-threatening or chronically debilitating conditions affecting not more than 5 in 10,000 persons in the European Union community (or where it is unlikely that the development of the medicine would generate sufficient return to justify the investment) and for which no satisfactory method of diagnosis, prevention or treatment has been authorized (or, if a method exists, the product would be a significant benefit to those affected).

In the European Union, orphan drug designation entitles a party to financial incentives such as reduction of fees or fee waivers and ten years of market exclusivity is granted following medicinal product approval. This period may be reduced to six years if, at the end of the fifth year, it is established that the orphan drug designation criteria are no longer met, including where it is shown that the product is sufficiently profitable not to justify maintenance of market exclusivity. Orphan drug designation must be requested before submitting an application for marketing approval. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

### ***European Pediatric Investigation Plan***

In the EEA, MAAs for new medicinal products not authorized have to include the results of studies conducted in the pediatric population, in compliance with a pediatric investigation plan, or PIP, agreed with the EMA's Pediatric Committee, or PDCO. The PIP sets out the timing and measures proposed to generate data to support a pediatric indication of the drug for which marketing authorization is being sought. The PDCO can grant a deferral of the obligation to implement some or all of the measures of the PIP until there are sufficient data to demonstrate the efficacy and safety of the product in adults. Further, the obligation to provide pediatric clinical trial data can be waived by the PDCO when this data is not needed or appropriate because the product is likely to be ineffective or unsafe in children, the disease or condition for which the product is intended occurs only in adult populations, or when the product does not represent a significant therapeutic benefit over existing treatments for pediatric patients. Once the marketing authorization is obtained in all Member States of the European Union and trial results are included in the product information, the product is eligible for six months' supplementary protection certificate extension, even when the supplementary protection certificate period would otherwise be negative.

### ***European Data Collection***

The collection and use of personal health data in the European Economic Area, or the EEA, governed by the GDPR, which became effective May 25, 2018. The GDPR applies to any company established in the EEA and to companies established outside the EEA that process personal data in connection with the offering of goods or services to data subjects in the EU or the monitoring of the behavior of data subjects in the European Union. The GDPR enhances data protection obligations for data controllers of personal data, including stringent requirements relating to the consent of data subjects, expanded disclosures about how personal data is used, requirements to conduct privacy impact assessments for "high risk" processing, limitations on retention of personal data, special provisions for "sensitive information" including health and genetic information of data subjects, mandatory data breach notification and "privacy by design" requirements, and direct obligations on service providers acting as



## [Table of Contents](#)

data processors. The GDPR also imposes strict rules on the transfer of personal data outside of the EEA to countries that do not ensure an adequate level of protection, like the U.S. Failure to comply with the requirements of the GDPR and the related national data protection laws of the EEA Member States may result in fines up to 20 million euros or 4% of a company's global annual revenues for the preceding financial year, whichever is higher. Moreover, the GDPR grants data subjects the right to request deletion of personal information in certain circumstances, and claim material and non-material damages resulting from infringement of the GDPR. Given the breadth and depth of changes in data protection obligations, maintaining compliance with the GDPR, will require significant time, resources and expense, and we may be required to put in place additional mechanisms ensuring compliance with the new data protection rules. This may be onerous and adversely affect our business, financial condition, results of operations, and prospects.

### **Employees**

As of November 30, 2020, we had 17 full-time employees, one part-time employee and two consultants. Eight of our employees have M.D. or Ph.D. degrees. Within our workforce, seven employees are engaged in research and development and nine are engaged in business development, finance, legal, and general management and administration. None of our employees are represented by labor unions or covered by collective bargaining agreements. We consider our relationship with our employees to be good.

### **Facilities**

Our corporate headquarters is located in Cambridge, Massachusetts, where we sublease and occupy approximately 7,531 square feet of office space. The current term of our Cambridge lease expires June 30, 2024. We believe our existing facilities are sufficient for our needs for the foreseeable future. To meet the future needs of our business, we may lease additional or alternate space, and we believe suitable additional or alternative space will be available in the future on commercially reasonable terms.

### **Legal proceedings**

From time to time, we may become involved in litigation or other legal proceedings. We are not currently a party to any litigation or legal proceedings that, in the opinion of our management, are probable to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on our business, financial condition, results of operations and prospects because of defense and settlement costs, diversion of management resources and other factors.

## MANAGEMENT

### Executive Officers and Directors

The following table and discussion sets forth the name, age, as of November 30, 2020, and position of the individuals who currently serve as directors and executive officers of Cullinan Oncology, LLC and will begin to serve as the directors and executive officers of our wholly-owned subsidiary Cullinan Management following the completion of the Reorganization. The following also includes certain information regarding our directors' and officers' individual experience, qualifications, attributes and skills and brief statements of those aspects of our directors' backgrounds that led us to conclude that they are qualified to serve as directors.

<u>Name</u>	<u>Age</u>	<u>Position(s)</u>
<b><i>Executive Officers</i></b>		
Owen Hughes	46	President, Chief Executive Officer, and Director
Jeffrey Trigilio	36	Chief Financial Officer
Jennifer Michaelson, Ph.D.	53	Chief Development Officer, Biologics
Jon Wigginton, M.D.	59	Chief Medical Officer
Leigh Zawel, Ph.D.	55	Chief Scientific Officer, Small Molecules
<b><i>Non-Employee Directors</i></b>		
Anthony Rosenberg <sup>(1)(2)(3)</sup>	67	Chairperson, Director
Tim Anderson	31	Director
Thomas Ebeling <sup>(1)(3)</sup>	61	Director
Ansbert Gadicke, M.D. <sup>(2)(3)</sup>	62	Director
Morana Jovan-Embricos, Ph.D.	53	Director
Stephen Webster <sup>(1)(2)(3)</sup>	59	Director

(1) Member of the Audit Committee

(2) Member of the Compensation Committee

(3) Member of the Nominating and Corporate Governance Committee

#### ***Executive Officers***

**Owen Hughes** Mr. Hughes has served as our Chief Executive Officer and member of our board of directors since September 2017. Before joining the Company, Mr. Hughes served as the Chief Business Officer and Head of Corporate Development at Intarcia Therapeutics, Inc. from February 2013 through August 2017. Prior to this, he was a Director at Brookside Capital Investors, L.P., or Brookside Capital, a hedge fund under the Bain Capital, LP umbrella, from May 2008 through February 2013. Prior to his tenure at Brookside Capital, Mr. Hughes was Senior Portfolio Manager at Pyramis Global Advisors LLC, a Fidelity Investments Company, from May 2006 to May 2008. Mr. Hughes has more than 16 years of Wall Street experience, on both the buy and sell-side. He currently serves as the Chairman of the board of directors of Radius Health, Inc. (Nasdaq: RDUS), as well as board member at Translate Bio, Inc. (Nasdaq: TBIO), and Wren Therapeutics, Inc., a private company. Mr. Hughes holds a B.A. in history from Dartmouth College. We believe that Mr. Hughes is qualified to serve as a member of our board of directors due to his extensive leadership experience in the biopharmaceutical industry.

**Jeffrey Trigilio** Mr. Trigilio has served as our Chief Financial Officer since September 2020. Before joining the Company, Mr. Trigilio served as the Chief Financial Officer at Amylyx Pharmaceuticals, Inc. from January 2020 through July 2020. Prior to this, he was Vice President, Corporate Finance at BlueRock Therapeutics, Inc. from August 2018 through January 2020. Prior to his tenure at BlueRock Therapeutics, Inc., Mr. Trigilio was a

## [Table of Contents](#)

Director, Healthcare Investment Banking at RBC Capital Markets LLC from November 2017 through August 2018. He previously served in increasing roles of responsibility at Alexion Pharmaceuticals, Inc. from April 2013 through November 2017 and at Credit Suisse Securities from July 2008 to March 2013. Mr. Trigilio holds a B.A. in Industrial and Labor Relations from Cornell University and an M.B.A. from Columbia University.

**Jennifer Michaelson, Ph.D.** Dr. Michaelson has served in increasing roles of responsibility at the Company since January 2018, most recently as Chief Development Officer, Biologics since January 2020 and previously as Vice President, Preclinical Research and Early Development from January 2018 through December 2019. Before joining the Company, Dr. Michaelson served as the Head of Biologics at Celsius Therapeutics, Inc. from July 2017 through December 2017. Prior to this, she served in increasing roles of responsibility at Jounce Therapeutics, Inc., from September 2012 through July 2017, most recently as Senior Director and Executive Program Leader and previously as Director of Tumor Immunology and as a consultant. Previously, during her 10 year tenure at Biogen Idec Inc., Dr. Michaelson served as project leader for several monoclonal antibody and bispecific antibody programs in both the Oncology and Immunology therapeutic areas. Dr. Michaelson holds a B.A. in Biology from Princeton University and Ph.D from the Department of Cell Biology at Albert Einstein College of Medicine, and completed a post-doctoral fellowship in Philip Leder's laboratory in the Department of Genetics at Harvard Medical School.

**Jon Wigginton, M.D.** Dr. Wigginton has served as our Chief Medical Officer since April 2020. Dr. Wigginton also serves as an Advisor at MPM Capital since April 2020. Before joining the Company, Dr. Wigginton was the Chief Medical Officer of MacroGenics, Inc. from August 2013 through March 2020, where he led the company's evolution of a fully-integrated, clinical-stage cancer immunotherapy organization. Prior to this, he served as the Therapeutic Area Head, Immuno-Oncology, Early Clinical Research and Executive Director, Discovery Medicine-Clinical Oncology at Bristol Myers Squibb Co., or Bristol Myers from October 2008 to August 2013. While there, he led the early clinical development of the Bristol Myers' Immuno-Oncology portfolio including anti-PD-1 and anti-PD-L1 among others. Prior to joining Bristol Myers, Dr. Wigginton was the Director of Clinical Oncology at Merck Research Laboratories Inc. from May 2006 to October 2008, where he led early- and late-stage clinical development teams for small molecules and biologics. During his academic career, Dr. Wigginton served in the Center for Cancer Research, the intramural division of the National Cancer Institute, from July 1992 through May 2007, where he was Head of the Investigational Biologics Section, NCI-CCR, and led an integrated basic, translational and clinical research program focused on combination immunotherapy for cancer, with an emphasis on cytokine-based combinations. Dr. Wigginton holds a B.S. in Biology and an M.D. from the University of Michigan.

**Leigh Zawel, Ph.D.** Dr. Zawel has served as our Chief Scientific Officer, Small Molecules since August 2017. Dr. Zawel also currently serves as an Executive Partner at MPM Capital since August 2017. Before joining the Company, Dr. Zawel led Pfizer Inc.'s Center for Therapeutic Innovation and worked as the site head for Pfizer's New York and Boston offices from October 2013 through July 2017. Prior to this, he was the oncology site lead at Merck Research Laboratories Inc. Boston from June 2010 through October 2013, where he was responsible for drug discovery efforts focused on the identification of development candidates for programs in the oncology franchise. Dr. Zawel previously worked at Sanofi-Aventis S.A., where he was Director of Cancer Biology, and Novartis Institutes for Biomedical Research/Oncology from 1999 through 2010, where he served in increasing roles of responsibility, most recently as an Oncology Group Leader. Dr. Zawel holds a M.S. in Bacteriology from the University of Wisconsin, a B.S. in Biology from Rutgers University, a Ph.D. in Biochemistry from the University of Medicine and Dentistry of New Jersey and completed his postdoctoral training at Johns Hopkins University School of Medicine.

### **Non-Employee Directors**

**Anthony Rosenberg** Mr. Rosenberg has served as a member of our board of directors since August 2017 and as the Chairperson of our board of directors since April 2020. Currently, Mr. Rosenberg serves as the Chief Executive Officer of TR Advisory Services GmbH, a consultancy firm advising on business development,

## Table of Contents

licensing, and mergers and acquisitions. From April 2015 to April 2020, Mr. Rosenberg served as a Managing Director of MPM Capital. From January 2012 to February 2015, Mr. Rosenberg served as Corporate Head of M&A and Licensing at Novartis. Mr. Rosenberg currently serves on the board of directors of argenx SE (Nasdaq: ARGX) and Radius Health, Inc. (Nasdaq: RDUS). Mr. Rosenberg holds a B.Sc. from the University of Leicester and a M.Sc. Physiology from the University of London. We believe that Mr. Rosenberg is qualified to serve as a member of our board of directors due to his extensive tenure in biotech operations and strategic management.

**Timothy Anderson** Mr. Anderson has served on our Board of Directors since December 2019. Since July 2014, Mr. Anderson serves as a Partner, Head of Research and a co-founding member of Cowen Healthcare Investments. Mr. Anderson focuses on investments in life science and digital medicine companies that have the potential to meaningfully address serious medical conditions. Prior to his role at Cowen Healthcare Investments LP, Mr. Anderson was a biotechnology investment banker on Cowen and Company LLC's healthcare investment banking team. Mr. Anderson is currently a member of the board of directors of several private companies, including Cadent Therapeutics, Inc., VectivBio Holding AG, F2G Ltd., and Autobahn Therapeutics Inc. Mr. Anderson holds a B.A. in economics from Bowdoin College. We believe Mr. Anderson is qualified to serve as a member of our Board of Directors because of his extensive experience in the life sciences industry and in investment management. Mr. Anderson has notified us that he will resign from our board of directors immediately prior to the effectiveness of the registration statement of which this prospectus forms a part. Mr. Anderson's resignation is not due to any disagreement with the Company or any matters relating to our operations, policies or practices.

**Thomas Ebeling** Mr. Ebeling has served as a member of our board of directors since August 2017. Most recently, Mr. Ebeling served as the Chief Executive Officer of ProSiebenSat.1 Media SE from March 2009 through February 2018. Mr. Ebeling previously served as the Chief Executive Officer of Novartis Consumer Health from October 2007 through October 2008, and as Chief Executive Officer of Novartis Pharmaceuticals Corporation from July 2000 through September 2007. He served in numerous leadership roles at the PepsiCo Germany from 1991 through 1996 Mr. Ebeling served on the board of directors of Bayer AG from April 2012 to September 2019 and on the board of directors of Lonza Group AG from March 2013 to March 2017. Mr. Ebeling holds a B.S. in Psychology from the University of Hamburg. We believe that Mr. Ebeling is qualified to serve as a member of our board of directors due to his extensive leadership experience in the life sciences industry.

**Ansbert Gadicke, M.D.** Dr. Gadicke has served as a member of our board of directors since our inception. Dr. Gadicke co-founded MPM Capital in 1997 and has since served as a Managing Director. Dr. Gadicke has been the driving force at MPM Capital behind building leading biopharmaceutical companies such as BioMarin Pharmaceuticals, Idenix Pharmaceuticals (acquired by Merck & Co.), Mitobridge (acquired by Astellas), and Pharmasset (acquired by Gilead Sciences) and, more recently, iTeos Therapeutics (NASDAQ: ITOS) and AlloVir (NASDAQ: ALVR), both of which completed IPOs in 2020. Prior to that, Dr. Gadicke led MPM Capital's Advisory and Investment Banking business from 1992 to 1996 and was in Boston Consulting Group's Health Care Group from 1989 to 1992. He currently serves as a member of the board of directors of TCR2 (Nasdaq: TCRR), iTeos Therapeutics SA (Nasdaq: ITOS) and AlloVir, Inc., or AlloVir (Nasdaq: ALVR). Previously, Dr. Gadicke also served on the board of directors of publicly traded biopharmaceutical companies Radius Health, Inc. (Nasdaq: RDUS) and Chiasma, Inc. (Nasdaq: CHMA). Dr. Gadicke is also a member of the Harvard Medical School Board of Fellows and the Research Advisory Council of Massachusetts General Hospital. Dr. Gadicke received his M.D. from J.W. Goethe University and has held research positions at the Whitehead Institute and Harvard University. While at the German Cancer Research Center, Dr. Gadicke focused on HPV16 and 18 in Professor Harald zur Hausen's group (Nobel Laureate in Physiology or Medicine, 2008). We believe Dr. Gadicke is qualified to serve as a member of our Board of Directors because of his extensive experience in the life sciences industry and his experience working in the venture capital industry.

**Morana Jovan-Embiricos, Ph.D.** Dr. Jovan-Embiricos has served as a member of our board of directors since March 2017. In 2003, Dr. Jovan co-founded F2 Ventures Ltd., or F2 Ventures, a biotech venture capital platform and has since served as its Managing Partner. Prior to joining F2 Ventures, Dr. Jovan was a partner at MPM Capital from July 2000 to July 2005, where she worked both on the investment side and directly with portfolio companies to help attain critical business development milestones. Dr. Jovan-Embiricos currently

## [Table of Contents](#)

serves on the board of directors of and AlloVir (Nasdaq: ALVR) and previously served on the board of directors of TCR<sup>2</sup> (Nasdaq: TCRR) and Radius Health Inc. (Nasdaq: RDUS). Dr. Jovan-Embiricos currently serves on the board of directors of several private companies, including ElevateBio LLC and Damon Runyon Cancer Institute. Dr. Jovan-Embiricos received her Ph.D. in biophysical chemistry from the University of Cambridge and was a post-doctoral fellow at Harvard University. We believe Dr. Jovan-Embiricos is qualified to serve as a member of our Board of Directors because of her scientific background and experience in the venture capital industry.

**Stephen Webster** Mr. Webster has served on our board of directors since September 2020. Mr. Webster served as the Chief Financial Officer of Spark Therapeutics, Inc. from July 2014 until its acquisition by Roche Holding AG for \$4.8 billion in December 2019. He was previously Senior Vice President and Chief Financial Officer of Optimer Pharmaceuticals Inc. from July 2012 until its acquisition by Cubist Pharmaceuticals Inc. in October 2013. Mr. Webster currently serves on the board of directors of NextCure, Inc. (Nasdaq: NXTC), Nabriva Therapeutics AG (formerly Nabriva Therapeutics plc) (Nasdaq: NBRV) and TCR<sup>2</sup> (Nasdaq: TCRR). Mr. Webster received an A.B. in Economics from Dartmouth College and an M.B.A. in Finance from The Wharton School of the University of Pennsylvania. We believe Mr. Webster is qualified to serve as a member of our board of directors due to his extensive experience in the biopharmaceutical industry, including his prior experience as a chief financial officer and in other management positions.

### **Composition of our Board of Directors**

Our board of directors consists of seven members, each of whom are members pursuant to the board composition provisions of our third amended and restated limited liability company agreement and agreements with our stockholders. These board composition provisions will terminate at the time of the Reorganization. Upon the termination of these provisions, there will be no further contractual obligations regarding the election of our directors. Our nominating and corporate governance committee and our board of directors may therefore consider a broad range of factors relating to the qualifications and background of nominees. Our nominating and corporate governance committee's and our board of directors' priority in selecting board members is identification of persons who will further the interests of our stockholders through their established record of professional accomplishment, the ability to contribute positively to the collaborative culture among board members, knowledge of our business, understanding of the competitive landscape, professional and personal experiences, and expertise relevant to our growth strategy. Our directors hold office until their successors have been elected and qualified or until the earlier of their resignation or removal. Our amended and restated certificate of incorporation that will become effective immediately prior to the closing of this offering will provide that our directors may be removed only for cause by the affirmative vote of the holders of at least two-thirds of the votes that all our stockholders would be entitled to cast in an annual election of directors, and our amended and restated bylaws that will become effective upon the effectiveness of the registration statement of which this prospectus is a part will provide that any vacancy on our board of directors, including a vacancy resulting from an enlargement of our board of directors, may be filled only by vote of a majority of our directors then in office.

### **Director Independence**

We have applied to list our common stock on The Nasdaq Global Market, or Nasdaq. Under the Nasdaq listing rules, independent directors must comprise a majority of a listed company's board of directors within twelve months from the date of listing. In addition, the Nasdaq listing rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and governance committees be independent within twelve months from the date of listing. Audit committee members must also satisfy additional independence criteria, including those set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and compensation committee members must also satisfy the independence criteria set forth in Rule 10C-1 under the Exchange Act. Under Nasdaq listing rules, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3 under the

## [Table of Contents](#)

Exchange Act, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee: (1) accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries, other than compensation for board service; or (2) be an affiliated person of the listed company or any of its subsidiaries. In order to be considered independent for purposes of Rule 10C-1, the board of directors must consider, for each member of a compensation committee of a listed company, all factors specifically relevant to determining whether a director has a relationship to such company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: the source of compensation of the director, including any consulting advisory or other compensatory fee paid by such company to the director, and whether the director is affiliated with the company or any of its subsidiaries or affiliates.

Our board of directors has determined that all members of the board of directors, except Owen Hughes and Morana Jovan-Embiricos are independent directors, including for purposes of the rules of Nasdaq and the SEC. In making such independence determination, our board of directors considered the relationships that each non-employee director has with us and all other facts and circumstances that our board of directors deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each non-employee director. In considering the independence of the directors listed above, our board of directors considered the association of our directors with the holders of more than 5% of our common stock. Upon the completion of this offering, we expect that the composition and functioning of our board of directors and each of our committees will comply with all applicable requirements of Nasdaq and the rules and regulations of the SEC. There are no family relationships among any of our directors or executive officers. Mr. Hughes is not an independent director under these rules because he is an executive officer of the Company. Ms. Jovan-Embiricos is not an independent director under these rules because she receives compensation as a consultant to the Company.

**Staggered board.** In accordance with the terms of our amended and restated certificate of incorporation that will become effective upon the closing of this offering and amended and restated bylaws that will become effective upon the effectiveness of the registration statement of which this prospectus is a part, our board of directors will be divided into three staggered classes of directors and each will be assigned to one of the three classes. At each annual meeting of the stockholders, a class of directors will be elected for a three-year term to succeed the directors of the same class whose terms are then expiring. The terms of the directors will expire upon the election and qualification of successor directors at the annual meeting of stockholders to be held during the years 2021 for Class I directors, 2022 for Class II directors and 2023 for Class III directors.

- Our Class I directors will be Thomas Ebeling and Morana Jovan-Embiricos;
- Our Class II directors will be Ansbert Gadicke and Anthony Rosenberg; and
- Our Class III directors will be Owen Hughes and Stephen Webster.

Our amended and restated certificate of incorporation that will become effective upon the closing of this offering and amended and restated bylaws that will become effective upon the effectiveness of the registration statement of which this prospectus is a part provide that the number of our directors shall be fixed from time to time by a resolution of the majority of our board of directors.

The division of our board of directors into three classes with staggered three-year terms may delay or prevent stockholder efforts to effect a change of our management or a change of control.

### **Committees of our Board of Directors**

Our board of directors has established an audit committee and a compensation committee, and plans on establishing a nominating and corporate governance committee, each of which will operate pursuant to a charter to be adopted by our board of directors and which will be effective upon the effectiveness of the registration

## Table of Contents

statement of which this prospectus is a part. The board of directors may also establish other committees from time to time to assist the Company and the board of directors. Upon the effectiveness of the registration statement of which this prospectus is a part, the composition and functioning of all of our committees will comply with all applicable requirements of the Sarbanes-Oxley Act of 2002, Nasdaq and SEC rules and regulations, if applicable. Upon our listing on Nasdaq, each committee's charter will be available on our website at [www.cullinanoncology.com](http://www.cullinanoncology.com). The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website, and you should not consider it to be part of this prospectus.

### *Audit committee*

Effective upon completion of this offering, Thomas Ebeling, Anthony Rosenberg and Stephen Webster will serve on the audit committee, which will be chaired by Mr. Webster. Our board of directors has determined that each are "independent" for audit committee purposes as that term is defined in the rules of the SEC and the applicable Nasdaq rules, and has sufficient knowledge in financial and auditing matters to serve on the audit committee. Our board of directors has designated Mr. Webster as an "audit committee financial expert," as defined under the applicable rules of the SEC. The audit committee's responsibilities include:

- appointing, approving the compensation of, and assessing the independence of our independent registered public accounting firm;
- pre-approving auditing and permissible non-audit services, and the terms of such services, to be provided by our independent registered public accounting firm;
- reviewing the overall audit plan with our independent registered public accounting firm and members of management responsible for preparing our financial statements;
- reviewing and discussing with management and our independent registered public accounting firm our annual and quarterly financial statements and related disclosures as well as critical accounting policies and practices used by us;
- coordinating the oversight and reviewing the adequacy of our internal control over financial reporting;
- establishing policies and procedures for the receipt and retention of accounting-related complaints and concerns;
- recommending based upon the audit committee's review and discussions with management and our independent registered public accounting firm whether our audited financial statements shall be included in our Annual Report on Form 10-K;
- monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters;
- preparing the audit committee report required by SEC rules to be included in our annual proxy statement;
- reviewing all related person transactions for potential conflict of interest situations and approving all such transactions; and
- reviewing quarterly earnings releases.

### *Compensation committee*

Effective upon completion of this offering, Ansbert Gadicke, Anthony Rosenberg and Stephen Webster will serve on the compensation committee, which will be chaired by Mr. Rosenberg. Our board of directors has determined that each is "independent" under the applicable rules and regulations of Nasdaq, and is a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act. We intend to rely on the

## Table of Contents

Nasdaq transition rules applicable to companies completing an initial public offering, and we plan to have a compensation committee comprised solely of directors that are independent for purposes of serving on a compensation committee within one year after our listing. The compensation committee's responsibilities include:

- annually reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officer;
- evaluating the performance of our Chief Executive Officer in light of such corporate goals and objectives and making recommendations to the board of directors with respect to the compensation of our Chief Executive Officer;
- reviewing and approving the compensation of our other executive officers;
- reviewing and establishing our overall management compensation, philosophy and policy;
- overseeing and administering our compensation and similar plans;
- evaluating and assessing potential and current compensation advisors in accordance with the independence standards identified in the applicable Nasdaq rules;
- retaining and approving the compensation of any compensation advisors;
- reviewing and approving our policies and procedures for the grant of equity-based awards;
- reviewing and making recommendations to the board of directors with respect to director compensation;
- reviewing and discussing with management the compensation disclosure to be included in our annual proxy statement or Annual Report on Form 10-K; and
- reviewing and discussing with the board of directors the corporate succession plans for the Chief Executive Officer and other key officers.

### ***Nominating and corporate governance committee***

Effective upon completion of this offering Thomas Ebeling, Ansbert Gadicke, Anthony Rosenberg, and Stephen Webster will serve on the nominating and corporate governance committee, which will be chaired by Mr. Ebeling. Our board of directors has determined that each is "independent" as defined in the applicable Nasdaq rules. The nominating and corporate governance committee's responsibilities include:

- developing and recommending to the board of directors criteria for board and committee membership;
- establishing procedures for identifying and evaluating board of director candidates, including nominees recommended by stockholders;
- reviewing the size and composition of the board of directors to ensure that it is composed of members containing the appropriate skills and expertise to advise us;
- identifying individuals qualified to become members of the board of directors;
- recommending to the board of directors the persons to be nominated for election as directors and to each of the board's committees;
- developing and determining a code of business conduct and ethics and a set of corporate governance guidelines;
- developing a mechanism by which violations of the code of business conduct and ethics can be reported in a confidential manner; and



## [Table of Contents](#)

- overseeing the evaluation of the board of directors and management.

Our board of directors may from time to time establish other committees.

### **Compensation Committee Interlocks and Insider Participation**

None of the members of our compensation committee has at any time during the prior three years been one of our officers or employees. None of our executive officers currently serves, or in the past fiscal year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

### **Code of Business Conduct and Ethics**

We plan to adopt a code of business conduct and ethics that applies to all of our employees, officers and directors, including those officers responsible for financial reporting, which will be effective upon completion of this offering. Upon the completion of this offering, our code of business conduct and ethics will be available on our website at <https://cullinanoncology.com>. We intend to disclose any substantive amendments to the code, or any waivers of its requirements, on our website or in a Current Report on Form 8-K.

### **Board Leadership Structure and Board's Role in Risk Oversight**

Currently, the role of chairman of the board of directors is separated from the role of Chief Executive Officer. Our Chief Executive Officer is responsible for recommending strategic decisions and capital allocation to the board of directors and to ensure the execution of the recommended plans. The chairman of the board of directors is responsible for leading the board of directors in its fundamental role of providing advice to and independent oversight of management. Our board of directors recognizes the time, effort, and energy that the Chief Executive Officer is required to devote to his position in the current business environment, as well as the commitment required of the chairman of our board of directors, particularly as the board of directors' oversight responsibilities continue to grow. While our amended and restated bylaws that will become effective upon the effectiveness of the registration statement of which this prospectus is a part and corporate governance guidelines will not require that our chairman and Chief Executive Officer positions be separate, our board of directors believes that having separate positions is the appropriate leadership structure for us at this time and demonstrates our commitment to good corporate governance.

Risk is inherent with every business, and how well a business manages risk can ultimately determine its success. We face a number of risks, including risks relating to our financial condition, development and commercialization activities, operations, strategic direction and intellectual property as more fully discussed in the section titled "Risk Factors" appearing elsewhere in this prospectus. Management is responsible for the day-to-day management of risks we face, while our board of directors, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, our board of directors has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed.

The role of the board of directors in overseeing the management of our risks is conducted primarily through committees of the board of directors, as disclosed in the descriptions of each of the committees above and in the charters of each of the committees. The full board of directors (or the appropriate board committee in the case of risks that are under the purview of a particular committee) discusses with management our major risk exposures, their potential impact on us, and the steps we take to manage them. When a board committee is responsible for evaluating and overseeing the management of a particular risk or risks, the chairman of the relevant committee reports on the discussion to the full board of directors during the committee reports portion of the next board meeting. This enables the board of directors and its committees to coordinate the risk oversight role, particularly with respect to risk interrelationships.

### **Limitation on Liability and Indemnification Matters**

As permitted by Delaware law, provisions in our amended and restated certificate of incorporation which will become effective immediately prior to the closing of this offering, and amended and restated bylaws which will become effective upon the effectiveness of this registration statement, limit or eliminate the personal liability of directors for a breach of their fiduciary duty of care as a director. The duty of care generally requires that, when acting on behalf of the corporation, a director exercise an informed business judgment based on all material information reasonably available to him or her. Consequently, a director will not be personally liable to us or our stockholders for monetary damages or breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not limit or eliminate our rights or any stockholder's rights to seek non-monetary relief, such as injunctive relief or rescission. These provisions will not alter a director's liability under other laws, such as the federal securities laws or other state or federal laws. Our amended and restated certificate of incorporation that will become effective immediately prior to the closing of this offering also authorizes us to indemnify our officers, directors and other agents to the fullest extent permitted under Delaware law.

As permitted by Delaware law, our amended and restated bylaws to be effective upon the effectiveness of this registration statement will provide that:

- we will indemnify our directors, officers, employees and other agents to the fullest extent permitted by law;
- we must advance expenses to our directors and officers, and may advance expenses to our employees and other agents, in connection with a legal proceeding to the fullest extent permitted by law; and
- the rights provided in our amended and restated bylaws are not exclusive.

If Delaware law is amended to authorize corporate action further eliminating or limiting the personal liability of a director or officer, then the liability of our directors or officers will be so eliminated or limited to the fullest extent permitted by Delaware law, as so amended. Our amended and restated bylaws to be effective upon the effectiveness of this registration statement will also permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in connection with their services to us, regardless of whether our bylaws permit such indemnification. We have obtained such insurance.

In addition to the indemnification that will be provided for in our amended and restated certificate of incorporation to be effective immediately prior to the closing of this offering and amended and restated bylaws to be effective upon the effectiveness of this registration statement, we plan to enter into separate indemnification agreements with each of our directors and executive officers, which may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements may require us, among other things, to indemnify our directors and executive officers for some expenses, including attorneys' fees, expenses, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of his service as one of our directors or executive officers or any other company or enterprise to which the person provides services at our request. We believe that these provisions and agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

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## [Table of Contents](#)

This description of the indemnification provisions of our amended and restated certificate of incorporation to be effective immediately prior to the closing of this offering, our amended and restated bylaws to be effective upon the effectiveness of this registration statement and our indemnification agreements is qualified in its entirety by reference to these documents, each of which is attached as an exhibit to the registration statement of which this prospectus forms a part.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable.

There is no pending litigation or proceeding naming any of our directors or officers as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

## EXECUTIVE COMPENSATION

### Executive Compensation Overview

The following discussion contains forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. The actual amount and form of compensation and the compensation policies and practices that we adopt in the future may differ materially from the currently planned programs as summarized in this discussion.

The compensation provided to our named executive officers for the fiscal year ended December 31, 2019 is detailed in the Summary Compensation Table and accompanying footnotes and narrative that follow this section. Our named executive officers for the fiscal year ended December 31, 2019, which consists of our Chief Executive Officer and our two most highly compensated consultants other than our Chief Executive Officer, are:

- Owen Hughes, our Chief Executive Officer;
- Patrick Baeuerle, Ph.D., our Acting Chief Scientific Officer, Biologics; and
- Corinne Savill, Ph.D., our Acting Chief Business Officer.

### Summary Compensation Table

The following table presents total compensation awarded to, earned by or paid to our named executive officers for services rendered to us in all capacities during the fiscal year ended December 31, 2019.

<u>Name &amp; Principal Position</u>	<u>Year</u>	<u>Salary (\$)</u>	<u>Bonus (\$)(1)</u>	<u>All Other Compensation (\$)(2)</u>	<u>Total (\$)</u>
Owen Hughes Chief Executive Officer	2019	450,000	96,800	14,000	560,800
Patrick Baeuerle, Ph.D.(3) Acting Chief Scientific Officer, Biologics	2019	420,895	107,502	34,400	562,797
Corinne Savill, Ph.D. Acting Chief Business Officer	2019	380,000	91,200	15,000	486,200

- (1) The amounts reported represent discretionary cash bonuses paid by us for the fiscal year ended December 31, 2019, based on our named executive officers' performance during such fiscal year.
- (2) The amounts reported represent 401(k) matching contributions with respect to Mr. Hughes and the value of corporate apartments provided by us to each of Dr. Baeuerle and Dr. Savill.
- (3) The amounts reported have been converted from euros to U.S. dollars using the exchange rates in effect on the date payments were made to Dr. Baeuerle in 2019.

### Narrative to summary compensation table

#### *Base salary*

During the fiscal year ended December 31, 2019, the annual base salary for Owen Hughes was \$450,000, and the annualized consulting fees for Dr. Baeuerle and Dr. Savill were €370,000, and \$380,000, respectively.

#### *Bonus Arrangements*

Pursuant to the terms of his offer letter agreement, Mr. Hughes is eligible for a retention and performance bonus of up to 30% of his base salary. Dr. Baeuerle and Dr. Savill are eligible for retention and performance

## [Table of Contents](#)

bonuses of up to 33% and 30%, respectively, of their annualized base consulting fees under the terms of their consulting agreements. Based on its evaluation of the performance of the named executive officers during fiscal year 2019, the board awarded discretionary bonuses to Mr. Hughes, Dr. Baeuerle, and Dr. Savill as set forth in the Summary Compensation Table above, which were approximately equal to 22%, 26% and 24% of their respective annual base salary or consulting fees.

In connection with the equity exchange described above under “Reorganization—Reorganization Equity Exchange,” each of Mr. Hughes and Drs. Baeuerle and Savill received a cash bonus award of \$37,500.

### ***Equity compensation***

We have historically compensated our employees with incentive units of the Company in the form of profits interests and restricted stock awards, in each case, with respect to the equity of our subsidiaries. During the fiscal year ended December 31, 2019, we did not make any incentive unit grants. Mr. Hughes, Dr. Baeuerle, and Dr. Savill were awarded the number of restricted shares of Cullinan Amber and Cullinan Florentine common stock set forth in the table below, for which each of the named executive officers paid the respective fair market value of such shares.

<b>Named Executive Officer</b>	<b>Number of Shares of Common Stock of Cullinan Amber</b>	<b>Number of Shares of Common Stock of Cullinan Florentine</b>
Owen Hughes	108,261	155,868
Patrick Baeuerle, Ph.D.	108,261	155,868
Corinne Savill, Ph.D.	40,598	58,450

In connection with the equity exchange described above under “Reorganization—Reorganization Equity Exchange,” the following anti-dilution and make-whole option grants were awarded to our named executive officers under the 2020 Unit Plan: Mr. Hughes, anti-dilution options in respect of 2,878,240 common units and make-whole options in respect of 3,188,348 common units; Dr. Baeuerle, anti-dilution options in respect of 1,845,026 common units and make-whole options in respect of 2,871,868 common units; and Dr. Savill, anti-dilution options in respect of 959,662 common units and make-whole options in respect of 351,054 common units. These options have an exercise price of \$0.61 per common unit and vest as to 25% of the number of common units subject to the award on the first anniversary of the vesting commencement date, with the remaining portion of the award vesting over the following 36 months in equal monthly installments.

### ***Employment or service arrangements with our named executive officers***

We initially entered into an employment agreement with Owen Hughes and consulting agreements with each of Patrick Baeuerle, Ph.D. and Corinne Savill, Ph.D., in connection with his or her employment or other service relationship with us. The employment agreements and consulting agreements with our named executive officers set forth the terms and conditions of each of the named executive officer’s employment or other service relationship.

### ***Arrangements in place during the fiscal year ended December 31, 2019 for named executive officers***

#### ***Owen Hughes***

On May 1, 2017, we, through our wholly-owned subsidiary, Cullinan Management, entered into an offer letter with Owen Hughes, who currently serves as our Chief Executive Officer. The offer letter provides for Mr. Hughes’ at-will employment and sets forth his initial annual base salary, his initial target annual bonus opportunity, his initial equity grant and his eligibility to participate in our employee benefit plans generally. In addition, the offer letter also provides that in each instance where an “asset subsidiary” is formed and invested in

## [Table of Contents](#)

by the Company, Mr. Hughes is entitled to an equity grant target of 2% of such subsidiary's fully-diluted capitalization (which grants are included in the "Outstanding equity awards at fiscal year end" table below). In the event that Mr. Hughes' employment is terminated by Cullinan Management, without "cause" as defined in Mr. Hughes' offer letter, subject to Mr. Hughes' execution of an effective release of claims in favor of the Company, Mr. Hughes will be entitled to cash severance equal to six (6) months of base salary, paid ratably in accordance with the Company's regular payroll cycle. Mr. Hughes is subject to a confidentiality and assignment agreement with Cullinan Management, which includes non-competition and non-solicitation protections covering the three-month period following Mr. Hughes' termination of employment.

### *Patrick Baeuerle, Ph.D.*

On January 1, 2019, we, through our wholly-owned subsidiary, Cullinan Management, entered into a consulting agreement, or the Baeuerle Consulting Agreement, with Dr. Baeuerle, who currently serves as our Acting Chief Scientific Officer, Biologics. The consulting agreement provides for Dr. Baeuerle's service relationship with the Company and sets forth his consulting fees and initial target annual bonus opportunity as well as proprietary information and inventions provisions. The Baeuerle Consulting Agreement provided for his initial equity grant that entitles Dr. Baeuerle to incentive units equating to an ownership interest entitling him to 2.5% of distributions made by the LLC entity with respect to common units (which grant is included in the "Outstanding equity awards at fiscal year end" table below).

### *Corinne Savill, Ph.D.*

On January 1, 2019, we, through our wholly-owned subsidiary, Cullinan Management, entered into a consulting agreement, or the Savill Consulting Agreement, with Dr. Savill, who currently serves as our Acting Chief Business Officer. The consulting agreement provides for Dr. Savill's service relationship with the Company and sets forth her consulting fees and initial target annual bonus opportunity as well as proprietary information and inventions provisions. The Savill Consulting Agreement provided for her initial equity grant that entitles Dr. Savill to incentive units equating to an ownership interest entitling her to 1.5% of distributions made by the LLC entity with respect to common units (which grant is included in the "Outstanding equity awards at fiscal year end" table below). Dr. Savill is subject to the Cullinan Management's standard proprietary information and inventions agreement.

## **Outstanding equity awards at fiscal year end**

The following table presents the outstanding equity awards held by each of our named executive officers as of December 31, 2019.

<u>Name</u>	<u>Vesting Commencement Date</u>	<u>Stock Awards</u>	
		<u>Number shares or units that have not vested (#)</u>	<u>Market value of shares or units that have not vested (\$)(1)</u>
Owen Hughes	8/1/2017	1,287,000(2)	129
	12/16/2019	108,261(3)	11
	12/16/2019	155,868(4)	16
	12/1/2018	279,915(5)	81,175
Patrick Baeuerle, Ph.D.	3/8/2017	618,750(2)	62
	12/16/2019	108,261(3)	11
	12/16/2019	155,868(4)	16
	12/1/2018	244,926(5)	71,029
Corinne Savill, Ph.D.	3/8/2017	371,250(2)	37
	12/16/2019	40,598(3)	4
	12/16/2019	58,450(4)	6
	12/1/2018	104,968(5)	30,441

- (1) Market value has been determined for Cullinan Amber stock awards, based on a fair market value of a share of Cullinan Amber's common stock as of December 31, 2019, which was \$ \_\_\_\_\_, for Cullinan Florentine stock awards, based on a fair market value of a share of Cullinan Florentine's common stock as of December 31, 2019, which was \$ \_\_\_\_\_, and for Cullinan Pearl stock awards, based on a fair market value of a share of Cullinan Pearl's common stock as of December 31, 2019, which was \$ \_\_\_\_\_.
- (2) Represents incentive units in the LLC entity that are intended to qualify as profits interests and vest as follows: 25% of the units vested on the first anniversary of the vesting commencement date and the remaining units vest over 36 months in equal monthly installments, subject in each case to the executive continuing to have a service relationship with us at such time.
- (3) The shares underlying these Cullinan Amber restricted stock awards vest as follows: 25% of the shares vest on the first anniversary of the vesting commencement date and the remaining shares vest over 36 months in equal monthly installments, subject in each case to the executive continuing to have a service relationship with us at such time.
- (4) The shares underlying these Cullinan Florentine restricted stock awards vest as follows: 25% of the shares vest on the first anniversary of the vesting commencement date and the remaining shares vest over 36 months in equal monthly installments, subject in each case to the executive continuing to have a service relationship with us at such time.
- (5) The shares underlying these Cullinan Pearl restricted stock awards vest as follows: 25% of the shares vest on the first anniversary of the vesting commencement date and the remaining shares vest over 36 months in equal monthly installments, subject in each case to the executive continuing to have a service relationship with us at such time.

In connection with the equity exchange described above under "Reorganization—Reorganization Equity Exchange," the vesting of the unvested Cullinan Amber Inc. restricted stock awards, unvested Cullinan Florentine restricted stock awards and unvested Cullinan Pearl restricted stock awards held by each of our named executive officers and listed in the preceding table was accelerated.

## **Employee benefits and stock plans**

### ***2021 Stock Option and Incentive Plan***

In connection with this offering, our board of directors plans to adopt a 2021 Stock Option and Incentive Plan, or the 2021 Stock Plan. The 2021 Stock Plan will become effective on the date immediately prior to the date on which the registration statement of which this prospectus is part is declared effective by the SEC. The 2021 Stock Plan will provide flexibility to our compensation committee to use various equity-based incentive awards as compensation tools to motivate our workforce.

We will initially reserve \_\_\_\_\_ shares of our common stock, or the Initial Limit, for the issuance of awards under the 2021 Stock Plan. The 2021 Stock Plan provides that the number of shares reserved and available for issuance under the plan will automatically increase each January 1, beginning on January 1, 2022, by \_\_\_\_\_ % of the outstanding number of shares of our common stock on the immediately preceding December 31, or such lesser number of shares as determined by our compensation committee. This is referred to herein as the Annual Increase. This number will be subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

The shares we issue under the 2021 Stock Plan will be authorized but unissued shares or shares that we reacquire. The shares of common stock underlying any awards that are forfeited, cancelled, held back upon exercise or settlement of an award to satisfy the exercise price or tax withholding, reacquired by us prior to vesting, satisfied without any issuance of stock, expire or are otherwise terminated (other than by exercise) under the 2021 Stock Plan will be added back to the shares of common stock available for issuance under the 2021 Stock Plan.

## [Table of Contents](#)

The maximum aggregate number of shares that may be issued in the form of incentive stock options may not exceed the Initial Limit cumulatively increased on January 1, 2022, and on each January 1 thereafter by the lesser of (i) the Annual Increase for such year or (ii) \_\_\_\_\_ shares of common stock.

The grant date fair value of all awards made under our 2021 Stock Plan and all other cash compensation paid by us to any non-employee director in any calendar year may not exceed \$ \_\_\_\_\_ for the first year of service and \$ \_\_\_\_\_ for each year of service thereafter.

The 2021 Stock Plan will be administered by our compensation committee. Our compensation committee will have full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted, to make any combination of awards to participants, and to determine the specific terms and conditions of each award, subject to the provisions of the 2021 Stock Plan. Persons eligible to participate in the 2021 Stock Plan will be those full or part-time employees, non-employee directors and consultants of the Company and its affiliates, as selected from time to time by our compensation committee in its discretion.

The 2021 Stock Plan will permit the granting of both options to purchase common stock intended to qualify as incentive stock options under Section 422 of the Internal Revenue Code, or the Code, and options that do not so qualify. The option exercise price of each option will be determined by our compensation committee but may not be less than 100% of the fair market value of our common stock on the date of grant. The term of each option will be fixed by our compensation committee and may not exceed ten years from the date of grant. Our compensation committee will determine at what time or times each option may be exercised.

Our compensation committee will be able to award stock appreciation rights subject to such conditions and restrictions as it may determine. Stock appreciation rights will entitle the recipient to shares of common stock or cash, equal to the value of the appreciation in our stock price over the exercise price. The exercise price of each stock appreciation right may not be less than 100% of the fair market value of the common stock on the date of grant. The term of each stock appreciation right will be fixed by our compensation committee and may not exceed ten years from the date of grant. Our compensation committee will determine at what time or times each stock appreciation right may be exercised.

Our compensation committee will be able to award restricted shares of common stock and restricted stock units to participants subject to such conditions and restrictions as it may determine. These conditions and restrictions may include the achievement of certain performance goals and/or continued employment or service relationship with us through a specified vesting period. Our compensation committee may also be permitted to grant shares of common stock that are free from any restrictions under the 2021 Stock Plan. Unrestricted stock may be granted to participants in recognition of past services or other valid consideration and may be issued in lieu of cash compensation due to such participant.

Our compensation committee will be able to grant cash bonuses under the 2021 Stock Plan to participants, subject to the achievement of certain performance goals.

The 2021 Stock Plan will provide that upon the effectiveness of a “sale event,” as defined in the 2021 Stock Plan, an acquirer or successor entity may assume, continue or substitute outstanding awards under the 2021 Stock Plan. To the extent that awards granted under our 2021 Stock Plan are not assumed or continued or substituted by the successor entity, except as may be otherwise provided in the relevant award certificate, all awards with time-based vesting, conditions or restrictions will become fully vested and nonforfeitable as of the effective time of the sale event, and all awards with conditions and restrictions relating to the attainment of performance goals may become vested and nonforfeitable in connection with a sale event in the compensation committee’s discretion or to the extent specified in the relevant award certificate. Upon the effective time of the sale event, all outstanding awards granted under the 2021 Stock Plan will terminate to the extent not assumed, continued or substituted for. In the event of such termination, individuals holding options and stock appreciation rights will be permitted to exercise such options and stock appreciation rights (to the extent exercisable) within a specified period of time prior to the sale event. In addition, in connection with the termination of the 2021 Stock Plan upon



## [Table of Contents](#)

a sale event, we may make or provide for a payment, in cash or in kind, to participants holding vested and exercisable options and stock appreciation rights equal to the difference between the per share cash consideration payable to stockholders in the sale event and the exercise price of the options or stock appreciation rights and we may make or provide for a payment, in cash or in kind, to participants holding other vested awards.

Our board of directors will be able to amend or discontinue the 2021 Stock Plan and our compensation committee will be permitted to amend the exercise price of options and amend or cancel outstanding awards for purposes of satisfying changes in law or any other lawful purpose but no such action may adversely affect rights under an award without the holder's consent. Certain amendments to the 2021 Stock Plan will require the approval of our stockholders.

No awards will be granted under the 2021 Stock Plan after the date that is 10 years from the date of stockholder approval. No awards under the 2021 Stock Plan will be made prior to the date of this prospectus.

### **2021 Employee Stock Purchase Plan**

In connection with this offering, our board of directors plans to adopt a 2021 Employee Stock Purchase Plan, or an ESPP, which will become effective on the date immediately prior to the date on which the registration statement of which this prospectus is part is declared effective by the SEC. The ESPP will initially reserve and authorize the issuance of up to a total of \_\_\_\_\_ shares of common stock to participating employees. The ESPP will provide that the number of shares reserved and available for issuance will automatically increase each January 1, beginning on January 1, 2022, by the lesser of \_\_\_\_\_ shares of our common stock, \_\_\_\_\_ % of the outstanding number of shares of our common stock on the immediately preceding December 31, or such lesser number of shares as determined by our compensation committee. This number will be subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

All employees whose customary employment is for more than \_\_\_\_\_ hours per week and who have completed at least \_\_\_\_\_ days of employment will be eligible to participate in the ESPP. Any employee who owns 5% or more of the total combined voting power or value of all classes of stock will not be eligible to purchase shares under the ESPP.

We will make one or more offerings, consisting of one or more purchase periods, each year to our employees to purchase shares under the ESPP. Offerings will usually begin every six months and will continue for six-month periods, referred to as offering periods. Each eligible employee may elect to participate in any offering by submitting an enrollment form at least 15 business days before the relevant offering date.

Each employee who is a participant in the ESPP may purchase shares by authorizing contributions of between 1% and \_\_\_\_\_ % of his or her compensation during an offering period. Unless the participating employee has previously withdrawn from the offering, his or her accumulated contributions will be used to purchase shares on the last business day of the purchase period at a price equal to 85% of the fair market value of the shares on the first business day of the offering period or the last business day of the purchase period, whichever is lower, provided that no more than \_\_\_\_\_ shares of common stock (or a lesser number as established by the plan administrator in advance of the purchase period) may be purchased by any one employee during each purchase period. Under applicable tax rules, an employee may purchase no more than \$25,000 worth of shares of common stock, valued at the start of the offering period, under the ESPP for each calendar year in which a purchase right is outstanding.

The accumulated contributions of any employee who is not a participant on the last day of a purchase period will be refunded. An employee's rights under the ESPP terminate upon voluntary withdrawal from the plan or when the employee ceases employment with us for any reason.

The ESPP may be terminated or amended by our board of directors at any time, but will automatically terminate on the 10-year anniversary of this offering. An amendment that increases the number of shares of

## [Table of Contents](#)

common stock that are authorized under the ESPP and certain other amendments will require the approval of our stockholders. The plan administrator may adopt subplans under the ESPP for employees of our non-U.S. subsidiaries, if any.

### ***Senior Executive Cash Incentive Bonus Plan***

In December 2020, we adopted a Senior Executive Cash Incentive Bonus Plan, or the Bonus Plan, that will become effective upon the completion of this offering. The Bonus Plan will provide for cash bonus payments based upon the attainment of performance targets established by our compensation committee. The payment targets will be related to financial and operational measures or objectives with respect to our company, or corporate performance goals, as well as individual performance objectives.

Our compensation committee may select corporate performance goals from among the following: developmental, publication, clinical or regulatory milestones; cash flow (including, but not limited to, operating cash flow and free cash flow); revenue; corporate revenue; earnings before interest, taxes, depreciation and amortization; net income (loss) (either before or after interest, taxes, depreciation and/or amortization); changes in the market price of our common stock; economic value-added; acquisitions or strategic transactions; operating income (loss); return on capital, assets, equity, or investment; stockholder returns; return on sales; gross or net profit levels; productivity; expense efficiency; margins; operating efficiency; customer satisfaction; working capital; earnings (loss) per share of our common stock; bookings, new bookings or renewals; sales or market shares; number of customers, number of new customers or customer references; operating income and/or net annual recurring revenue, any of which may be measured in absolute terms, as compared to any incremental increase, in terms of growth, or as compared to results of a peer group.

Each executive officer who is selected to participate in the Bonus Plan will have a target bonus opportunity set for each performance period. The bonus formulas will be adopted in each performance period by the compensation committee and communicated to each executive. The corporate performance goals will be measured at the end of each performance period after our financial reports have been published or such other appropriate time as the compensation committee determines. If the corporate performance goals and individual performance objectives are met, payments will be made as soon as practicable following the end of each performance period, but not later than 74 days after the end of the fiscal year in which such performance period ends. Subject to the rights contained in any agreement between the executive officer and us, an executive officer must be employed by us on the bonus payment date to be eligible to receive a bonus payment. The Bonus Plan will also permit the compensation committee to approve additional bonuses to executive officers in its sole discretion.

### ***401(k) plan and other benefits***

Our eligible U.S. employees participate in a tax-qualified retirement plan sponsored by ADP Retirement Services that provides an opportunity to save for retirement on a tax-advantaged basis. Plan participants are able to defer eligible compensation subject to applicable annual Code limits. The plan sponsor has the ability to make discretionary contributions to the 401(k) plan, but has not done so to date. The 401(k) plan is intended to be qualified under Section 401(a) of the Code with the 401(k) plan's related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan and earnings on those contributions are not taxable to the participants until distributed from the 401(k) plan.

**DIRECTOR COMPENSATION****Director Compensation Overview**

Prior to this offering, non-employee directors generally received a director fee and were reimbursed for travel, food, lodging and other expenses directly related to their activities as directors. During the fiscal year ended, December 31, 2019, Ansbert Gadicke, M.D., Thomas Ebeling, Morana Jovan-Embircos, Ph.D., and Anthony Rosenberg received director fees, including for service on board committees, as set forth in the table below. Dr. Gadicke, who serves as chair of our board of directors, was also eligible to receive a bonus equal to 20% of his annual director fee based on achievement of corporate goals, but such bonus was not paid with respect to fiscal year 2019. Directors who also serve as employees receive no additional compensation for their service as directors. During the fiscal year ended December 31, 2019, Mr. Hughes received no additional compensation for his service as a director. See the section titled “Executive Compensation—Summary Compensation Table” for more information about Mr. Hughes’ compensation for the fiscal year ended December 31, 2019.

The following table provides certain information concerning compensation earned by our non-employee directors during the year ended December 31, 2019.

<u>Name(1)</u>	<u>Fees earned or paid in cash (\$)</u>	<u>Total (\$)</u>
Ansbert Gadicke, M.D.	150,000	150,000
Thomas Ebeling	50,000	50,000
Morana Jovan-Embircos, Ph.D.	100,000	100,000
Anthony Rosenberg	65,000	65,000
Tim Anderson(2)	—	—

- (1) As of December 31, 2019, Dr. Gadicke, Mr. Ebeling, Dr. Jovan-Embircos, and Mr. Rosenberg had 1,980,000, 475,200, 792,000, and 316,800 incentive units in the form of profits interests (of which 618,750, 198,000, 247,500, and 132,000 units were unvested) outstanding, respectively.
- (2) Mr. Anderson was appointed to our board of directors on December 18, 2019. As of December 31, 2019, Mr. Anderson had received no director fees and held no incentive units in the form of profits interests.

**Non-Employee Director Compensation Policy**

In December 2020, we adopted a non-employee director compensation policy that will become effective upon the completion of this offering and will be designed to enable us to attract and retain, on a long-term basis, highly qualified non-employee directors. Under the policy, each director who is not an employee will be paid cash compensation from and after the completion of this offering, as set forth below:

	<u>Annual Retainer</u>
<b>Board of Directors:</b>	
Members	\$ 35,000
Additional retainer for non-executive chair	\$ 30,000
<b>Audit Committee:</b>	
Members (other than chair)	\$ 7,500
Retainer for chair	\$ 15,000
<b>Compensation Committee:</b>	
Members (other than chair)	\$ 5,000
Retainer for chair	\$ 10,000
<b>Nominating and Corporate Governance Committee:</b>	
Members (other than chair)	\$ 8,000
Retainer for chair	\$ 4,000

In addition, the non-employee director compensation policy provides that, upon initial election to our board of directors, each non-employee director will be granted an equity award with a grant date fair value of

## [Table of Contents](#)

\$250,000, or the Initial Grant. The Initial Grant will vest in equal installments on the first, second and third anniversaries of the grant date, subject to continued service as a director through the applicable vesting date. Furthermore, on the date of each annual meeting of stockholders following the completion of this offering, each non-employee director who continues as a non-employee director following such meeting will be granted an annual equity award with a grant date fair value of \$150,000, or the Annual Grant. The Annual Grant will vest in full on the earlier of (i) the first anniversary of the grant date or (ii) our next annual meeting of stockholders, subject to continued service as a director through the applicable vesting date. Such awards are subject to full accelerated vesting upon the sale of the company.

We will reimburse all reasonable out-of-pocket expenses incurred by non-employee directors in attending meetings of the board of directors and committees.

### **Reorganization Equity Exchange**

In connection with the equity exchange described above under “Reorganization—Reorganization Equity Exchange,” the following anti-dilution and make-whole option grants were awarded to our non-employee directors under the 2020 Unit Plan: Dr. Gadicke, anti-dilution options in respect of 1,845,026 common units and make-whole options in respect of 625,233 common units; Mr. Ebeling, anti-dilution options in respect of 442,806 common units and make-whole options in respect of 150,056 common units; Dr. Jovan-Embiricos, anti-dilution options in respect of 738,010 common units and make-whole options in respect of 250,094 common units; and Mr. Rosenberg, anti-dilution options in respect of 1,213,210 common units and make-whole options in respect of 250,094 common units. Mr. Anderson did not receive any anti-dilution or make-whole option grants. These options have an exercise price of \$0.61 per common unit and vest as to 25% of the number of common units subject to the award on the first anniversary of the vesting commencement date, with the remaining portion of the award vesting over the following 36 months in equal monthly installments.

**CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS**

In addition to the compensation arrangements, including employment, consulting, termination of employment and change in control arrangements and indemnification arrangements, discussed in the sections titled “Management” and “Executive and Director Compensation” and the registration rights described in the section titled “Description of Capital Stock—Registration Rights,” the following is a description of each transaction since January 1, 2017 and each currently proposed transaction in which:

- we have been or are to be a participant;
- the amount involved exceeded or exceeds the lesser of (i) \$120,000 and (ii) the percent of the average of our total assets for the last two completed fiscal years; and
- any of our directors, executive officers, or holders of more than five percent of our capital stock, or any immediate family member of, or person sharing the household with, any of these individuals, had or will have a direct or indirect material interest.

**Private Placements of Securities****Series C Preferred Unit Financing**

In December 2020, we sold 66,599,045 Series C preferred units, or the Series C Preferred Units, at a purchase price of \$1.97 per unit for an aggregate purchase price of approximately \$131.2 million. The following table summarizes purchases of our Series C Preferred Units by related persons:

<u>Member</u>	<u>SERIES C PREFERRED UNITS</u>	<u>TOTAL PURCHASE PRICE</u>
UBS Oncology Impact Fund L.P.(1)	4,568,528	\$ 9,000,000.16
Entities affiliated with F2 Ventures(2)	3,527,919	\$ 6,950,000.43
Entities affiliated with Cowen Healthcare Investments(3)	1,591,315	\$ 3,134,890.55
Foresite Capital Fund V, L.P.(4)	17,766,497	\$ 34,999,999.09

- (1) UBS Oncology Impact Fund L.P., or OIF, beneficially owns more than five percent of our outstanding units. Certain of our executive officers, including Dr. Baeuerle, our Acting Chief Scientific Officer, Biologics, and Dr. Zawel, our Chief Scientific Officer, Small Molecules, serve as Executive Partners/Principals at OIF. Dr. Gadick, a member of our board of directors, serves as Managing Director of OIF.
- (2) Entities affiliated with F2 Ventures, including F2 Bio TD, LLC, F2 MC, LLC, F2 TPO Investments LLC and F2 MG Limited, collectively, beneficially own more than five percent of our outstanding units. Dr. Jovan-Embiricos, a member of our board of directors, serves as Managing Partner of F2 Ventures.
- (3) Entities affiliated with CHI Advisors LLC, including Cowen Healthcare Investments II LP, CHI EF II LP, Cowen Healthcare Investments III LP and CHI EF III LP, collectively, beneficially own more than five percent of our outstanding units. Mr. Anderson, a member of our board of directors, is a Partner, Head of Research at Cowen Healthcare Investments.
- (4) Foresite Capital Fund V, L.P. beneficially owns more than five percent of our outstanding units.

## [Table of Contents](#)

### **Series B Preferred Unit Financing**

In October 2019, with subsequent closings in December 2019, February 2020 and March 2020, we sold 63,141,020 Series B Preferred Units, or the Series B Preferred Units, at a purchase price of \$1.56 per unit for an aggregate purchase price of approximately \$98.5 million. The following table summarizes purchases of our Series B Preferred Units by related persons:

<b>Member</b>	<b>SERIES B PREFERRED UNITS</b>	<b>TOTAL PURCHASE PRICE</b>
UBS Oncology Impact Fund L.P.(1)	16,025,641	\$ 24,999,999.96
Entities affiliated with F2 Ventures(2)	4,487,179	\$ 6,999,999.25
Entities affiliated with Cowen Healthcare Investments(3)	12,820,512	\$ 19,999,998.72

- (1) OIF beneficially owns more than five percent of our outstanding units. Certain of our executive officers, including Dr. Baeuerle, our Acting Chief Scientific Officer, Biologics, and Dr. Zawel, our Chief Scientific Officer, Small Molecules, serve as Executive Partners/Principals at OIF. Dr. Gadick, a member of our board of directors, serves as Managing Director of OIF.
- (2) Entities affiliated with F2 Ventures, including F2 TPO Investments LLC and F2 MG Limited, collectively, beneficially own more than five percent of our outstanding units. Dr. Jovan-Embiricos, a member of our board of directors, serves as Managing Partner of F2 Ventures.
- (3) Entities affiliated with CHI Advisors LLC, including Cowen Healthcare Investments II LP, CHI EF II LP, Cowen Healthcare Investments III LP and CHI EF III LP, collectively, beneficially own more than five percent of our outstanding units. Mr. Anderson, a member of our board of directors, is a Partner, Head of Research at Cowen Healthcare Investments.

### **Series A Preferred Unit Financing**

In April 2017, we sold 50,000,000 shares of our Series A1 Preferred Units, or the Series A Preferred Units, at a purchase price of \$1.00 per unit for an aggregate amount of \$50.0 million. The following table summarizes purchases of our Series A Preferred Units by related persons:

<b>Members</b>	<b>SERIES A PREFERRED UNITS</b>	<b>TOTAL PURCHASE PRICE</b>
UBS Oncology Impact Fund L.P.(1)	25,000,000	\$ 25,000,000
Entities affiliated with F2 Ventures(2)	25,000,000	\$ 25,000,000

- (1) OIF beneficially owns more than five percent of our outstanding units. Certain of our executive officers, including Dr. Baeuerle, our Acting Chief Scientific Officer, Biologics, and Dr. Zawel, our Chief Scientific Officer, Small Molecules, serve as Executive Partners/Principals at OIF. Dr. Gadick, a member of our board of directors, serves as Managing Director of OIF.
- (2) Entities affiliated with F2 Ventures, including F2 Vision SCS and F2 Bioscience I 2017 Limited, beneficially own more than five percent of our outstanding units. Dr. Jovan-Embiricos, a member of our board of directors, serves as Managing Partner of F2 Ventures.

### **Agreements with our Subsidiaries**

#### **Services Agreements**

In connection with the formation of our partially-owned subsidiaries Cullinan Amber, Cullinan Pearl, Cullinan Florentine, Cullinan Apollo, and our investment in Cullinan MICA, collectively, the Asset Subsidiaries, each of our Asset Subsidiaries entered into a shared services agreement, or Shared Services Agreement, with our

## [Table of Contents](#)

wholly-owned subsidiary Cullinan Management, pursuant to which Cullinan Management provides ongoing services to each Asset Subsidiary in areas such as accounting operations, human resources and administration management, research and development, information technology, and corporate development and strategy. In exchange for these services, each Asset Subsidiary pays Cullinan Management, a fee equal to the cost of services, with a 10% markup. During the years ended December 31, 2019 and 2018, the Asset Subsidiaries incurred an aggregate of \$1.9 million and \$1.1 million, respectively, of expenses related to services provided to them by Cullinan Management. The form of services agreement is filed as Exhibit 10.20.

### **Agreements with Stockholders**

#### ***Royalty Transfer Agreements***

In connection with the formation of the Asset Subsidiaries and our investment in partially-owned subsidiary Cullinan MICA, the Asset Subsidiaries each entered into Royalty Transfer Agreements, or Royalty Agreements, with UBS Optimus Foundation and Oncology Charitable Foundation, Inc., or collectively, the Charitable Entities, pursuant to which each Asset Subsidiary is obligated to pay the Charitable Entities a low single digit royalty percentage of all global net sales relating to any of the subsidiary's products that are received by the subsidiary, its licensees or its affiliates during the prior calendar year.

Unless earlier terminated, each Royalty Agreement shall terminate on a country-by-country basis upon the later of (i) the date that is the 12<sup>th</sup> anniversary of the first commercial sale of that subsidiary's product in such country and (ii) the expiration of the last to expire issued patent claim of any pre-acquisition intellectual property covering the composition or use of such that subsidiary's product in such country. The Charitable Entities are affiliated with OIF, which beneficially owns more than five percent of our outstanding units, and Dr. Ansbert, a member of our board of directors.

Simultaneously with the execution of each Royalty Transfer Agreement, each Asset Subsidiary also entered into a letter agreement, or LLC Royalty Letter, with the Charitable Entities and the LLC entity pursuant to which the parties agreed that a portion of the cash consideration paid by the LLC entity to the subsidiary for the purchase of securities was to be treated as consideration for the right to receive a low single digit royalty percentage of all global net sales of any company products received by the applicable Asset Subsidiary, or the Royalty Stream. Further, effective immediately subsequent to the purchase by the LLC entity of the Royalty Stream, the LLC entity transferred its rights under the Royalty Stream to the Charitable Entities by directing the Asset Subsidiary to execute, deliver, and perform a Royalty Transfer Agreement. The form of royalty transfer agreement is filed as Exhibit 10.21.

#### ***Operating Agreement***

In connection with our Series C preferred unit financing, we entered into a third amended and restated limited liability agreement, or the Operating Agreement, as well as management rights letters containing registration rights, information rights, voting rights and rights of first refusal, among other things, with certain holders of our preferred units. The management rights letters provide for certain information rights and rights to consult with our management. In connection with the Reorganization, this Operating Agreement will terminate and a registration rights agreement will be entered into with our members. See "Reorganization" for further detail regarding these transactions and "Description of our capital stock" for further detail regarding the registration rights under the Registration Rights Agreement (as defined below). In addition, the management rights letters will terminate upon the closing of this offering.

#### ***Registration Rights Agreements***

In connection with this offering, pursuant to the Operating Agreement, promptly following a conversion, merger or reorganization event, we intend to enter into a registration rights agreement with each holder of our preferred units, or the Registration Rights Agreement. See "Description of our capital stock" for further detail regarding the registration rights under the Registration Rights Agreement.

## [Table of Contents](#)

### ***Indemnification Agreements***

We have entered into agreements to indemnify our directors and executive officers. These agreements will, among other things, require us to indemnify these individuals for certain expenses (including attorneys' fees), judgments, fines and settlement amounts reasonably incurred by such person in any action or proceeding, including any action by or in our right, on account of any services undertaken by such person on behalf of our Company or that person's status as a member of our board of directors to the maximum extent allowed under Delaware law.

### **Employment Arrangements**

We have entered into employment or consulting agreements with our executive officers. For more information regarding the agreements with our named executive officers, see "Executive Compensation—Employment Agreements."

### ***Consulting Agreement with Globeways Holdings Limited***

On April 1, 2020, we entered into a consulting agreement, or the 2020 Consulting Agreement, with Globeways Holdings Limited, or Globeways, Globeways and entities affiliated with F2 Ventures beneficially own in the aggregate greater than five percent of our outstanding units and Globeways is beneficially owned by Morana Jovan Embiricos, a member of our board of directors. Pursuant to the 2020 Consulting Agreement, Dr. Jovan-Embiricos provides leadership and advice regarding our scientific, clinical, product development and related activities and operations. Pursuant to the 2020 Consulting Agreement, we pay Globeways a consulting fee at a monthly rate of \$25,000. As the sole beneficial owner of Globeways, Dr. Jovan-Embiricos receives all of the compensation paid to Globeways under the 2020 Consulting Agreement.

### ***Consulting Agreement with Patrick Baeuerle, Ph.D.***

On January 1, 2019, we entered into a consulting agreement with Patrick Baeuerle, Ph.D. our co-founder and Acting Chief Scientific Officer, Biologics. Pursuant to the consulting agreement, Dr. Baeuerle provides services to the Company in his role as Acting Chief Scientific Officer, Biologics. The consulting agreement has a term that expires on the last date on which Dr. Baeuerle provides services to the Company. Pursuant to the consulting agreement, we have agreed to pay Dr. Baeuerle a consulting fee at a monthly rate of EUR30,833.33, and Dr. Baeuerle is eligible to receive a 33% annual performance bonus subject to approval of our board of directors.

### ***Consulting Agreement with Corinne Savill, Ph.D.***

On January 1, 2019, we entered into a consulting agreement with Corinne Savill, Ph.D. our Acting Chief Business Officer. Pursuant to the consulting agreement, Dr. Savill provides services to the Company in her role as Acting Chief Business Officer. The consulting agreement has a term that expires on the last date on which Dr. Savill provides services to the Company. Pursuant to the consulting agreement, we have agreed to pay Dr. Savill a consulting fee at a monthly rate of \$31,666.66, and Dr. Savill is eligible to receive a 30% annual performance bonus subject to approval of our board of directors.

### **Director Compensation**

See the section titled "Director Compensation" for information regarding compensation of our directors.

### **Limitation of Liability and Indemnification of Officers and Directors**

We plan to enter into indemnification agreements with each of our directors and executive officers, the form of which is attached as an exhibit to the registration statement of which this prospectus is a part. The indemnification agreements and our amended and restated certificate of incorporation to be effective



immediately prior to the closing of the offering and amended and restated bylaws to be effective upon the effectiveness of this registration statement require us to indemnify our directors and officers to the fullest extent permitted by Delaware law.

### **Policies for Approval of Related Party Transactions**

Our board of directors reviews and approves transactions with directors, officers and holders of five percent or more of our voting securities and their affiliates, each a related party. Prior to this offering, the material facts as to the related party's relationship or interest in the transaction were disclosed to our board of directors prior to their consideration of such transaction, and the transaction was not considered approved by our board of directors unless a majority of the directors who are not interested in the transaction approved the transaction. Further, when stockholders are entitled to vote on a transaction with a related party, the material facts of the related party's relationship or interest in the transaction were disclosed to the stockholders, who must approve the transaction in good faith.

In connection with this offering, we expect to adopt a written related party transactions policy that will provide that such transactions must be approved by our audit committee. This policy will become effective on the date on which the registration statement of which this prospectus forms a part is declared effective by the SEC. Pursuant to this policy, the audit committee has the primary responsibility for reviewing and approving or disapproving "related party transactions," which are transactions between us and related persons in which the aggregate amount involved exceeds or may be expected to exceed \$120,000 and in which a related person has or will have a direct or indirect material interest. For purposes of this policy, a related person will be defined as a director, executive officer, nominee for director, or greater than 5% beneficial owner of our common stock, in each case since the beginning of the most recently completed year, and their immediate family members.

## PRINCIPAL STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our common stock, as of November 30, 2020 by:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of our common stock;
- each of our directors;
- each of our named executive officers; and
- all of our executive officers and directors as a group.

The column entitled “Percentage of Shares Beneficially Owned—After Offering” is based on \_\_\_\_\_ shares of our common stock to be outstanding after this offering, including the shares of our common stock that we are selling in this offering, but not including any additional shares issuable pursuant to the underwriters’ option to purchase additional shares.

The number of shares beneficially owned by each stockholder is determined under rules issued by the SEC and includes voting or investment power with respect to securities. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power. In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock subject to options, warrants, or other rights held by such person that are currently exercisable or will become exercisable within 60 days after November 30, 2020 are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person. Unless otherwise indicated, the address of all listed stockholders is One Main Street, Suite 520, Cambridge, MA 02142. Each of the stockholders listed has sole voting and investment power with respect to the shares beneficially owned by the stockholder unless noted otherwise, subject to community property laws where applicable.

<u>Name of Beneficial Owner</u>	<u>Shares Beneficially Owned</u>	<u>Percentage of Shares Beneficially Owned</u>	
		<u>Before Offering</u>	<u>After Offering</u>
<b><i>Greater-than-5% Stockholders</i></b>			
Entities affiliated with F2 Ventures <sup>(1)</sup>		%	%
UBS Oncology Impact Fund L.P. <sup>(2)</sup>		%	%
Entities affiliated with Foresite Capital <sup>(3)</sup>		%	%
Entities affiliated with Cowen <sup>(4)</sup>		%	%
<b><i>Named Executive Officers and Directors</i></b>			
Owen Hughes <sup>(5)</sup>		%	%
Jeffrey Trigilio		%	%
Patrick Baeuerle, Ph.D. <sup>(6)</sup>		%	%
Jennifer Michaelson, Ph.D.		%	%
Corinne Savill, Ph.D. <sup>(7)</sup>		%	%
Jon Wigginton, M.D.		%	%
Leigh Zawel, Ph.D. <sup>(8)</sup>		%	%
Thomas Ebeling <sup>(9)</sup>		%	%
Ansbert Gadicke, M.D. <sup>(10)</sup>		%	%
Morana Jovan-Embiricos, Ph.D. <sup>(11)</sup>		%	%
Anthony Rosenberg <sup>(12)</sup>		%	%
Tim Anderson		%	%
Stephen Webster		%	%
All executive officers and directors as a group (13 persons) <sup>(13)</sup>		%	%

## Table of Contents

- \* Less than one percent
- (1) Consists of (i) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series Seed convertible preferred stock held by Globeways Holdings Limited, or Globeways, (ii) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series A convertible preferred stock held by F2 Vision SCS, or F2 Vision, (iii) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series A convertible preferred stock held by F2 Bioscience I 2017 Limited, or F2 Bioscience 2017, (iv) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series B convertible preferred stock and \_\_\_\_\_ shares of common stock issuable upon conversion of \_\_\_\_\_ shares of Series C convertible preferred stock held by F2 TPO Investments LLC, or F2 TPO, (v) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series B convertible preferred stock and \_\_\_\_\_ shares of common stock issuable upon conversion of Series C convertible preferred stock held by F2 MG Limited, or F2 MG, (vi) \_\_\_\_\_ shares of common stock issuable upon conversion of Series C convertible preferred stock held by F2 Bio TD, LLC, or F2 Bio, and (vii) \_\_\_\_\_ shares of common stock issuable upon conversion of Series C convertible preferred stock held by F2 MC, LLC, or F2 MC. Dr. Morana Jovan-Embiricos is a member of our board of directors and is the founding director of Globeways, which is the appointed manager of each F2 Bioscience 2017 and F2 MG. Dr. Morana Jovan-Embiricos is also the founder of Globeways' wholly-owned subsidiaries Globeways Holdings II Limited, or Globeways II, and F2 Vision Management Sàrl, or F2 Vision Management, which are the appointed managers of F2 TPO and F2 Vision respectively. Dr. Morana Jovan-Embiricos makes investment decisions on behalf of all such entities with respect to shares held by such entities. Dr. Morana Jovan-Embiricos expressly disclaims beneficial ownership of the securities held by F2 Bioscience 2017, F2 MG, F2 TPO, and F2 Bio, F2 MC, and F2 Vision. The address for correspondence of Dr. Morana Jovan-Embiricos, Globeways, F2 Bioscience 2017 and F2 MG is 8, Rue Saint-Leger, CH 1205, Geneva, Switzerland. The address for correspondence of F2 TPO, F2 Bio and F2 MC is 8 West 38th Street, Suite 1001, New York, NY 10018, USA, and the address for correspondence of F2 Vision is 74, Grand-Rue, L-1660 Luxembourg.
- (2) Consists of (i) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series Seed convertible preferred stock, (ii) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series A convertible preferred stock, (iii) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series B convertible preferred stock, and (iv) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series C convertible preferred stock, in each case held by UBS Oncology Impact Fund L.P., or OIF. The general partner of OIF is Oncology Impact Fund (Cayman) Management L.P., or OIF GP. The general partner of OIF GP is MPM Oncology Impact Management L.P. The general partner of MPM Oncology Impact Management L.P. is MPM Oncology Impact Management GP LLC. Dr. Ansbert Gadicke is a member of our board of directors and is a managing member and the managing director of MPM Oncology Impact Management GP LLC. Each of the entities and individuals listed above expressly disclaims beneficial ownership of the securities listed above except to the extent of any pecuniary interest therein. The address of these entities 450 Kendall Street, Cambridge, MA 02142.
- (3) Consists of (i) \_\_\_\_\_ shares of common stock issuable upon conversion of Series C convertible preferred stock held by Foresite Capital V, L.P., or Fund V, and (ii) \_\_\_\_\_ shares of common stock issuable upon conversion of Series C convertible preferred stock held by Foresite Capital Opportunity Fund V, L.P., or Opportunity Fund V. Foresite Capital Management V, LLC is the general partner of Fund V and may be deemed to have sole voting and dispositive power over the shares held by Fund V; and Foresite Capital Opportunity Management V, LLC is the general partner of Opportunity Fund V and may be deemed to have sole voting and dispositive power over the shares held by Opportunity Fund V. The address of Fund V and Opportunity Fund V is 600 Montgomery Street, Suite 4500, San Francisco, CA 94111.
- (4) Consists of (i) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series B convertible preferred stock and \_\_\_\_\_ shares of common stock issuable upon conversion of Series C convertible preferred stock held by Cowen Healthcare Investments II LP, (ii) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series B convertible preferred stock and \_\_\_\_\_ shares of common stock issuable upon conversion of Series C convertible preferred stock held by CHI EF II LP, (iii) \_\_\_\_\_ shares of common stock issuable upon conversion of shares of Series B convertible preferred stock and shares of \_\_\_\_\_

## Table of Contents

common stock issuable upon conversion of Series C convertible preferred stock held by Cowen Healthcare Investments III LP, and (iv) shares of common stock issuable upon conversion of shares of Series B convertible preferred stock and shares of common stock issuable upon conversion of Series C convertible preferred stock held by CHI EF III LP. CHI Advisors LLC, the investment adviser of each of these entities, has voting and investment power with respect to their shares. Mr. Anderson, a member of our board of directors, is a Partner and Head of Research at Cowen Healthcare Investments. The principal business address for these entities is 599 Lexington Avenue, 19<sup>th</sup> Floor, New York, NY 10022.

- (5) Consists of shares of restricted common stock held by Mr. Hughes.
- (6) Consists of shares of restricted common stock held in an entity of which Dr. Baeuerle is Managing Director and has sole voting and investment power over these shares.
- (7) Consists of shares of restricted common stock held by Dr. Savill.
- (8) Consists of shares of restricted common stock held by Dr. Zewel.
- (9) Consists of shares of restricted common stock held by Mr. Ebeling.
- (10) Consists of shares of restricted common stock held by Dr. Gadicke.
- (11) Consists of shares of restricted common stock held by Dr. Jovan-Embricos.
- (12) Consists of shares of restricted common stock held by Mr. Rosenberg.
- (13) Consists of shares of restricted common stock held by executive officers and directors, as described in notes four (5) through eleven (12) above.

## DESCRIPTION OF CAPITAL STOCK

*The following description of our capital stock and provisions of our amended and restated certificate of incorporation as they will be in effect immediately prior to the completion of this offering and amended and restated bylaws as they will be in effect upon the effectiveness of this registration statement are summaries and are qualified in their entirety by reference to our amended and restated certificate of incorporation that will be effective immediately prior to the completion of this offering and amended and restated bylaws that will be in effect upon the effectiveness of this registration statement of which this prospectus is a part, the forms of which are filed as exhibits to the registration statement of which this prospectus forms a part. The description of our common stock reflects the completion of the Reorganization, which will occur immediately prior to the completion of this offering. See "Reorganization" for more information concerning the Reorganization.*

### Common Stock

The holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of the stockholders. The holders of our common stock do not have any cumulative voting rights. Holders of our common stock are entitled to receive ratably any dividends declared by our board of directors out of funds legally available for that purpose, subject to any preferential dividend rights of any outstanding preferred stock. Our common stock has no preemptive rights, conversion rights or other subscription rights or redemption or sinking fund provisions.

In the event of our liquidation, dissolution or winding up, holders of our common stock will be entitled to share ratably in all assets remaining after payment of all debts and other liabilities and any liquidation preference of any outstanding preferred stock. The shares to be issued by us in this offering will be, when issued and paid for, validly issued, fully paid and non-assessable.

### Preferred Stock

Upon the consummation of this offering, our board of directors will have the authority, without further action by our stockholders, to issue up to \_\_\_\_\_ shares of convertible preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting, or the designation of, such series, any or all of which may be greater than the rights of common stock. The issuance of our convertible preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments and payments upon our liquidation. In addition, the issuance of convertible preferred stock could have the effect of delaying, deferring or preventing a change in control of our company or other corporate action. Immediately after consummation of this offering, no shares of convertible preferred stock will be outstanding, and we have no present plan to issue any shares of convertible preferred stock.

### Registration Rights

In connection with the Reorganization, we will be entering into a registration rights agreement with certain of our shareholders. Upon the completion of this offering, certain holders of shares of our common stock will be entitled to rights with respect to the registration of these securities under the Securities Act. These rights will be provided under the terms of the registration rights agreement. The registration rights agreement will include demand registration rights, short-form registration rights and piggyback registration rights. All fees, costs and expenses incurred in connection with registrations under the registration rights agreement will be borne by us, and all selling expenses, including underwriting discounts and selling commissions, will be borne by the holders of the shares being registered.

## [Table of Contents](#)

### ***Form S-1 Demand Registration Rights***

180 days after the effective date of the registration statement for this offering, the holders of our registrable securities will be entitled to demand registration rights. Under the terms of our registration rights agreement, we will be required, upon the request of a holder of at least a majority of our then outstanding registrable securities, to file a registration statement and use reasonable best efforts to effect the registration for public resale of these shares and any additional registrable securities requested to be included in such registration by any other holders of our registrable securities.

### ***Form S-3 Demand Registration Rights***

Upon the completion of this offering, the holders of our registrable securities will also be entitled to short-form registration rights. Pursuant to our registration rights agreement, at any time that we are eligible to file a registration statement on Form S-3, upon the request of a holder of our registrable securities, we will be required to use our reasonable best efforts to effect a registration of such shares and any additional registrable securities requested to be included in such registration by any other holders of our registrable securities. We will be required to effect up to two registrations in any twelve-month period pursuant to this provision of the registration rights agreement.

### ***Piggyback Registration Rights***

The holders of our registrable securities will be entitled to piggyback registration rights. If we register any of our securities either for our own account or for the account of other security holders, the holders of our outstanding registrable securities will be entitled to include their shares in the registration. Subject to certain exceptions contained in the registration rights agreement, we and the underwriters may limit the number of shares included in the underwritten offering if the underwriters determine that marketing factors require a limitation of the number of shares to be underwritten.

### ***Indemnification***

Our registration rights agreement contains customary cross-indemnification provisions, under which we will be obligated to indemnify holders of registrable securities in the event of material misstatements or omissions in the registration statement attributable to us, and they will be obligated to indemnify us for material misstatements or omissions attributable to them.

### ***Expenses of Registration***

We will pay the registration expenses, subject to certain limited exceptions contained in the registration rights agreement, of the holders of the shares registered pursuant to the demand, short-form and piggyback registration rights described above, including the expenses of one counsel for the selling holders.

### ***Expiration of Registration Rights***

The registration rights granted under the registration rights agreement will terminate upon the earliest to occur of: (i) such time after our initial public offering when all registrable securities could be sold under Rule 144 of the Securities Act or a similar exemption without limitation during a three-month period without registration; (ii) the consummation of a transaction or series of transactions in which a person, or a group of persons, acquires from our stockholders, shares representing more than 50% of our outstanding voting stock; and (iii) the consummation of a transaction or series of transactions in which a person, or group of persons, acquires the right to receive the majority of the proceeds in a final liquidation, dissolution or termination, voluntary or involuntary, of the company.

### **Authorized but Unissued Capital Stock**

The Delaware General Corporation Law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of Nasdaq, which would apply so long as our common stock remains listed on Nasdaq, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or then outstanding number of shares of common stock. These additional shares may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved common stock or preferred stock may be to enable our board of directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of our company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive our stockholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

### **Anti-Takeover Effects of Provisions of Delaware Law and Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws**

Certain provisions of the Delaware General Corporation Law and of our amended and restated certificate of incorporation that will become effective upon the completion of this offering and amended and restated bylaws that will become effective upon the effectiveness of this registration statement could have the effect of delaying, deferring or discouraging another party from acquiring control of us. These provisions, which are summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and, as a consequence, they might also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions are also designed in part to encourage anyone seeking to acquire control of us to first negotiate with our board of directors. These provisions might also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders might otherwise deem to be in their best interests. However, we believe that the advantages gained by protecting our ability to negotiate with any unsolicited and potentially unfriendly acquirer outweigh the disadvantages of discouraging such proposals, including those priced above the then-current market value of our common stock, because, among other reasons, the negotiation of such proposals could improve their terms.

### ***Board Composition and Filling Vacancies***

Our amended and restated certificate of incorporation will provide for the division of our board of directors into three classes serving staggered three-year terms, with one class being elected each year. Our certificate of incorporation also will provide that directors may be removed only for cause and then only by the affirmative vote of the holders of two-thirds or more of the shares then entitled to vote at an election of directors. Furthermore, any vacancy on our board of directors, however occurring, including a vacancy resulting from an increase in the size of our board, may only be filled by the affirmative vote of a majority of our directors then in office even if less than a quorum. The classification of directors, together with the limitations on removal of directors and treatment of vacancies, has the effect of making it more difficult for stockholders to change the composition of our board of directors.

### ***No Written Consent of Stockholders***

Our amended and restated certificate of incorporation will provide that all stockholder actions are required to be taken by a vote of the stockholders at an annual or special meeting, and that stockholders may not take any action by written consent in lieu of a meeting. This limit may lengthen the amount of time required to take stockholder actions and would prevent the amendment of our bylaws or removal of directors by our stockholders without holding a meeting of stockholders.

## [Table of Contents](#)

### ***Meetings of Stockholders***

Our amended and restated certificate of incorporation and bylaws will provide that only a majority of the members of our board of directors then in office may call special meetings of stockholders and only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders. Our bylaws limit the business that may be conducted at an annual meeting of stockholders to those matters properly brought before the meeting.

### ***Advance Notice Requirements***

Our amended and restated bylaws will establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the annual meeting for the preceding year. Our bylaws specify the requirements as to form and content of all stockholders' notices. These requirements may preclude stockholders from bringing matters before the stockholders at an annual or special meeting.

### ***Amendment to Certificate of Incorporation and Bylaws***

Any amendment of our certificate of incorporation must first be approved by a majority of our board of directors, and if required by law or our amended and restated certificate of incorporation, must thereafter be approved by a majority of the outstanding shares entitled to vote on the amendment and a majority of the outstanding shares of each class entitled to vote thereon as a class, except that the amendment of the provisions relating to stockholder action, board composition, and limitation of liability must be approved by not less than two-thirds of the outstanding shares entitled to vote on the amendment, and not less than two-thirds of the outstanding shares of each class entitled to vote thereon as a class. Our amended and restated bylaws may be amended by the affirmative vote of a majority of the directors then in office, subject to any limitations set forth in the bylaws; and may also be amended by the affirmative vote of a majority of the outstanding shares entitled to vote on the amendment, voting together as a single class, except that the amendment of the provisions relating to notice of stockholder business and nominations and special meetings must be approved by not less than two-thirds of the outstanding shares entitled to vote on the amendment, and not less than two-thirds of the outstanding shares of each class entitled to vote thereon as a class, or, if our board of directors recommends that the stockholders approve the amendment, by the affirmative vote of the majority of the outstanding shares entitled to vote on the amendment, in each case voting together as a single class.

### ***Undesignated Preferred Stock***

Our amended and restated certificate of incorporation provides for \_\_\_\_\_ authorized shares of preferred stock. The existence of authorized but unissued shares of preferred stock may enable our board of directors to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise. For example, if in the due exercise of its fiduciary obligations, our board of directors were to determine that a takeover proposal is not in the best interests of our stockholders, our board of directors could cause shares of preferred stock to be issued without stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquirer or insurgent stockholder or stockholder group. In this regard, our certificate of incorporation grants our board of directors broad power to establish the rights and preferences of authorized and unissued shares of preferred stock. The issuance of shares of preferred stock could decrease the amount of earnings and assets available for distribution to holders of shares of common stock. The issuance may also adversely affect the rights and powers, including voting rights, of these holders and may have the effect of delaying, deterring or preventing a change in control of us.



## **Choice of Forum**

Our amended and restated bylaws will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for any state law claims for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, and employees to us or our stockholders, (3) any action asserting a claim arising pursuant to the Delaware General Corporation Law, our certificate of incorporation or our bylaws, (4) any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or bylaws, or (5) any action asserting a claim that is governed by the internal affairs doctrine; provided, however, that this provision shall not apply to any causes of action arising under the Securities Act or Exchange Act. In addition, our amended and restated bylaws will provide that, unless we consent in writing to the selection of an alternative forum, the United States District Court for the District of Delaware shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in our securities shall be deemed to have notice of and consented to these forum provisions. These forum provisions may impose additional costs on stockholders, may limit our stockholders' ability to bring a claim in a forum they find favorable, and the designated courts may reach different judgments or results than other courts. In addition, there is uncertainty as to whether the federal forum provision for Securities Act claims will be enforced, which may impose additional costs on us and our stockholders.

## ***Delaware Takeover Statute***

Upon completion of this offering, we will be subject to the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the stockholder became interested, our board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances, but not the outstanding voting stock owned by the interested stockholder; or
- at or after the time the stockholder became interested, the business combination was approved by our board of directors and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Section 203 defines a business combination to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, lease, pledge, exchange, mortgage or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;
- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- subject to exceptions, any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or

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## [Table of Contents](#)

- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by the entity or person.

### **Limitations of Liability and Indemnification**

See “Executive and Director Compensation—Limitation on Liability and Indemnification Matters.”

### **Nasdaq Global Market Listing**

We have applied to list our common stock on The Nasdaq Global Market under the symbol “CGEM.”

### **Transfer Agent and Registrar**

The transfer agent and registrar for our common stock will be Computershare Trust Company, N.A. The transfer agent and registrar’s address is 250 Royall Street, Canton, Massachusetts 02021, and its telephone number is (800) 962-4284.

## SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for shares of our common stock. We cannot predict the effect, if any, that future sales of shares of common stock, or the availability for future sale of shares of common stock, will have on the market price of shares of our common stock prevailing from time to time. The sale of substantial amounts of shares of our common stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of our common stock.

Currently, no shares of our common stock are outstanding. Upon the completion of this offering, we will have a total of \_\_\_\_\_ shares of our common stock outstanding (or shares of common stock if the underwriters exercise in full their option to purchase additional shares of common stock). Of the outstanding shares, all of the shares sold in this offering will be freely tradable (excluding any shares sold to our directors and officers in the directed share program), except that any shares, including shares sold to an entity affiliated with an existing shareholder that may purchase shares in this offering, held by our affiliates, as that term is defined in Rule 144 under the Securities Act, may only be sold in compliance with the limitations described below.

### Rule 144

In general, a person who has beneficially owned restricted stock for at least six months would be entitled to sell their securities provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale and (ii) we are subject to the Exchange Act, periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned restricted shares for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares then outstanding, which will equal approximately \_\_\_\_\_ shares immediately after this offering assuming no exercise of the underwriters' option to purchase additional shares, based on the number of shares outstanding as of September 30, 2020; or
- the average weekly trading volume of our common stock on the Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale;

provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the current public information and, with respect to sales by affiliates, the manner of sale, current public information and notice provisions of Rule 144.

### Rule 701

Rule 701 under the Securities Act, as in effect on the date of this prospectus, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Most of our employees, executive officers, or directors who purchased shares under a written compensatory plan or contract may be entitled to rely on the resale provisions of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the date of this prospectus before selling their shares. However, substantially all Rule 701 shares are subject to lock-up agreements as described below and under "Underwriting" included elsewhere in this prospectus and will become eligible for sale upon the expiration of the restrictions set forth in those agreements.

### Lock-Up Agreements

We, along with our directors, executive officers and substantially all of our other stockholders have agreed with the underwriters that for a period ending 180 days (the restricted period), after the date of this prospectus,

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## [Table of Contents](#)

subject to specified exceptions, we or they will not offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock. Upon expiration of the “restricted” period, certain of our stockholders will have the right to require us to register their shares under the Securities Act of 1933, as amended, or the Securities Act. See “—Registration Rights” below and “Description of Capital Stock—Registration Rights.”

After this offering, certain of our employees, including our shareholders, executive officers and/or directors, may enter into written trading plans that are intended to comply with Rule 10b5-1 under the Exchange Act. Sales under these trading plans would not be permitted until the expiration of the lock-up agreements relating to the offering described above.

### **Registration Rights**

Upon completion of this offering, certain holders of our securities will be entitled to various rights with respect to registration of their shares under the Securities Act. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration. See the section entitled “Description of Capital Stock—Registration Rights” appearing elsewhere in this prospectus for more information.

### **Stock Options and Restricted Stock**

As soon as practicable after the completion of this offering, we intend to file a Form S-8 registration statement under the Securities Act to register shares of our common stock subject to options and restricted stock reserved for issuance under our 2021 Stock Option and Incentive Plan. This registration statement will become effective immediately upon filing, and shares covered by this registration statement will thereupon be eligible for sale in the public markets, subject to vesting restrictions, the lock-up agreements described above and Rule 144 limitations applicable to affiliates. For a more complete discussion of our stock plans, see “Executive Compensation—Employee Benefit and Stock Plans.”

## Material U.S. Federal Income Tax Considerations for Non-U.S. Holders

The following discussion is a summary of certain material U.S. federal income tax considerations applicable to non-U.S. holders (as defined below) with respect to their ownership and disposition of shares of our common stock issued pursuant to this offering. For purposes of this discussion, a non-U.S. holder means a beneficial owner of our common stock that is for U.S. federal income tax purposes:

- a non-resident alien individual;
- a corporation or other organization taxable as a corporation for U.S. federal income tax purposes that is created or organized in or under laws other than the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is not subject to U.S. federal income tax on a net income basis; or
- a trust the income of which is not subject to U.S. federal income tax on a net income basis and that (1) is not subject to the primary supervision of a court within the United States or over which no U.S. persons have authority to control all substantial decisions and (2) has not made an election to be treated as a U.S. person.

This discussion does not address the tax treatment of partnerships or other entities that are pass-through entities for U.S. federal income tax purposes or persons that hold their common stock through partnerships or other pass-through entities. A partner in a partnership or other pass-through entity that will hold our common stock should consult his, her or its tax advisor regarding the tax consequences of acquiring, holding and disposing of our common stock through a partnership or other pass-through entity, as applicable.

This discussion is based on current provisions of the U.S. Internal Revenue Code of 1986, as amended, which we refer to as the Code, existing and proposed U.S. Treasury Regulations promulgated thereunder, current administrative rulings and judicial decisions, all as in effect as of the date of this prospectus and, all of which are subject to change or to differing interpretation, possibly with retroactive effect. Any such change or differing interpretation could alter the tax consequences to non-U.S. holders described in this prospectus. There can be no assurance that the Internal Revenue Service, which we refer to as the IRS, will not challenge one or more of the tax consequences described herein. We assume in this discussion that a non-U.S. holder holds shares of our common stock as a capital asset within the meaning of Section 1221 of the Code, which is generally property held for investment.

This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular non-U.S. holder in light of that non-U.S. holder's individual circumstances nor does it address any U.S. state, local or non-U.S. tax considerations, the alternative minimum tax, the Medicare tax on net investment income, the rules regarding qualified small business stock within the meaning of Section 1202 of the Code, or any other aspect of any U.S. federal tax other than the income tax. This discussion also does not consider any specific facts or circumstances that may apply to a non-U.S. holder and does not address the special tax rules applicable to particular non-U.S. holders, such as:

- insurance companies;
- tax-exempt or governmental organizations;
- financial institutions;
- brokers or dealers in securities;
- regulated investment companies;
- pension plans;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;

## Table of Contents

- “qualified foreign pension funds,” or entities wholly-owned by a “qualified foreign pension fund”;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons who have elected to mark securities to market;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons subject to special tax accounting rules as a result of any item of gross income with respect to the common stock being taken into account in an applicable financial statement under Section 451(b) of the Code;
- persons that hold our common stock as part of a straddle, hedge, conversion transaction, synthetic security or other integrated investment; and
- certain U.S. expatriates.

This discussion is for general information only and is not tax advice. Accordingly, all prospective non-U.S. holders of our common stock should consult their tax advisors with respect to the U.S. federal, state, local and non-U.S. tax consequences of the purchase, ownership and disposition of our common stock.

### **Distributions on Our Common Stock**

Distributions, if any, on our common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, the excess will be treated as a tax-free return of the non-U.S. holder’s investment, up to such holder’s tax basis in the common stock. Any remaining excess will be treated as capital gain, subject to the tax treatment described below in “Gain on Sale, or Other Taxable Disposition of Our Common Stock.” Any such distributions will also be subject to the discussions below under the sections titled “Backup Withholding and Information Reporting” and “Withholding and Information Reporting Requirements—FATCA.”

Subject to the discussion in the following two paragraphs in this section, dividends paid to a non-U.S. holder generally will be subject to withholding of U.S. federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder’s country of residence. If we or another withholding agent apply over-withholding or if a non-U.S. holder does not timely provide us with the required certification, the non-U.S. holder may be entitled to a refund or credit of any excess tax withheld by timely filing an appropriate claim with the IRS.

Dividends that are treated as effectively connected with a trade or business conducted by a non-U.S. holder within the United States and, if an applicable income tax treaty so provides, that are attributable to a permanent establishment or a fixed base maintained by the non-U.S. holder within the United States, are generally exempt from the 30% withholding tax if the non-U.S. holder satisfies applicable certification and disclosure requirements. However, such U.S. effectively connected income, net of specified deductions and credits, is taxed at the same graduated U.S. federal income tax rates applicable to United States persons (as defined in the Code). Any U.S. effectively connected income received by a non-U.S. holder that is a corporation may also, under certain circumstances, be subject to an additional “branch profits tax” at a 30% rate or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder’s country of residence.

A non-U.S. holder of our common stock who claims the benefit of an applicable income tax treaty between the United States and such holder’s country of residence generally will be required to provide a properly executed IRS Form W-8BEN or W-8BEN-E (or successor form), as applicable, to the applicable withholding agent and satisfy applicable certification and other requirements. Non-U.S. holders are urged to consult their tax advisors regarding their entitlement to benefits under a relevant income tax treaty. A non-U.S. holder that is eligible for a reduced rate of U.S. withholding tax under an income tax treaty may obtain a refund or credit of any excess amounts withheld by timely filing a U.S. tax return with the IRS.

### **Gain on Sale or Other Taxable Disposition of Our Common Stock**

Subject to the discussions below under “Backup Withholding and Information Reporting” and “Withholding and Information Reporting Requirements—FATCA,” a non-U.S. holder generally will not be subject to any U.S. federal income tax on any gain realized upon such holder’s sale or other taxable disposition of shares of our common stock unless:

- the gain is effectively connected with the non-U.S. holder’s conduct of a U.S. trade or business and, if an applicable income tax treaty so provides, is attributable to a permanent establishment or a fixed-base maintained by such non-U.S. holder in the United States, in which case the non-U.S. holder generally will be taxed on a net income basis at the graduated U.S. federal income tax rates applicable to United States persons (as defined in the Code) and, if the non-U.S. holder is a foreign corporation, the branch profits tax described above in “Distributions on Our Common Stock” also may apply;
- the non-U.S. holder is a nonresident alien individual who is present in the United States for a period or periods aggregating 183 days or more in the taxable year of the disposition and certain other conditions are met, in which case the non-U.S. holder will be subject to a 30% tax (or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder’s country of residence) on the net gain derived from the disposition, which may be offset by certain U.S. source capital losses of the non-U.S. holder, if any (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses; or
- we are, or have been, at any time during the five-year period preceding such sale or other taxable disposition (or the non-U.S. holder’s holding period, if shorter) a “U.S. real property holding corporation,” unless our common stock is regularly traded on an established securities market and the non-U.S. holder holds no more than 5% of our outstanding common stock, directly or indirectly, actually or constructively, during the shorter of the 5-year period ending on the date of the disposition or the period that the non-U.S. holder held our common stock. Generally, a corporation is a U.S. real property holding corporation only if the fair market value of its U.S. real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. Although there can be no assurance, we do not believe that we are, or have been, a U.S. real property holding corporation, or that we are likely to become one in the future. No assurance can be provided that our common stock will be regularly traded on an established securities market for purposes of the rules described above.

### **Backup Withholding and Information Reporting**

We must report annually to the IRS and to each non-U.S. holder the gross amount of the distributions on our common stock paid to such holder and the tax withheld, if any, with respect to such distributions. Non-U.S. holders may have to comply with specific certification procedures to establish that the holder is not a United States person (as defined in the Code) in order to avoid backup withholding at the applicable rate with respect to dividends on our common stock. Dividends paid to non-U.S. holders subject to withholding of U.S. federal income tax, as described above in “Distributions on Our Common Stock,” generally will be exempt from U.S. backup withholding.

Information reporting and backup withholding will generally apply to the proceeds of a disposition of our common stock by a non-U.S. holder effected by or through the U.S. office of any broker, U.S. or foreign, unless the holder certifies its status as a non-U.S. holder and satisfies certain other requirements, or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a non-U.S. holder where the transaction is effected outside the United States through a non-U.S. office of a broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker.

Non-U.S. holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules to them. Copies of information returns may be made available to the tax authorities of the country in which the non-U.S. holder resides or is incorporated under the provisions of a specific treaty or agreement. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder can be refunded or credited against the non-U.S. holder's U.S. federal income tax liability, if any, provided that an appropriate claim is filed with the IRS in a timely manner.

#### **Withholding and Information Reporting Requirements—FATCA**

The Foreign Account Tax Compliance Act and guidance issued thereunder, or FATCA, imposes withholding taxes on certain types of payments made to “foreign financial institutions” and certain other foreign entities (including financial intermediaries). FATCA generally imposes withholding at a rate of 30% on payments to certain foreign entities of dividends (including deemed dividends on warrants) on our common stock and certain other withholdable payments, unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied or the entity otherwise qualifies for an exemption. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Such withholding may apply to gross proceeds from the sale or other disposition of our common stock, although under recently proposed U.S. Treasury Regulations, no withholding would apply to such gross proceeds. The preamble to the proposed regulations specifies that taxpayers (including withholding agents) are permitted to rely on the proposed regulations pending finalization. You should consult your tax advisor regarding the application of FATCA.



## UNDERWRITING

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. LLC, SVB Leerink LLC, and Evercore Group LLC are acting as representatives, have severally agreed to purchase, and we have agreed to sell to them, severally, the number of shares indicated below:

<u>Name</u>	<u>Number of Shares</u>
Morgan Stanley & Co. LLC	
SVB Leerink LLC	
Evercore Group LLC	
H.C. Wainwright & Co., LLC	
Total:	

The underwriters and the representatives are collectively referred to as the “underwriters” and the “representatives,” respectively. The underwriters are offering the shares of common stock subject to their acceptance of the shares from us and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriter’s option to purchase additional shares described below.

The underwriters initially propose to offer part of the shares of common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers at a price that represents a concession not in excess of \$ \_\_\_\_\_ per share under the public offering price. After the initial offering of the shares of common stock, the offering price and other selling terms may from time to time be varied by the representatives.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to \_\_\_\_\_ additional shares of common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of common stock as the number listed next to the underwriter’s name in the preceding table bears to the total number of shares of common stock listed next to the names of all underwriters in the preceding table.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and proceeds before expenses to us. These amounts are shown assuming both no exercise and full exercise of the underwriters’ option to purchase up to an additional \_\_\_\_\_ shares of common stock.

	<u>Per Share</u>	<u>Total</u>	
		<u>No Exercise</u>	<u>Full Exercise</u>
Public offering price	\$	\$	\$
Underwriting discounts and commissions to be paid by us			
Proceeds, before expenses, to us	\$	\$	\$

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately \$ \_\_\_\_\_. We have agreed to reimburse the underwriters for expenses relating to clearance of this offering with the Financial Industry Regulatory Authority, or FINRA, for up to \$ \_\_\_\_\_.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of common stock offered by them.

## [Table of Contents](#)

We have applied to list our common stock on the NASDAQ Global Market under the trading symbol “CGEM”.

We have agreed that for a period ending 180 days after the date of this prospectus, or the restricted period, we will not, subject to certain exceptions, (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of common stock or such other securities, in cash or otherwise or (3) file any registration statement with the SEC relating to the offering of any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock.

All of our directors and officers and substantially all of the holders of units or other interests in Cullinan Oncology, LLC have entered into lock-up agreements with the underwriters prior to the commencement of this initial public offering pursuant to which each of these persons or entities, has agreed not to, during the restricted period, without the prior written consent of the representatives: (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or units of Cullinan Oncology, LLC beneficially owned (as such term is used in Rule 13d-3 of the Exchange Act, by the party subject to the lock-up restrictions or any other securities so owned convertible into or exercisable or exchangeable for common stock, units of Cullinan Oncology, LLC or such other securities or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of common stock, units of Cullinan Oncology, LLC or such other securities, whether any such transaction described in (1) or (2) above is to be settled by delivery of common stock, units of Cullinan Oncology, LLC or such other securities, in cash or otherwise. The foregoing sentence shall not apply to any actions that the party subject to the lock-up restrictions may be required to take or may be necessary to take in connection with the reorganization; provided that any such securities shall remain subject to the terms of the lock-up agreement.

The restrictions described in the immediately preceding paragraph to do not apply to:

(a) transactions relating to shares of common stock or other securities acquired in this public offering (other than any issuer directed shares of common stock purchased in this public offering) or in open market transactions after the completion of this public offering, *provided* that no filing under Section 16(a) of the Exchange Act shall be required or shall be voluntarily made in connection with subsequent sales of common stock or other securities acquired in such open market transactions;

(b) transfers of shares of common stock or any security convertible into or exercisable or exchangeable for common stock (i) as a bona fide gift or to a charitable organization or educational institution in a transfer not involving a disposition for value or (ii) if the party subject to the lock-up restrictions is a corporation, partnership or other business entity, as part of a disposition, transfer or distribution without consideration to limited partners or stockholders of such entity;

(c) transfers or dispositions of common stock or any security convertible into or exercisable or exchangeable for common stock to any member of the immediate family of the party subject to the lock-up restrictions or any trust for the direct or indirect benefit of the party subject to the lock-up restrictions or the immediate family of such person in a transaction not involving a disposition for value;

(d) transfers or dispositions of common stock or any security convertible into or exercisable or exchangeable for common stock (i) by will, other testamentary document or intestate succession to the legal

## Table of Contents

representative, heir, beneficiary or a member of the immediate family of the party subject to the lock-up restrictions upon the death of the party subject to the lock-up restrictions or (ii) by operation of law pursuant to orders of a court or regulatory agency, in connection with a negotiated divorce settlement or pursuant to a qualified domestic relations order;

(e) if the party subject to the lock-up restrictions is an entity, (x) transfers or distributions of common stock or any security convertible into common stock to general or limited partners, members or stockholders of such entity, its direct or indirect affiliates (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) or to an investment fund or other entity that controls or manages, or is under common control with, the party subject to the lock-up restrictions, or (y) distributions of common stock or any security convertible into common stock to partners, members, stockholders, beneficiaries or other equity holders of such entity;

(f) transfers or dispositions of common stock or any security convertible into or exercisable or exchangeable for common stock to the Company pursuant to any contractual arrangement in effect on the date of the lock-up agreement and disclosed to the underwriters in writing that provides for the repurchase of the party subject to the lock-up restrictions' common stock or other securities by the Company or in connection with the termination of the party subject to the lock-up restrictions' employment with or service to the Company; *provided* that any filing under Section 16(a) of the Exchange Act reporting a reduction in beneficial ownership of Common Stock shall indicate by footnote disclosure or otherwise the nature of the transfer or disposition;

(g) transfers or dispositions of common stock or other securities to the Company in connection with the conversion of any convertible security into, or the exercise of any option or warrant for, common stock (including by way of "net" or "cashless" exercise solely to cover withholding tax obligations in connection with such exercise and any transfer to the Company for the payment of taxes as a result of such exercise); *provided* that (i) any such common stock received by the party subject to the lock-up restrictions shall be subject to the terms of the lock-up agreement and (ii) no filing under Section 16 of the Exchange Act, reporting a reduction in beneficial ownership of common stock, or other public announcement shall be required or shall be voluntarily made during the restricted period (other than a filing on a Form 4 that reports such disposition under the transaction code "F" and indicates by footnote disclosure or otherwise the nature of the transfer or disposition);

(h) the establishment of a trading plan on behalf of a shareholder, officer or director of the Company pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock, *provided* that (i) such plan does not provide for the transfer of common stock during the restricted period and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by or on behalf of the party subject to the lock-up restrictions or the Company regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of common stock may be made under such plan during the restricted period; or

(i) (i) transfers of common stock (or any securities convertible into or exercisable or exchangeable for common stock) pursuant to a bona fide third-party tender offer for shares of the Company's capital stock made to all holders of the Company's securities, merger, consolidation or other similar transaction approved by the Company's board of directors the result of which is that any person (as defined in Section 13(d)(3) of the Exchange Act), or group of persons, other than the Company, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) of more than 50% of the total voting power of the voting stock of the Company and (ii) entry into any lock-up, voting or similar agreement pursuant to which the party subject to the lock-up restrictions may agree to transfer, sell, tender or otherwise dispose of common stock or such other securities in connection with a transaction described in (i) above; *provided* that in the event that such change of control transaction is not completed, the common stock (or any security convertible into or exercisable or exchangeable for common stock) owned by the party subject to the lock-up restrictions shall remain subject to the restrictions contained in the lock-up agreement;

*provided* that in the case of any transfer or distribution pursuant to (b), (c), (d) or (e) above, (i) each transferee, donee or distributee shall sign and deliver a lock-up letter substantially in the form of this letter and

## Table of Contents

(ii) no filing under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership common stock, or other public announcement shall be required or shall be voluntarily made during the restricted period (other than, in the case of a transfer or other disposition pursuant to (d) above, any Form 4 or Form 5 required to be filed under the Exchange Act if the party subject to the lock-up restrictions is subject to Section 16 reporting with respect to the Company under the Exchange Act, and any such filing will indicate by footnote disclosure or otherwise the nature of the transfer or disposition).

The representatives, in their sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time.

In order to facilitate the offering of the common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under their option to purchase additional shares. The underwriters can close out a covered short sale by exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under their option to purchase additional shares. The underwriters may also sell shares in excess of their option to purchase additional shares, creating a naked short position. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of common stock in the open market to stabilize the price of the common stock. These activities may raise or maintain the market price of the common stock above independent market levels or prevent or retard a decline in the market price of the common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representatives may agree to allocate a number of shares of common stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make Internet distributions on the same basis as other allocations.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

## [Table of Contents](#)

An investment fund associated with SVB Leerink LLC purchased 507,614 units of our Series C Preferred Units in our December 2020 Series C Preferred Unit financing. Those units of Series C Preferred Units will convert into \_\_\_\_\_ shares of the Company's common stock prior to and in connection with the completion of this offering. As a result, such shares are deemed to be underwriting compensation pursuant to FINRA Rule 5110 and all such shares are subject to the 180-day lock-up restrictions pursuant to FINRA Rule 5110(e).

### **Pricing of the Offering**

Prior to this offering, there has been no public market for our common stock. The initial public offering price was determined by negotiations between us and the representatives. Among the factors considered in determining the initial public offering price were our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours.

### **Selling Restrictions**

#### ***Australia***

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, or ASIC, in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons, or the Exempt Investors, who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

#### ***Bermuda***

The shares of our common stock may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

#### ***British Virgin Islands***

The shares of our common stock are not being and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The common stock may be offered to

## [Table of Contents](#)

companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a “BVI Company”), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This prospectus has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered prospectus has been or will be prepared in respect of the common stock for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

### ***Canada***

The shares of our common stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares of our common stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### ***Dubai International Finance Centre***

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or the DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

### ***European Economic Area***

In relation to each Member State of the European Economic Area and the United Kingdom (each, a “Relevant State”), no securities have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in relation to the securities which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of securities may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representatives; or

## Table of Contents

- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of shares shall require us or any of our representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase any shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended).

### ***Hong Kong***

The common stock has not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the common stock has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to common stock which is or is intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

### ***Israel***

In the State of Israel this prospectus shall not be regarded as an offer to the public to purchase shares of common stock under the Israeli Securities Law, 5728—1968, which requires a prospectus to be published and authorized by the Israel Securities Authority, if it complies with certain provisions of Section 15 of the Israeli Securities Law, 5728—1968, including, inter alia, if: (i) the offer is made, distributed or directed to not more than 35 investors, subject to certain conditions (the “Addressed Investors”); or (ii) the offer is made, distributed or directed to certain qualified investors defined in the First Addendum of the Israeli Securities Law, 5728—1968, subject to certain conditions (the “Qualified Investors”). The Qualified Investors shall not be taken into account in the count of the Addressed Investors and may be offered to purchase securities in addition to the 35 Addressed Investors. The company has not and will not take any action that would require it to publish a prospectus in accordance with and subject to the Israeli Securities Law, 5728—1968. We have not and will not distribute this prospectus or make, distribute or direct an offer to subscribe for our common stock to any person within the State of Israel, other than to Qualified Investors and up to 35 Addressed Investors.

Qualified Investors may have to submit written evidence that they meet the definitions set out in of the First Addendum to the Israeli Securities Law, 5728—1968. In particular, we may request, as a condition to be offered common stock, that Qualified Investors will each represent, warrant and certify to us and/or to anyone acting on our behalf: (i) that it is an investor falling within one of the categories listed in the First Addendum to the Israeli Securities Law, 5728—1968; (ii) which of the categories listed in the First Addendum to the Israeli Securities Law, 5728—1968 regarding Qualified Investors is applicable to it; (iii) that it will abide by all provisions set forth in the Israeli Securities Law, 5728—1968 and the regulations promulgated thereunder in connection with the offer to be issued common stock; (iv) that the shares of common stock that it will be issued are, subject to exemptions available under the Israeli Securities Law, 5728—1968: (a) for its own account; (b) for investment purposes only; and (c) not issued with a view to resale within the State of Israel, other than in accordance with the provisions of the Israeli Securities Law, 5728—1968; and (v) that it is willing to provide further evidence of its Qualified Investor status. Addressed Investors may have to submit written evidence in respect of their identity and may have to sign and submit a declaration containing, inter alia, the Addressed Investor’s name, address and passport number or Israeli identification number.

***Korea***

The shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the “FSCMA”), and the shares have been and will be offered in Korea as a private placement under the FSCMA. None of the shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the “FETL”). The shares have not been listed on any of securities exchanges in the world including, without limitation, the Korea Exchange in Korea. Furthermore, the purchaser of the shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the shares. By the purchase of the shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

***Malaysia***

No prospectus or other offering material or document in connection with the offer and sale of the shares of our common stock has been or will be registered with the Securities Commission of Malaysia (“Commission”) for the Commission’s approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares of our common stock may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services License; (iii) a person who acquires the shares, as principal, if the offer is on terms that the shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding 12 months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding 12 months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the shares is made by a holder of a Capital Markets Services License who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

***People’s Republic of China***

This prospectus may not be circulated or distributed in the People’s Republic of China, or the PRC, and the common stock may not be offered or sold to any person for re-offering or resale directly or indirectly to any resident of the PRC, except pursuant to applicable laws, rules and regulations of the PRC. For the purpose of this paragraph only, the PRC does not include Taiwan and the special administrative regions of Hong Kong and Macau.



### ***Saudi Arabia***

This prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority (the “CMA”) pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended. The CMA does not make any representation as to the accuracy or completeness of this prospectus and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus. Prospective purchasers of the shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the shares. If you do not understand the contents of this prospectus, you should consult an authorized financial adviser.

### ***Singapore***

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the common stock may not be circulated or distributed, nor may the common stock be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”)) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to conditions set forth in the SFA.

Where the shares of common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for 6 months after that corporation has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation’s securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore (“Regulation 32”).

Where the shares of common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that trust has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32.

Solely for the purposes of our obligations pursuant to Section 309B of the SFA, we have determined, and hereby notify all relevant persons (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 (“CMP Regulations”)) that the shares of common stock are “prescribed capital markets products” (as defined in the CMP Regulations) and Excluded Investment Products (as defined in MAS Notice

## Table of Contents

SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### ***South Africa***

Due to restrictions under the securities laws of South Africa, the shares of our common stock are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

- (a) the offer, transfer, sale, renunciation or delivery is to:
  - (i) persons whose ordinary business is to deal in securities, as principal or agent;
  - (ii) the South African Public Investment Corporation;
  - (iii) persons or entities regulated by the Reserve Bank of South Africa;
  - (iv) authorized financial service providers under South African law;
  - (v) financial institutions recognized as such under South African law;
  - (vi) a wholly-owned subsidiary of any person or entity contemplated in (iii), (iv) or (v), acting as agent in the capacity of an authorized portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law);  
or
  - (vii) any combination of the person in (i) to (vi); or
- (b) the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000.

No “offer to the public” (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the “South African Companies Act”)) in South Africa is being made in connection with the issue of the common stock. Accordingly, this document does not, nor is it intended to, constitute a “registered prospectus” (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the common stock in South Africa constitutes an offer of the common stock in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from “offers to the public” set out in Section 96(1)(a) of the South African Companies Act. Accordingly, this document must not be acted on or relied on by persons in South Africa who do not fall within Section 96(1)(a) of the South African Companies Act (such persons being referred to as “SA Relevant Persons”). Any investment or investment activity to which this document relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA Relevant Persons.

### ***Switzerland***

This document is not intended to constitute an offer or solicitation to purchase or invest in the common stock described herein. The common stock may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the common stock constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland, and neither this document nor any other offering or marketing material relating to the common stock may be publicly distributed or otherwise made publicly available in Switzerland.

## [Table of Contents](#)

Neither this document nor any other offering or marketing material relating to the offering, nor the Company nor the common stock have been or will be filed with or approved by any Swiss regulatory authority. The common stock is not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority FINMXX, and investors in the common stock will not benefit from protection or supervision by such authority.

### ***Taiwan***

The shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the shares in Taiwan.

### **United Arab Emirates**

The shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

### ***United Kingdom***

Each underwriter has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (“FSMA”) received by it in connection with the issue or sale of the shares of our common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of our common stock in, from or otherwise involving the United Kingdom.

**LEGAL MATTERS**

The validity of the common stock offered hereby will be passed upon for us by Goodwin Procter LLP, Boston, Massachusetts and for the underwriters by Ropes & Gray LLP, Boston, Massachusetts.

**EXPERTS**

The consolidated financial statements of Cullinan Oncology, LLC as of December 31, 2018 and 2019, and for each of the years then ended, have been included herein in reliance upon the report of KPMG LLP, an independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

## WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 (File Number 333- ) under the Securities Act with respect to the common stock we are offering by this prospectus. This prospectus, which constitutes part of the registration statement, does not contain all of the information included in the registration statement. For further information pertaining to us and our common stock, you should refer to the registration statement and to its exhibits. Whenever we make reference in this prospectus to any of our contracts, agreements or other documents, the references are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document.

Upon the completion of the offering, we will be subject to the informational requirements of the Exchange Act and will file annual, quarterly and current reports, proxy statements and other information with the SEC. You can read our SEC filings, including the registration statement, at the SEC's website at [www.sec.gov](http://www.sec.gov). We also maintain a website at [www.cullinanoncology.com](http://www.cullinanoncology.com). The information contained in or accessible from our website is not incorporated into this prospectus, and you should not consider it part of this prospectus. We have included our website address in this prospectus solely as an inactive textual reference.

CULLINAN ONCOLOGY, LLC

INDEX TO FINANCIAL STATEMENTS

	<u>Page</u>
Audited Consolidated Financial Statements as of and for the Years Ended December 31, 2018 and 2019	
<a href="#">Report of Independent Registered Public Accounting Firm</a>	F-2
<a href="#">Consolidated Balance Sheets</a>	F-3
<a href="#">Consolidated Statements of Operations and Comprehensive Loss</a>	F-4
<a href="#">Consolidated Statements of Redeemable Preferred Units and Members' Deficit</a>	F-5
<a href="#">Consolidated Statements of Cash Flows</a>	F-6
<a href="#">Notes to Consolidated Financial Statements</a>	F-7
Unaudited Condensed Consolidated Financial Statements as of and for the Nine Months Ended September 30, 2019 and 2020	
<a href="#">Condensed Consolidated Balance Sheets</a>	F-34
<a href="#">Condensed Consolidated Statements of Operations and Comprehensive Loss</a>	F-35
<a href="#">Condensed Consolidated Statements of Redeemable Preferred Units and Members' Deficit</a>	F-36
<a href="#">Condensed Consolidated Statements of Cash Flows</a>	F-37
<a href="#">Notes to Condensed Consolidated Financial Statements</a>	F-38

**Report of Independent Registered Public Accounting Firm**

To the Members and Board of Directors  
Cullinan Oncology, LLC.:

*Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of Cullinan Oncology, LLC and subsidiaries (the Company) as of December 31, 2018 and 2019, the related consolidated statements of operations and comprehensive loss, redeemable preferred units and members' deficit, and cash flows for the years then ended, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2019, and the results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

*Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 2018.

Boston, Massachusetts  
November 2, 2020

**CULLINAN ONCOLOGY, LLC**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except units and per unit amounts)

	December 31, 2018	December 31, 2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 33,832	\$ 63,250
Prepaid expenses and other current assets	387	1,461
Short term investments	—	35,380
Total current assets	34,219	100,091
Property and equipment, net	233	182
Other assets	188	188
Total assets	<u>\$ 34,640</u>	<u>\$ 100,461</u>
<b>Liabilities, Redeemable Preferred Units and Members' Deficit</b>		
Current liabilities:		
Accounts payable	\$ 296	\$ 934
Accrued expenses and other current liabilities	1,028	1,589
Total current liabilities	1,324	2,523
Long-term liabilities:		
Deferred rent	64	73
Total liabilities	1,388	2,596
Commitments and contingencies (Note 10)		
Redeemable preferred units:		
Series Seed redeemable preferred units, \$0.0001 par value: 16,000,000 units authorized, issued and outstanding (liquidation value: \$4,769) at December 31, 2018 and December 31, 2019.	3,956	3,956
Series A1 redeemable preferred units, \$0.0001 par value: 50,000,000 units authorized, issued and outstanding (liquidation value: \$58,030) at December 31, 2018 and December 31, 2019.	49,946	49,946
Series B redeemable preferred units, \$0.0001 par value: 64,200,000 authorized, 0 and 54,006,407 units issued and outstanding (liquidation value: \$85,469) at December 31, 2018 and December 31, 2019, respectively.	—	83,872
Total redeemable preferred units	53,902	137,774
Members' deficit:		
Non-voting incentive units, \$0.0001 par value: 23,860,000 units authorized, 12,276,000 and 11,896,500 units issued and outstanding at December 31, 2018 and December 31, 2019, respectively	1	1
Common units, \$0.0001 par value: no shares authorized, issued and outstanding at December 31, 2018 and 2019	—	—
Noncontrolling interest in subsidiaries	1	864
Additional paid-in capital	214	770
Accumulated other comprehensive loss	—	(4)
Accumulated deficit	(20,866)	(41,540)
Total members' deficit	(20,650)	(39,909)
Total liabilities, redeemable preferred units and members' deficit	<u>\$ 34,640</u>	<u>\$ 100,461</u>

See accompanying notes to consolidated financial statements.



**CULLINAN ONCOLOGY, LLC**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
**(in thousands, except units and per unit amounts)**

	<b>Year Ended December 31,</b>	
	<b>2018</b>	<b>2019</b>
Operating expenses:		
Research and development	\$ 9,584	\$ 16,788
General and administrative	5,002	5,482
Total operating expenses	<u>14,586</u>	<u>22,270</u>
Loss from operations	(14,586)	(22,270)
Other income (expense):		
Interest income	397	620
Other income (expense), net	—	(4)
Net loss	<u>(14,189)</u>	<u>(21,654)</u>
Net loss attributable to noncontrolling interest	—	(997)
Net loss attributable to Cullinan	<u>\$ (14,189)</u>	<u>\$ (20,657)</u>
Net loss per unit attributable to common and non-voting incentive unitholders, basic and diluted	<u>\$ (5.56)</u>	<u>\$ (3.23)</u>
Total weighted-average common and non-voting incentive units used in computing net loss per unit, basic and diluted	<u>2,549,865</u>	<u>6,397,443</u>
Comprehensive loss:		
Net loss	\$ (14,189)	\$ (21,654)
Unrealized loss on investments	—	(4)
Comprehensive loss	<u>(14,189)</u>	<u>\$ (21,658)</u>
Comprehensive loss attributable to noncontrolling interest	—	(997)
Comprehensive loss attributable to Cullinan	<u>\$ (14,189)</u>	<u>\$ (20,661)</u>
Pro forma net loss per share attributable to common stockholders, basic and diluted (unaudited)		<u>\$ (0.26)</u>
Total weighted-average common stock outstanding used in computing pro forma net loss per unit, basic and diluted (unaudited)		<u>80,594,229</u>

See accompanying notes to consolidated financial statements.

**CULLINAN ONCOLOGY, LLC**  
**CONSOLIDATED STATEMENTS OF REDEEMABLE PREFERRED UNITS AND MEMBERS' DEFICIT**  
(in thousands, except units and per unit amounts)

	Redeemable Preferred Units		Non-Voting Incentive Units		Noncontrolling Interest in Subsidiaries	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Members' Deficit
	Units	Amount	Units	Amount					
Balances at December 31, 2017	66,000,000	\$ 53,923	11,088,000	\$ 1	\$ 1	\$ —	\$ —	\$ (6,707)	\$ (6,705)
Issuance cost of Series A preferred units	—	(21)	—	—	—	—	—	—	—
Issuance costs of subsidiary preferred stock	—	—	—	—	—	—	—	(9)	(9)
Issuance of non-voting incentive units	—	—	1,188,000	—	—	—	—	—	—
Issuance of subsidiary common stock	—	—	—	—	1	214	—	—	215
Dissolution of subsidiaries	—	—	—	—	(1)	—	—	39	38
Net loss	—	—	—	—	—	—	—	(14,189)	(14,189)
Balances at December 31, 2018	66,000,000	\$ 53,902	12,276,000	\$ 1	\$ 1	\$ 214	\$ —	\$ (20,866)	\$ (20,650)
Issuance of Series B preferred units net of issuance costs of \$378	54,006,407	83,872	—	—	—	—	—	—	—
Issuance subsidiary preferred stock	—	—	—	—	1,860	—	—	(17)	1,843
Forfeiture of non-voting incentive units	—	—	(379,500)	—	—	—	—	—	—
Stock based compensation	—	—	—	—	—	17	—	—	17
Issuance of subsidiary common stock	—	—	—	—	—	539	—	—	539
Unrealized loss on investments	—	—	—	—	—	—	(4)	—	(4)
Net loss	—	—	—	—	(997)	—	—	(20,657)	(21,654)
Balances at December 31, 2019	120,006,407	\$ 137,774	11,896,500	\$ 1	\$ 864	\$ 770	\$ (4)	\$ (41,540)	\$ (39,909)

See accompanying notes to consolidated financial statements.

**CULLINAN ONCOLOGY, LLC**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(in thousands)**

	<b>Year Ended December 31,</b>	
	<b>2018</b>	<b>2019</b>
<b>Operating activities:</b>		
Net loss	\$ (14,189)	\$ (21,654)
Adjustments to reconcile net loss to net cash used in operating activities:		
License expense in exchange for subsidiary common stock	214	539
Depreciation and amortization	43	70
Share-based compensation expense	—	17
Dissolution of subsidiaries	38	—
Unrealized loss on investments	—	(4)
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(176)	(1,074)
Accounts payable	225	639
Accrued expenses and other current liabilities	232	560
Deferred rent	64	10
Net cash used in operating activities	<u>(13,549)</u>	<u>(20,897)</u>
<b>Investing activities:</b>		
Purchases of property and equipment	(261)	(20)
Purchase of available-for-sale securities	—	(35,380)
Net cash used in investing activities	<u>(261)</u>	<u>(35,400)</u>
<b>Financing activities:</b>		
Proceeds from issuance of Series B Redeemable Preferred Units	—	84,250
Proceeds from issuance of noncontrolling interests	—	1,860
Payment of issuance costs related to Series B Redeemable Preferred Units	(21)	(378)
Issuance costs of subsidiary preferred stock	(9)	(17)
Proceeds from issuance of subsidiary common stock	1	—
Net cash (used in)/provided by financing activities	<u>(29)</u>	<u>85,715</u>
Net (decrease)/increase in cash and cash equivalents	(13,839)	29,418
Cash and cash equivalents at beginning of year	47,671	33,832
Cash and cash equivalents at end of year	<u>\$ 33,832</u>	<u>\$ 63,250</u>

See accompanying notes to consolidated financial statements.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**(1) Nature of Business and Basis of Presentation**

***Organization***

Cullinan Oncology, LLC (the LLC), together with its consolidated subsidiaries (Cullinan or the Company), is a biopharmaceutical company developing a diversified pipeline of targeted oncology and immuno-oncology therapies with transformative potential for cancer patients.

Each therapeutic candidate is developed within a separate subsidiary of the LLC. At December 31, 2018, the LLC had three development subsidiaries: Cullinan Apollo Corp. (Apollo), Cullinan Pearl Corp. (Pearl) and Cullinan Polykine Corp. (Polykine), in addition to its wholly owned operating subsidiary, Cullinan Management, Inc. (Management). At December 31, 2019, the LLC had four development subsidiaries: Apollo, Pearl, Cullinan Amber Corp. (Amber), and Cullinan Florentine Corp. (Florentine), in addition to Management (together, the Subsidiaries). In 2018, Cullinan Alaras Corp. (Alaras), Cullinan Senovax Corp. (Senovax) and Cullinan Wittelsbach Corp. (Wittelsbach) were liquidated, and in 2019, Polykine was liquidated following management's decision to terminate research and development. See Note 4 for further detail.

The Company is subject to risks and uncertainties common to early-stage companies in the biotechnology industry including, but not limited to, new technological innovations, protection of proprietary technology, dependence on key personnel, compliance with government regulations and the ability to obtain additional capital to fund operations. The Company's therapeutic programs will require significant additional research and development efforts, including pre-clinical and clinical testing and regulatory approval prior to commercialization. These efforts require additional capital, adequate personnel and extensive compliance-reporting capabilities. There can be no assurance that the Company's research and development will be successfully completed, that adequate protection for the Company's intellectual property will be obtained, that any products developed will obtain necessary government regulatory approval or that any approved products will be commercially viable.

***Liquidity***

The Company has funded its operations primarily through the sale of redeemable preferred units. As of December 31, 2019, the LLC has received from investors \$137.8 million in cumulative net proceeds. See Note 5 for further detail.

The Company has incurred operating losses and has had negative cash flows from operations since its inception. The Company's net loss was \$14.2 million and \$21.7 million for the years ended December 31, 2018 and 2019, respectively. As of December 31, 2019, the Company has an accumulated deficit of \$41.5 million. The Company expects to continue to generate operating losses for the foreseeable future. The Company expects that its cash, cash equivalents, and short term investments as of December 31, 2019 of \$98.6 million, along with the \$14.3 million received from the sale of its Series B Redeemable Preferred Units in February and March 2020 (see Notes 5 and 13) will be sufficient to fund its operating expenses and capital expenditure requirements through at least the next twelve months from the date of issuance of these consolidated financial statements. The future viability of the Company is dependent on the success of its research and development and its ability to access additional capital to fund its operations. There can be no assurance that the current operating plan will be achieved or that additional funding will be available on terms acceptable to the Company, or at all.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**(2) Summary of Significant Accounting Policies*****Basis of Presentation and Use of Estimates***

The accompanying consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and include the accounts of the LLC and its consolidated subsidiaries. All intercompany balances have been eliminated in consolidation. Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Updates (ASUs) of the Financial Accounting Standards Board (FASB).

The preparation of financial statements in accordance with GAAP requires the Company's management to make estimates and judgments that may affect the reported amounts of assets, liabilities, expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, the Company's management evaluates the estimates, including those related to expenses and accruals. The Company's management bases its estimates on historical experience, and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Estimates and assumptions reflected in these consolidated financial statements include but are not limited to the fair value of the royalty transfer agreements, accrued research and development costs, the valuation of the non-voting incentive units, as well as restricted stock awards and common stock issued by the LLC's subsidiaries. Actual results may differ from these estimates under different assumptions or conditions.

***Principles of Consolidation***

The LLC consolidates entities in which it has a controlling financial interest. The LLC evaluates each of its subsidiaries to determine whether the entity represents a variable interest entity (VIE) for which consolidation should be evaluated under the VIE model, or alternatively, if the entity is a voting interest entity, for which consolidation should be evaluated using the voting interest model. The LLC has concluded that none of its subsidiaries is a VIE and has consolidated each subsidiary under the voting interest model. Under the voting interest model, the Company consolidates the entity if it determines 1) that it directly, or indirectly, has greater than 50% of the voting shares or other equity holders do not have substantive voting, participation, or liquidation rights, or 2) when the company has a controlling financial interest through its control of the board of directors, and the significant decisions of the entity are made at the board level.

The Company has either created or made investments in the following entities:

<b><u>Consolidated Entities</u></b>	<b><u>Relationship as of December 31, 2019</u></b>	<b><u>Date Control First Acquired</u></b>
Cullinan Management, Inc.	Wholly-owned Subsidiary	September 2016
Cullinan Apollo Corp.	Partially-owned Subsidiary	November 2018
Cullinan Pearl Corp.	Partially-owned Subsidiary	November 2018
Cullinan Amber Corp.	Partially-owned Subsidiary	December 2019
Cullinan Florentine Corp.	Partially-owned Subsidiary	December 2019

***Noncontrolling Interests***

To the extent that ownership interests in the Subsidiaries are held by entities other than the LLC, management reports these as noncontrolling interests on the consolidated balance sheets. Earnings or losses are attributed to noncontrolling interests under the hypothetical liquidation at book value (HLBV) method. The HLBV method is a point in time calculation that utilizes inputs to determine the amount that the Company and

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

the noncontrolling interest holders would receive upon a hypothetical liquidation at each balance sheet date based on the liquidation provisions of the respective articles of incorporation. At December 31, 2018, a licensor held a noncontrolling interest in Apollo, and at December 31, 2019, licensors held noncontrolling interests in Apollo and Pearl, as described further in Note 4. Under the HLBV method, \$1.0 million of losses in Pearl were attributed to noncontrolling interests in 2019 because the licensor also owned preferred stock. In 2018 and 2019, no loss was allocated to the licensors or restricted stockholders that held noncontrolling interests in Apollo.

***Comprehensive Loss***

Comprehensive loss is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. For the year ended December 31, 2018, comprehensive loss was equal to net loss. For the year ended December 31, 2019, the Company recognized less than \$0.1 million in unrealized loss on investments.

***Segments***

The Company has determined that its chief executive officer is the chief operating decision maker (CODM). The Company operates and manages the business as one reporting and one operating segment, which is the business of developing early stage cancer therapeutics. The Company's CODM reviews financial information on an aggregate basis for purposes of allocating resources and evaluating financial performance. All of the Company's assets are located in the United States.

***Concentration of Credit Risk and Other Risks and Uncertainties***

The Company has no significant off-balance sheet risk. Cash and cash equivalents are primarily maintained with two major financial institutions in the United States. Deposits at banks may exceed the insurance provided on such deposits. These deposits may be redeemed upon demand, and therefore, bear minimal risk.

The Company is subject to certain risks and uncertainties and believes that changes in any of the following areas could have a material adverse effect on future financial position or results of operations: ability to obtain future financing; regulatory approval and market acceptance of, and reimbursement for, product candidates; performance of third-party clinical research organizations and manufacturers upon which the Company relies; protection of the Company's intellectual property; litigation or claims against the Company based on intellectual property, patent, product, regulatory or other factors; and the Company's ability to attract and retain employees necessary to support its growth.

The Company is dependent on third-party manufacturers to supply products for research and development activities in its programs. In particular, the Company relies and expects to continue to rely on a small number of manufacturers to supply it with its requirements for drug substance and drug products related to these programs. These programs could be adversely affected by a significant interruption in the supply.

***Cash, Cash Equivalents, and Short Term Investments***

The Company considers all highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents. Investments not classified as cash equivalents with maturities of less than twelve months are classified as short-term available-for-sale marketable securities. Available-for-sale marketable securities are carried at estimated fair value, with unrealized gains or losses included in accumulated other comprehensive loss in members' deficit. The fair value of marketable securities is based on available market information. The amortized cost of debt securities is adjusted for amortization of premiums and accretion

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

of discounts to maturity. Such amortization is included in interest income. Interest and dividends are also included in interest income. Declines in fair value judged to be other-than-temporary on available-for-sale securities, if any, are included in other income (expense), net.

As of December 31, 2018, the Company's financial assets were comprised entirely of cash and cash equivalents.

The Company recognized its short term investment marketable securities by security type at December 31, 2019:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
	(in thousands)			
Corporate notes	\$ 19,718	\$ 2	\$ (6)	\$ 19,714
Commercial paper	5,571	—	—	5,571
Asset-backed securities	5,068	—	—	5,068
U.S. government notes	5,027	—	—	5,027
	<u>\$ 35,384</u>	<u>\$ 2</u>	<u>\$ (6)</u>	<u>\$ 35,380</u>

***Fair Value of Financial Instruments***

Certain assets and liabilities are carried at fair value under GAAP. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). As required by FASB ASC Topic 820, *Fair Value Measurement* (ASC Topic 820) the Company's financial assets are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy under ASC Topic 820, and its applicability to the Company's financial assets, are described below:

*Level 1*—Unadjusted quoted prices in active markets that are accessible at the measurement date of identical, unrestricted assets.

*Level 2*—Quoted prices for similar assets, or inputs that are observable, either directly or indirectly, for substantially the full term through corroboration with observable market data.

*Level 3*—Pricing inputs are unobservable for the asset, that is, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset.

Asset-backed securities, commercial paper, and corporate and U.S. government notes are primarily valued using market quotations or prices obtained from independent pricing sources which may employ various pricing methods to value the investments including matrix pricing.

As of December 31, 2018, the Company's financial assets, comprising of cash and cash equivalents, are classified as Level 1 assets.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The following table sets forth the fair value of the Company's financial assets as of December 31, 2019, allocated into Level 1, Level 2, and Level 3, that was measured on a recurring basis (in thousands):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents				
Cash	\$ 8,240	\$ —	\$ —	\$ 8,240
Money market funds	52,597	—	—	52,597
Corporate notes	—	2,413	—	2,413
Short term investments				
Corporate notes	—	19,714	—	19,714
Commercial paper	—	5,571	—	5,571
Asset-backed securities	—	5,068	—	5,068
U.S. government notes	—	5,027	—	5,027
	<u>\$60,837</u>	<u>\$37,793</u>	<u>\$ —</u>	<u>\$98,630</u>

Prepaid expenses and other current assets, accounts payable and accrued expenses and other current liabilities are carried at cost, which management believes approximates fair value due to their short term nature.

***Property and Equipment***

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation expense is recognized using the straight-line method over the estimated useful life of each asset as follows:

Computers	3 years
Office furniture and equipment	5 years
Leasehold improvements	Shorter of the useful life of the asset or the lease term

Maintenance and repairs that do not improve or extend the life of the assets are expensed when incurred. Upon sale or retirement of assets, the cost and accumulated depreciation and amortization are removed from the consolidated balance sheet and any resulting gain or loss is reflected in the consolidated statement of operations and comprehensive loss in the period realized.

Property and equipment consisted of the following:

	<u>December 31,</u> <u>2018</u>	<u>2019</u>
	(in thousands)	
Computers	\$ 46	\$ 60
Office furniture and equipment	130	134
Leasehold improvements	103	105
Total property and equipment, gross	279	299
Less: accumulated depreciation	(46)	(117)
Total property and equipment, net	<u>\$233</u>	<u>\$ 182</u>

Depreciation and amortization expense were less than \$0.1 million for each of the years ended December 31, 2018 and 2019.



**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***Impairment of Long-Lived Assets***

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated. Impairment charges are recognized at the amount by which the carrying amount of an asset exceeds the fair value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell. There was no impairment of long-lived assets for any of the periods presented.

***Research and Development Costs***

Research and development costs are expensed as incurred and consist primarily of funds for employee wages and funds paid to third parties for the provision of services for product candidate development, clinical and preclinical development and related supply and manufacturing costs, and regulatory compliance costs. At the end of the reporting period, the Company compares payments made to third party service providers to the estimated progress toward completion of the research or development objectives. Such estimates are subject to change as additional information becomes available. Depending on the timing of payments to the service providers and the progress that the Company estimates has been made as a result of the service provided, the Company may record net prepaid or accrued expense relating to these costs.

Costs incurred to obtain licenses are recognized as research and development expense as incurred if the technology licensed has no alternative future use. Advance payments for goods or services to be received in the future for use in research and development activities are recorded as prepaid expenses. The prepaid amounts are expensed as the related goods are received or services are performed.

The Company has entered into various research and development related contracts with parties both inside and outside of the United States. The payments related to these agreements are recorded as research and development expenses as incurred. The Company records accrued liabilities for estimated ongoing research costs. When evaluating the adequacy of the accrued liabilities, the Company analyzes progress of the studies or clinical trials, including the phase or completion of events, invoices received and contracted costs. Significant judgments and estimates are made in determining the accrued balances at the end of any reporting period. Actual results could differ from the Company's estimates. To date, there have been no material differences between the Company's accrued costs and actual costs.

***Patent Costs***

All patent-related costs incurred in connection with filing and prosecuting patent applications are expensed as incurred due to the uncertainty about the recovery of the expenditure. Amounts incurred are classified as general and administrative expenses in the consolidated statements of operations and comprehensive loss.

***Classification of the Redeemable Preferred Units***

The Company has classified all of its outstanding redeemable Series Seed preferred units (the Series Seed Redeemable Preferred Units), redeemable Series A1 preferred units (the Series A Redeemable Preferred Units), redeemable Series B preferred units (the Series B Redeemable Preferred Units) or, collectively, the Redeemable Preferred Units, outside of members' deficit in the accompanying consolidated balance sheets because these units contain certain redemption features that are not solely within the control of the Company. See Note 5. Once the redemption of the Redeemable Preferred Units becomes probable of occurring, the carrying amount of the Redeemable Preferred Units will be accreted to their redemption value.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***Equity-Based Compensation***

Equity-based compensation is measured at the grant date for all equity-based awards made to employees and non-employees based on the fair value of the awards and is recognized as expense on a straight-line basis over the requisite service period, which is generally the vesting period. The Company has elected to recognize the actual forfeitures by reducing the equity-based compensation in the same period as the forfeitures occur.

The LLC has granted non-voting incentive units to employees and non-employees. These awards generally have only a service condition and vest over a period of up to four years. The Company's subsidiaries have granted stock options that are exercisable in the underlying entity's common stock and have issued restricted stock awards in the underlying entity's common stock to employees and non-employees. These awards generally have only a service condition and generally vest over a period of up to four years. None of the awards issued by the subsidiaries are issued for the LLC members' capital.

Because there is no public market for the Company's non-voting incentive units or the Subsidiaries' restricted stock awards, as it is a private company, the Company's board of directors has determined the fair value of non-voting incentive units and restricted stock awards by considering a number of objective and subjective factors, including having contemporaneous and retrospective valuations of its equity performed by a third-party valuation specialist, valuations of comparable peer public companies, sales of its redeemable preferred units, operating and financial performance, the lack of liquidity of the Company's common and non-voting incentive units, and general and industry-specific economic outlook. The fair value of the Company's non-voting incentive units and restricted stock awards are determined by its board of directors.

The Company classifies equity-based compensation in its consolidated statements of operations and comprehensive loss in the same manner in which the award recipient's payroll costs are classified or in which the award recipient's service payments are classified.

***Income Taxes***

The LLC has elected to be treated under the Partnership provisions of the Internal Revenue Code. Accordingly, the Company is not viewed as a tax-paying entity in any jurisdiction and all income and deductions of the LLC are reported on the members' individual income tax returns and no income taxes are recorded by the LLC. The LLC does not have any operations.

The Subsidiaries are taxed as corporations for federal and state income tax purposes. The Subsidiaries account for income taxes using the asset and liability method in accordance with FASB ASC Topic 740, *Income Taxes*. Current income taxes are based on taxable income for federal and state reporting purposes. Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases using enacted tax rates in effect for the year in which the differences are expected to affect taxable income. A valuation allowance is provided when it is more likely than not that some portion, or all of a deferred tax asset will not be realized. Due to the Subsidiaries' lack of earnings history, the net deferred tax assets have been fully offset by a valuation allowance at both December 31, 2018 and 2019.

The Subsidiaries recognize the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount of benefit that is greater than fifty percent likely to be realized upon settlement. Changes in measurement are reflected in the period in which the change in judgment occurs.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***Emerging Growth Company Status***

The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it (i) is no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, these consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

As described in “Recently Adopted Accounting Pronouncements” below, the Company early adopted multiple accounting standards, as the JOBS Act does not preclude an emerging growth company from adopting a new or revised accounting standard earlier than the time that such standard applies to private companies. The Company expects to use the extended transition period for any other new or revised accounting standards during the period in which it remains an emerging growth company.

***Net Loss per Unit***

The holders of the Company’s Redeemable Preferred Units are entitled to receive distributions, including cumulative returns on their units outstanding, prior and in preference to any distributions on any of the Company’s Common Units and Non-Voting Incentive Units, which are also entitled to cumulative returns. For the years ended December 31, 2018 and 2019, the Company determined that its common stock equivalents are its Common Units and vested Non-Voting Incentive Units.

The Company follows the two-class method when computing net loss per unit as the Company has issued units that meet the definition of participating securities. The two-class method determines net income (loss) per unit for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common unitholders for the period to be allocated between common and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. For the years ended December 31, 2018 and 2019, the Company considers its Redeemable Preferred Units to be participating securities as they are entitled to participate in undistributed earnings along with Common Unit and vested Non-Voting Incentive Unit members. Unvested Non-Voting Incentive Units are not considered participating securities.

Basic net loss per unit attributable to common non-voting incentive unit holders is computed by dividing the net loss attributable to common non-voting incentive unit holders by the weighted average number of common non-voting incentive units outstanding for the period. Diluted net loss attributable to common non-voting incentive unit holders is computed by adjusting net loss attributable to common non-voting incentive unit holders to reallocate undistributed earnings based on the potential impact of dilutive securities. Diluted net loss per unit attributable to common non-voting incentive unit holders is computed by dividing the diluted net loss attributable to common non-voting incentive unit holders by the weighted average number of common non-voting incentive unit units outstanding for the period, including potential dilutive common non-voting incentive unit units. For purposes of this calculation, unvested Non-Voting Incentive Units and Redeemable Preferred Units are considered potential dilutive common units.

The Company’s Redeemable Preferred Units contractually entitle the holders of such units to participate in dividends but does not contractually require the holders of such units to participate in losses of the Company. Accordingly, in periods in which the Company reports a net loss attributable to common unit holders, such losses

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

are not allocated to such participating securities. In periods in which the Company reports a net loss attributable to common unitholders, diluted net loss per unit attributable to common unitholders is the same as basic net loss per unit attributable to common unit holders, since dilutive common units are not assumed to have been issued if their effect is anti-dilutive. The Company reported a net loss attributable to Common Unit holders for the years ended December 31, 2018 and 2019.

***Unaudited Pro Forma Net Loss per Share***

The unaudited pro forma basic and diluted net loss per share attributable to common stockholders for the year ended December 31, 2019 has been prepared to give effect to the exchange of all outstanding redeemable preferred units and vested non-voting incentive units of the LLC into shares of common stock of the Corporation upon the Reorganization as if the Reorganization had occurred on the later of the beginning of the period or the issuance date of the redeemable preferred units.

***Recently Adopted Accounting Pronouncements***

In November 2015, the FASB issued ASU 2015-17 *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes* (ASU 2015-17), which simplifies the presentation of deferred taxes in a classified balance sheet by eliminating the requirement to separate deferred income tax liabilities and assets into current and noncurrent amounts. Instead, ASU 2015-17 requires that all deferred tax liabilities and assets be shown as noncurrent in a classified balance sheet. ASU 2015-17 is effective for fiscal years beginning after December 15, 2017 and may be applied either prospectively or retrospectively to all periods presented. The Company adopted this guidance on January 1, 2018. The consolidated balance sheets as of December 31, 2018 and 2019 are presented in accordance with this guidance.

***Recently Issued Accounting Pronouncements Not Yet Adopted***

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations by recognizing a right-of-use asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either operating or financing, with such classifications affecting the pattern of expense recognition in the income statement. ASU 2016-02 is effective for fiscal years beginning after December 15, 2019, and early adoption is permitted. ASU 2016-02 was recently delayed for emerging growth companies that elected to adopt new accounting standards on the adoption date required for private companies and will be effective for the Company's annual reporting period beginning on January 1, 2022 and interim periods beginning first quarter of 2023. The Company is evaluating the impact ASU 2016-02 will have on its consolidated financial statements and associated disclosures.

In August 2018, the FASB issued ASU No. 2018-13, *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurements*, which changes the fair value measurement disclosure requirements of ASC Topic 820. The updated guidance improves the disclosure requirements on fair value measurements and is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted upon issuance of the standard for disclosures modified or removed with a delay of adoption of the additional disclosures until their effective date. The adoption of ASU 2018-13 is not expected to materially impact the Company's consolidated financial statements and associated disclosures.

In November 2018, the FASB issued ASU No. 2018-18, *Collaborative Arrangements (Topic 808): Clarifying the Interaction Between Topic 808 and Topic 606* (ASU 2018-18). The amendments in this update clarify that certain transactions between collaborative arrangement participants should be accounted for as revenue when the collaborative arrangement participant is a customer in the context of a unit of account and

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

precludes recognizing as revenue consideration received from a collaborative arrangement participant if the participant is not a customer. The standard is effective for the Company beginning January 1, 2021. The Company is currently evaluating the potential impact ASU 2018-18 may have on its consolidated financial position and consolidated results of operations upon adoption.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* (ASU 2019-12), which is intended to simplify the accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. The new standard will be effective beginning January 1, 2022. The Company does not expect the adoption of ASU 2019-12 to have a material impact on its consolidated financial position and consolidated results of operations upon adoption.

In August 2020, FASB issued ASU No. 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity*, which, among other things, provides guidance on how to account for contracts on an entity’s own equity. This ASU simplifies the accounting for certain financial instruments with characteristics of liabilities and equity. Specifically, the ASU eliminated the need for the Company to assess whether a contract on the entity’s own equity (1) permits settlement in unregistered shares, (2) whether counterparty rights rank higher than shareholder’s rights, and (3) whether collateral is required. In addition, the ASU requires incremental disclosure related to contracts on the entity’s own equity and clarifies the treatment of certain financial instruments accounted for under this ASU on earnings per share. This ASU may be applied on a full retrospective or modified retrospective basis. This ASU is effective January 1, 2022 including interim periods presented within that year. Early adoption of the ASU is permitted by the Company effective January 1, 2021. The Company is in the process of assessing the adoption of the ASU on the Company’s consolidated financial statements.

### **(3) Accrued Expenses and Other Current Liabilities**

Accrued expenses and other current liabilities consist of the following:

	December 31, 2018	2019
	(in thousands)	
Accrued bonus	\$ 480	\$ 523
Consultants fees	263	231
Professional fees	199	152
Research and development costs	59	656
Other	27	27
	<u>\$ 1,028</u>	<u>\$ 1,589</u>

### **(4) License and Collaboration Agreements (Subsidiary – Licensor/Collaborator)**

#### ***Alaras—ADT Pharmaceuticals, Inc.***

In May 2017, Alaras entered into a license and collaboration agreement with ADT Pharmaceuticals, Inc. (ADT) to discover and develop a first-in-class pan-RAS inhibitor (ADT Agreement). Under the terms of the ADT Agreement, Alaras paid a nonrefundable up-front license fee and issued shares of common stock to ADT in exchange for the worldwide, exclusive rights to research and develop ADT’s RAS inhibitors. In addition, Alaras

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

agreed to pay ADT an annual research and consulting fee of \$0.5 million, payable monthly in arrears, for a four-year period, unless otherwise terminated as specified in the ADT Agreement. Research and consulting fees totaling \$0.1 million are recorded in research and development expenses in the accompanying consolidated statements of operations and comprehensive loss for the year ended December 31, 2018.

In February 2018, research and development did not generate data to support further advancement of the program and Alaras provided notice of termination to ADT under the ADT Agreement. Following the required notice period and upon consent of the Alaras' board of directors, Alaras was dissolved in June 2018.

***Senovax—Avidea Technologies, Inc.***

In October 2017, Senovax entered into a research, option and license agreement with Avidea Technologies, Inc. (Avidea) for Avidea to perform contracted research for Senovax on its vaccine technology platform (Avidea Agreement). The Avidea Agreement provides Senovax with an exclusive right and option to acquire licenses at a future date. Under the terms of the Avidea Agreement, Senovax paid a nonrefundable up-front collaboration fee. Senovax also agreed to pay Avidea research and consulting fees of \$0.3 million under the work plan specified in the Avidea Agreement. The up-front collaboration fee and the research and consulting fees were recorded as research and development expense in the accompanying consolidated statements of operations and comprehensive loss for the year ended December 31, 2018.

Early research and development did not generate data to support further advancement of the program and, in September 2018, Senovax provided notice of termination to Avidea under the Avidea Agreement. In November 2018, upon consent of the Senovax's board of directors, Senovax was dissolved.

***Wittelsbach—MAB Discovery GmbH***

In January 2018, Wittelsbach entered into an option and license agreement with MAB Discovery GmbH (MAB) to develop a novel agonistic antibody (MAB Agreement). Under the terms of the MAB Agreement, Wittelsbach paid a nonrefundable option fee and issued shares of its common stock to MAB in exchange for the worldwide, exclusive rights to research and develop the MAB antibody. The option fee of \$0.6 million was recorded as research and development expense in the accompanying consolidated statement of operations and comprehensive loss for the year ended December 31, 2018.

In September 2018, Wittelsbach decided the data did not support advancement of the program and provided notice of termination to MAB under the MAB Agreement. Following the required notice period and upon consent of the Wittelsbach's board of directors, Wittelsbach was dissolved in December 2018.

***Management—Adimab***

In November 2018, Management entered into a collaboration agreement with Adimab, LLC (Adimab) (the Adimab Collaboration Agreement). Pursuant to the Adimab Collaboration Agreement, Management selected a number of biological targets against which Adimab used its proprietary platform technology to discover and/or optimize antibodies based upon mutually agreed upon research plans. Under the Adimab Collaboration Agreement, Management has the ability to select a specified number of additional biological targets against which Adimab will provide additional antibody discovery and optimization services.

During the research term and evaluation term for a given research program with Adimab, Management has a non-exclusive worldwide license under Adimab's technology to perform certain research activities and to evaluate the program antibodies to determine whether Management wants to exercise its option to obtain a royalty-free, fully paid, non-exclusive license to exploit such antibodies and sublicense through multiple tiers.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Under the Adimab Collaboration Agreement, Management paid a one-time, non-creditable, non-refundable technology access fee. Management is also required to pay an annual access fee and research funding fees in connection with Adimab's full-time employees' compensation for performance of Adimab's obligations under the Adimab Collaboration Agreement. Management is also obligated to make certain research delivery, clinical and sales milestone payments to Adimab on a program-by-program basis, subject to certain reductions and discounts. The Company recorded research and development expenses in the consolidated statements of operations and comprehensive loss related to the Adimab Collaboration Agreement of \$0.1 million and \$0.8 million for the years ended December 31, 2018 and 2019, respectively.

Furthermore, Management is obligated to pay certain royalty payments on a product-by-product basis at a low single-digit percentage of annual aggregate worldwide net sales. Such royalty obligations will expire on a country-by-country and product-by-product basis upon the later of (a) a certain low double-digit number of years after the first commercial sale of such product in such country and (b) the expiration of the last issued and not expired, permanently revoked, or invalid claim within a program patent covering such product.

Management may terminate the Adimab Collaboration Agreement at any time, for any reason, upon a specified period advance written notice. The term of the Adimab Collaboration Agreement expires upon the last research program's evaluation term in the event no Adimab Option is exercised or in the event an Adimab Option is exercised, after the royalty term expires at the later of a specified period or invalid patent coverage of the relevant product.

***Apollo—The Wistar Institute***

In December 2018, Apollo entered into a license agreement with The Wistar Institute (Wistar) to discover and develop a novel Epstein-Barr Nuclear Antigen 1 (EBNA1) inhibitor (the Wistar Agreement). Under the terms of the Wistar Agreement, Apollo paid a nonrefundable up-front option and license fee and issued shares of Apollo common stock to Wistar in exchange for the worldwide, exclusive rights to research and develop Wistar's EBNA1 inhibitor. The up-front license fee and fair value of the common stock granted of \$3.2 million are recorded as research and development expense in the accompanying consolidated statements of operations and comprehensive loss for the year ended December 31, 2018. The Wistar Agreement also provides for Wistar to receive milestone payments upon achievement of patent rights and product development targets and royalties on future sales of licensed products. In December 2018, the Company also entered into a Collaborative Research Agreement with Wistar to continue preclinical research and development with potential product candidate. These studies are budgeted to cost \$1.5 million over a three-year timeline. The Company recorded research and development expenses of zero dollars and \$0.5 million in the consolidated statements of operations and comprehensive loss related to these agreements for the years ended December 31, 2018 and 2019, respectively.

***Pearl—Taiho Pharmaceuticals, Co. Ltd***

In February 2019, Pearl entered into a license and collaboration agreement with Taiho Pharmaceuticals, Co. Ltd (Taiho Pharma) to develop a novel epidermal growth factor receptor (EGFR) inhibitor (the Taiho License Agreement).

As consideration for the license for worldwide exclusive development rights, excluding Japan, Pearl paid an initial, non-refundable, non-creditable license fee and issued an affiliate of Taiho Pharma a percentage of Pearl's outstanding capital stock. In addition, Pearl is obligated to pay non-refundable, non-creditable research and development and regulatory milestone payments up to \$44.5 million in aggregate and sales milestone payments up to \$110.0 million in aggregate upon the occurrence of certain events. Each milestone is payable only once. No milestones have been achieved to date under the Taiho License Agreement. The up-front license fee and fair

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

value of the common stock granted are recorded as research and development expense in the accompanying consolidated statements of operations and comprehensive loss for the year ended December 31, 2019.

Furthermore, Pearl is required to pay running low single digit to low double digit royalty percentages of annual aggregate net sales on a country-by-country and product-by-product basis during the royalty term, subject to certain offsets, deductions or reductions related to loss or impairment of exclusivity in the territory. The obligation to pay royalties is imposed only once with respect to net sales of the same unit of a licensed product. Such royalty obligations will expire on a country-by-country and product-by-product basis upon the later of (a) the expiration of the last patent which covers a product in such country, (b) the expiration of any exclusivity granted by a regulatory authority and (c) a low double-digit anniversary following the first commercial sale of a product in such country.

In the event (i) Taiho Pharma does not exercise its right of negotiation with respect to a licensed product or (ii) Taiho Pharma does exercise its right of negotiation, but the parties do not consummate a transaction, then at the time Pearl enters into a subsequent transaction with a third party for (a) less than all or less than substantially all of Pearl's rights in a licensed product, Pearl is also obligated to pay Taiho Pharma a mid single digit to low double digit percentage of revenue from such transactions or (b) all or substantially all of Pearl's rights in a licensed product, Pearl is obligated to pay Taiho Pharma a low single digit to mid single digit percentage of revenue from such transactions, provided, however, that such payment under (b) shall not be required following the consummation of Pearl's initial public offering.

In parallel with the execution of the Taiho License Agreement, Pearl entered into a Series A Preferred Stock Purchase Agreement with the LLC and Taiho Ventures, LLC (Taiho Ventures) to sell up to 23,000,000 shares of Pearl's Series A Preferred Stock for \$1.00 per share. The LLC and Taiho Ventures invested \$14.0 million in the initial closing. The Series A Preferred Stock Purchase Agreement obligated Pearl to sell, and the LLC and Taiho Ventures to purchase, at \$1.00 per share, an aggregate of 9,000,000 shares of Pearl's Series A Preferred Stock at a subsequent closing, which shall occur on the approval of Pearl's board of directors or if the cash balance of Pearl is below \$1.0 million. The Company determined that Pearl's second Series A Preferred Stock tranche is separable and therefore a freestanding instrument, but the fair value of the tranche right is not material as of and for the year ended December 31, 2019. Pearl completed the second closing in August 2020. See Note 13. The Company recorded research and development expenses of zero and \$3.0 million in the consolidated statements of operations and comprehensive loss related to this license agreement, for the years ended December 31, 2018 and 2019, respectively.

***Amber—Massachusetts Institute of Technology***

In December 2019, Amber entered into an Exclusive Patent License Agreement with Massachusetts Institute of Technology (MIT) to develop a cancer immunotherapy product worldwide (the MIT License Agreement). Under the terms of the MIT License Agreement, Amber paid an upfront nonrefundable license fee upon execution. Additionally, Amber issued shares of its common stock to MIT and founder upon execution of its Series A Preferred financing in April 2020 as consideration for the licenses granted.

Amber is also responsible for paying non-refundable, creditable annual license maintenance fees in an increasing amount over a certain number of years and a fixed amount subsequent to this period of time. In addition, MIT granted to Amber an exclusive option to amend the initially determined field to include expansion fields, and such amendment would trigger the payment to MIT of an amendment fee. During the year ended December 31, 2019, the Company recognized research and development expense in the statements of operations and comprehensive loss of less than \$0.1 million in connection with this agreement.



**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Additionally, Amber shall pay certain non-refundable, non-creditable milestone payments up to \$7.0 million and \$5.5 million to MIT upon the occurrence of certain clinical and regulatory events associated with its first and second indications, respectively, by product, and up to an additional \$12.5 million upon the occurrence of cumulative net sales targets. Each milestone payment is paid one time only up to a certain payment amount. No milestones have been achieved to date under the MIT License Agreement.

Under certain conditions upon a change in control, Amber is required to pay a specified change in control fee and Amber's clinical and regulatory milestone payments shall be increased by 100%.

Furthermore, Amber is required to pay running low single digit royalty percentage on net sales of all licensed products for each reporting period, subject to certain offsets or reductions. The royalties due to MIT for net sales of the licensed product shall not be reduced by more than a mid-double digit percentage. Amber is also required to share any income from sublicensing the licensed products, with the percentage to be determined by the clinical phase of the licensed product, no greater than low-to-mid double digit percentages. Such royalty obligations will expire on a country-by-country and product-by-product basis upon the expiration or abandonment of all issued patents and filed patent applications within the patent rights.

**(5) Redeemable Preferred Units**

In October 2016, the LLC issued 16,000,000 units of Series Seed Redeemable Preferred Units at a price of \$0.25 per share, resulting in net proceeds of \$4.0 million. In April 2017, the LLC issued 50,000,000 of Series A Redeemable Preferred Units at a price of \$1.00 per share, resulting in net proceeds of \$49.9 million. In 2019, the LLC authorized a \$100.0 million Series B Redeemable Preferred Unit financing. Upon the first two closings during 2019, the LLC issued 54,006,407 of Series B Redeemable Preferred Units at \$1.56 per share, resulting in net proceeds of \$83.9 million. Two subsequent closings were completed in February and March 2020. See Note 13 for further detail.

Outstanding Redeemable Preferred Units consist of the following:

	<b>As of December 31, 2018</b>		
	<b>Units Issued and Outstanding</b>	<b>Original Issue Price Per Unit</b>	<b>Carrying Value (thousands)</b>
Seed Redeemable Preferred Units	16,000,000	\$ 0.25	\$ 3,956
Series A Redeemable Preferred Units	50,000,000	\$ 1.00	49,946
<b>Total Redeemable Preferred Units as of December 31, 2018</b>	<b>66,000,000</b>		<b>\$ 53,902</b>

	<b>As of December 31, 2019</b>		
	<b>Units Issued and Outstanding</b>	<b>Original Issue Price Per Unit</b>	<b>Carrying Value (thousands)</b>
Seed Redeemable Preferred Units	16,000,000	\$ 0.25	\$ 3,956
Series A Redeemable Preferred Units	50,000,000	\$ 1.00	49,946
Series B Redeemable Preferred Units	54,006,407	\$ 1.56	83,872
<b>Total Redeemable Preferred Units as of December 31, 2019</b>	<b>120,006,407</b>		<b>\$ 137,774</b>

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The preferred unit holders are not liable for any debt, obligation, or liability of the LLC. The rights, preferences, and privileges of the Series Seed Redeemable Preferred Units, the Series A Redeemable Preferred Units, and the Series B Redeemable Preferred Units (collectively the Redeemable Preferred Units) are as follows:

***Voting***

The holders of Redeemable Preferred Units vote together with the holders of the Common Units as a single class. Each holder is entitled to one vote per unit. The holders of the Redeemable Preferred Units must consent to certain material changes in the LLC entity. The LLC is managed by a board of directors which consists of seven members. At all times during which the Series A Redeemable Preferred Unit holders hold at least 10% of the originally issued Series A Redeemable Preferred Units, the Series A Redeemable Preferred unitholders are entitled to elect two directors. At all times during which certain Series B Redeemable Preferred unitholders hold at least 10% of the originally issued Series B Redeemable Preferred Units, the Series B Redeemable Preferred unitholders are entitled to elect one director. The three directors appointed by the Series A and Series B Redeemable Preferred unitholders are referred to as the Preferred Directors. The remaining board members consist of the LLC's chief executive officer (CEO); two people mutually acceptable to a majority of the other members of the board, including each of the three Preferred Directors (the Independent Directors); and one independent person who shall be designated by a majority of the Preferred Directors and who does not have an affiliation with any of the board members of the Company.

***Dividends***

The holders of Redeemable Preferred Units are entitled to receive cumulative accruing dividends upon liquidation or redemption of the Company. Dividends accrue at the rate of 6% per annum of the original issuance price of the Redeemable Preferred Units commencing on the date of issuance of the Redeemable Preferred Units and ending at the date of liquidation. At December 31, 2019, \$0.8 million, \$8.0 million and \$1.2 million of dividends have accrued on the Series Seed Redeemable Preferred Units, Series A Redeemable Preferred Units, and Series B Redeemable Preferred Units, respectively. At December 31, 2018, \$0.5 million and \$5.0 million of dividends were accrued on the Series Seed Redeemable Preferred Units and Series A Redeemable Preferred Units, respectively. The dividends are only payable upon liquidation or redemption of the LLC and therefore are not accrued on the consolidated balance sheets and are not a part of the net loss per unit calculation.

***Liquidation***

At the written consent of the board of directors and a vote of two-thirds of the outstanding majority interest of the holders of Redeemable Preferred Units, the Company may effect a merger or other change in control event, as defined, or may be liquidated and dissolved.

Upon merger, change in control, liquidation, dissolution or winding-up of the Company, the holders of the Series B Redeemable Preferred Units are entitled to be paid first out of assets available for distribution for the amount equal to the Series B Redeemable Preferred Unit original issuance price per unit plus accrued, cumulative dividends. Second, the holders of the Series Seed Redeemable Preferred Units and Series A Redeemable Preferred Units are entitled to be paid on a pari pasu basis the amount equal to the Series Seed Redeemable Preferred Unit and Series A Redeemable Preferred Unit original issuance price per unit plus accrued, cumulative dividends. Third, the Common Unit and Non-Voting Incentive Unit holders are then entitled to be paid pro rata an amount equal to the Series Seed Redeemable Preferred Unit issuance price per unit. Fourth, the Common Unit holders, Non-Voting Incentive Unit holders and Series Seed Redeemable Preferred Unit holders are entitled to be paid pro rata an amount per unit such that cumulative proceeds upon liquidation equal the Series A Redeemable Preferred Unit issuance price per unit, subject to any adjustment ratios in effect, if any.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Fifth, the Common Unit holders, Non-Voting Incentive Unit holders, Series Seed Redeemable Preferred Unit holders and Series A Redeemable Preferred Unit holders are entitled to be paid pro rata an amount per unit such that cumulative proceeds upon liquidation equal the Series B Redeemable Preferred Unit issuance price per unit. Finally, all Redeemable Preferred Unit holders, Common Unit holders, and vested Non-Voting Incentive Unit holders share pro rata in any remaining proceeds.

**(6) Common Units, Non-Voting Incentive Units and Noncontrolling Interest in Subsidiaries**

***Common Units***

As of December 31, 2018 and 2019, per the Second Amended and Restated LLC Agreement (the LLC Agreement), no Common Units were authorized. Common Units are entitled to one vote per unit and to receive dividends when and if declared by the board of directors of the LLC. The Common Unit holders are not liable for any debt, obligation, or liability of the LLC.

***Non-Voting Incentive Units***

As of December 31, 2019, the LLC Agreement provides for the issuance of up to 23,860,000 Non-Voting Incentive Units for grant under Amendment No. 1 of the 2016 Equity Incentive Plan (the Plan). In 2018, the LLC issued Non-Voting Incentive Units at a purchase price of \$0.0001 per share under the Plan, as further detailed below in Note 7. In 2019, the LLC did not issue any Non-Voting Incentive Units. Non-Voting Incentive Units do not carry the right to vote.

***Noncontrolling Interest in Subsidiaries***

Certain Subsidiaries issue common stock in connection with licensing agreements, as further detailed in Note 4, and to employees, directors and consultants pursuant to subsidiary equity incentive plans.

In 2018, upon inception, Apollo reserved 15,000,000 shares of common stock, Wittelsbach reserved 17,000,000 shares of common stock and Polykine reserved 50,000,000 shares of common stock for future issuances upon conversion of preferred shares and issuance of equity grants under the Subsidiaries' respective equity incentive plans. In 2018, Apollo, Pearl, Polykine and Wittelsbach issued restricted shares of their common stock under their equity incentive plans at a purchase price of \$0.0001 per share, as further detailed below in Note 7.

In 2018, within one month of inception, Pearl reserved 2,800,000 shares of common stock for issuances upon equity grants under its 2018 Equity Incentive Plan and authorized 23,000,000 shares of Series A Preferred Stock. In 2019, Pearl issued shares of common stock to Taiho Pharma as compensation for the Taiho License Agreement and, to complete the initial close of its Series A Preferred Stock financing, issued 14,000,000 shares of Series A Preferred Stock, a portion of which were purchased by Taiho Ventures. In 2019, Pearl issued 93,000 common stock options to certain of its directors under its equity incentive plan at a fair value of \$0.18 per share and recorded less than \$0.1 million of stock compensation expense, recorded as general and administrative expense. Under the HLBV method, \$1.0 million of losses were attributed to non-controlling interests in 2019 due to Taiho Ventures' preferred stock ownership in Pearl, as further detailed in Note 4.

In 2019, upon inception, Amber reserved 2,400,200 shares of common stock and Florentine reserved 2,337,857 shares of common stock for future issuances upon equity grants under the Subsidiaries' respective equity incentive plans.

The holders of Subsidiary common stock are entitled to one vote per share. The holders of Subsidiary common stock are entitled to receive dividends when and if declared by the subsidiaries' board of directors and distributions in either case only after the payment of all preferential amounts required to be paid to the holders of shares of Series A Preferred Stock.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**(7) Equity-Based Compensation***Non-Voting Incentive Units*

The LLC's 2016 Equity Incentive Plan (the Plan) provides for the grant of Non-Voting Incentive Units to employees, consultants, advisors and directors, as determined by the board of directors. Vesting is determined by the board of directors. Awards typically provide for vesting of 25% of units at the end of the first year of service with the remaining 75% vesting ratably on a monthly basis over the following three-year period. Unvested Non-Voting Incentive Units may not be sold or transferred by the holder and are subject to repurchase by the LLC if service terminates prior to vesting at a price equal to the amount the recipient paid for the Non-Voting Incentive Units. These restrictions lapse according to the time-based vesting conditions of each award. Non-Voting Incentive Units are granted at a price of not less than the fair value of the Common Unit on the date of grant.

During the year ended December 31, 2018, the Company issued 1,188,000 Non-Voting Incentive Units. The Company did not issue any Non-Voting Incentive Units during the year ended December 31, 2019. On the grant date, the fair value of the LLC's Common Units for accounting purposes is determined by the board of directors, with input from management. Compensation expense was recognized on the Non-Voting Incentive Units using the fair value on the date of grant of \$0.0001 per unit. Given the early stage nature of the underlying technology and inherent risks associated with obtaining regulatory approval and achieving commercialization, the Company used the current value method to fair value the Non-Voting Incentive Units granted since inception and during the year ended December 31, 2018. As of December 31, 2019, there were 11,963,500 Non-Voting Incentive Units available for future grant under the Plan.

A summary of the Non-Voting Incentive Unit activity for the years ended December 31, 2018 and 2019 is as follows:

	Number of Units	Weighted Average Grant Date Fair Value Per Unit
Outstanding unvested as of December 31, 2017	11,088,000	\$ 0.0001
Granted	1,188,000	0.0001
Vested	(4,791,600)	0.0001
Cancelled	—	—
Outstanding unvested as of December 31, 2018	7,484,400	\$ 0.0001
Granted	—	—
Vested	(3,019,500)	0.0001
Cancelled	(379,500)	—
Outstanding unvested as of December 31, 2019	4,085,400	\$ 0.0001
Outstanding vested as of December 31, 2019	7,811,100	\$ 0.0001

*Restricted Stock Grants*

The respective boards of directors of certain Subsidiaries have authorized equity incentive plans for the grant of stock options and restricted stock awards in the Subsidiaries to employees, consultants, advisors and directors. Vesting is determined by each Subsidiaries' board of directors. Unvested restricted shares may not be sold or transferred by the holder and are subject to repurchase by the Subsidiaries if service terminates prior to vesting at a price equal to the amount the recipient paid for the restricted stock. These restrictions lapse according

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

to the time-based vesting conditions of each award. Awards typically provide for vesting of 25% of units at the end of the first year of service with the remaining 75% vesting ratably on a monthly basis over the following three-year period. Restricted common stock are granted at a price of not less than the fair value of the common stock on the date of grant.

*Active Subsidiaries:*

Restricted common stock and stock option award activity for the years ended December 31, 2018 and 2019 was:

	Amber	Apollo	Florentine	Pearl
Approved Pool 2018	—	2,120,000	—	2,800,000
Restricted common stock granted	—	(1,480,710)	—	(1,959,405)
Available Pool	—	639,290	—	840,595
Approved Pool 2019	2,400,200	—	2,337,857	—
Restricted common stock granted	(511,530)	—	(728,678)	—
Stock options granted	—	—	—	(93,000)
Forfeited	—	67,690	—	89,573
Available Pool	<u>1,888,670</u>	<u>706,980</u>	<u>1,609,179</u>	<u>837,168</u>

The fair values of Apollo and Pearl common stock in 2018, and of Amber and Florentine in 2019, for accounting purposes was determined by their respective boards of directors, with input from management, at \$0.0001 per share. Refer to Note 6 for discussion of the fair value of awards issued from Pearl in 2019.

A summary of the restricted common stock activity for the years ended December 31, 2018 and 2019 is as follows:

	Amber	Apollo	Florentine	Pearl	Weighted Average Grant Date Fair Value Per Unit
Outstanding unvested as of December 31, 2017	—	—	—	—	
Granted	—	1,480,710	—	1,959,407	\$ 0.0001
Outstanding unvested as of December 31, 2018	—	1,480,710	—	1,959,407	0.0001
Granted	511,530	—	728,678	—	0.0001
Vested	—	(353,257)	—	(467,460)	0.0001
Cancelled	—	(67,690)	—	(89,573)	0.0001
Outstanding unvested as of December 31, 2019	<u>511,530</u>	<u>1,059,763</u>	<u>728,678</u>	<u>1,402,374</u>	<u>\$ 0.0001</u>
Outstanding vested as of December 31, 2019	<u>—</u>	<u>353,257</u>	<u>—</u>	<u>467,460</u>	<u>\$ 0.0001</u>

*Dissolved Subsidiaries:*

During the year ended December 31, 2018, Polykine issued 4,040,000 restricted common stock, all of which were cancelled upon liquidation of Polykine in May 2019. During the year ended December 31, 2018, Wittelsbach issued 1,600,015 restricted common stock, all of which were cancelled upon liquidation of Wittelsbach in December 2018. During the year ended December 31, 2018, all restricted stock issued during 2017 were cancelled at Alaras and Senovax upon liquidation of the subsidiaries in 2018.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***Equity-based compensation:***

The Company recorded equity-based compensation in the following expense categories in the consolidated statement of operations and comprehensive loss:

	Year ended December 31,	
	2018	2019
	(in thousands)	
Research and development	\$ —	\$ —
General and administrative	—	17
Total equity-based compensation	<u>\$ —</u>	<u>\$ 17</u>

As of December 31, 2019, the unrecognized equity-based compensation is nominal.

**(8) Related Party Transactions**

MPM Capital is a significant investor in the Company through one of its managed funds. In October 2016, the Company also began receiving consulting and management services pursuant to agreements with a Managing Director at MPM Capital and a principal at F2 Ventures, also a significant investor in the Company. For the years ended December 31, 2018 and 2019, the Company incurred \$0.2 million and \$0.3 million, respectively, for management and advisory services in connection with those agreements and were recorded as general and administrative expense.

In 2018, the Company paid MPM Capital less than \$0.1 million for temporary office space and other operational support. For the year ended December 31, 2019, the Company paid MPM Capital less than \$0.1 million for other operational support. These expenses were recorded as general and administrative expense.

During the years ended December 31, 2018 and 2019, the Company provided temporary office space to a private biotech company financed by MPM Capital. The Company charged the private biotech company for its desk and received \$0.1 million and less than \$0.1 million in payments from the private biotech company for the years ended December 31, 2018 and 2019, respectively, and were recorded as a reduction to general and administrative expense.

In October and December 2019, the Company's subsidiaries Amber, Apollo, Florentine, and Pearl entered into royalty transfer agreements with MPM Oncology Charitable Foundation, Inc. and UBS Optimus Foundation (together, the Foundations). Under these agreements, each Foundation is entitled to receive a royalty equal to 0.5% (1.0% in aggregate) of all global net sales of any products developed by the subsidiary, subject to limitations after patent expirations and on intellectual property developed after a change of control. The Company has deemed these royalty transfer agreements to be freestanding financial instruments that should be accounted for at fair value. Management has concluded that these instruments had no value at the inception of the agreements or at December 31, 2019.

As of December 31, 2019, Amber and Florentine had options to programs in pre-clinical research, while Apollo and Pearl's programs were in phase 1 clinical trials. Given that these programs are all still in early stages of development and face inherent technical, regulatory, and competitive risks associated with achieving approval and commercialization, the Company ascribed no value to the royalty agreement as of December 31, 2019. The Company currently does not have any net sales or license income and as a result has paid no royalties under these obligation as of December 31, 2019 nor has the Company accrued any liability as of December 31, 2019. The Company will monitor these instruments for changes in fair value at each reporting date.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**(9) Income Taxes**

For financial reporting purposes, the Subsidiaries' loss before taxes for the years ended December 31, 2018 and 2019 were as follows (in thousands):

	Year ended December 31,	
	2018	2019
	(in thousands)	
Management	\$ (4,956)	\$ (8,094)
Alaras	(338)	—
Senovax	(381)	—
Polykine	(219)	(12)
Wittelsbach	(3,244)	—
Apollo	(4,629)	(4,531)
Pearl	(547)	(7,497)
Amber	—	(515)
Florentine	—	(1,092)
	<u>\$ (14,314)</u>	<u>\$ (21,741)</u>

A reconciliation of the Company's statutory income tax rate to the Company's effective income tax rate is as follows for the years ended December 31, 2018 and 2019:

	Year ended December 31,	
	2018	2019
Federal statutory rate	21%	21%
State taxes, net of Federal benefit	6.37%	6.22%
Permanent differences	0.16%	0.06%
Tax credits	1.13%	2.54%
Valuation allowance	(15.37%)	(30.65%)
Writeoff of deferred taxes for Alaras, Senovax, and Wittelsbach	(12.74%)	0.00%
Other	(0.55%)	0.83%
	<u>—</u>	<u>—</u>

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The principal components of the Company's deferred tax assets and liabilities at December 31, 2018 and 2019 are as follows (in thousands):

	<u>December 31,</u>	
	<u>2018</u>	<u>2019</u>
	<u>(in thousands)</u>	
Deferred tax assets:		
Net operating loss	\$ 2,921	\$ 8,031
Capitalized organizational and start-up expenses	187	173
Licenses	815	1,622
Accrued expenses	72	163
Research and development credit	150	682
Gross deferred tax assets	<u>4,145</u>	<u>10,671</u>
Valuation allowance	<u>(4,110)</u>	<u>(10,653)</u>
Net deferred tax asset	35	18
Deferred tax liability		
Depreciation and amortization	<u>(35)</u>	<u>(18)</u>
Net deferred tax asset	<u>\$ —</u>	<u>\$ —</u>

As of December 31, 2019, the Company had federal and state net operating loss (NOL) carryforwards of \$28.5 million and \$32.5 million, respectively. The Company generated federal net operating losses of \$3.0 million prior to 2018, which begin to expire in 2037. State losses also begin to expire in 2037. The Company generated combined federal NOLs of \$25.5 million in 2018 and 2019 which can be carried forward indefinitely. As of December 31, 2019, the Company had federal and state research and development tax credit carryforwards of \$0.6 million and \$0.1 million, respectively, which begin to expire in 2037 and 2033, respectively.

Utilization of the net operating loss carryforwards and research and development tax credits may be subject to a substantial annual limitation under Section 382 of the Internal Revenue Code of 1986 (Section 382) due to ownership change limitations that have occurred previously or that could occur in the future in accordance with Section 382, as well as similar state provisions. These ownership changes may limit the amount of NOL carryforwards that can be utilized annually to offset future taxable income. In general, an ownership change as defined by Section 382 results from transactions increasing the ownership of certain shareholders or public groups in the stock of a corporation by more than 50 percentage points over a three-year period.



**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Cullinan has evaluated the positive and negative evidence bearing upon its ability to realize the deferred tax assets, which are comprised principally of net operating loss carryforwards, licenses, and research and development credit carryforwards. Management has considered the Company's history of net losses since inception and its lack of commercialization of any products and has concluded that it is more likely than not the Company will not realize the benefits of the deferred tax assets. The Company's valuation allowance increased during the years ended December 31, 2018 and 2019 due primarily to the generation of net operating losses, as follows (in thousands):

	Year ended December 31,	
	2018	2019
Valuation allowance at beginning of year	\$ 1,930	\$ 4,110
Increases recorded to income tax provision	2,180	6,543
Valuation allowance at end of year	<u>\$ 4,110</u>	<u>\$ 10,653</u>

The calculation of the Company's tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations for both federal taxes and the states in which the Company operates or does business in. ASC 740 states that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, on the basis of the technical merits.

The Company records uncertain tax positions as liabilities in accordance with ASC 740 and adjusts these liabilities when its judgment changes as a result of the evaluation of new information not previously available. Because of the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the Company's current estimate of the unrecognized tax benefit liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which new information is available. As of December 31, 2018 and 2019, the Company has not recorded any uncertain tax positions in its consolidated financial statements.

The Company recognizes interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying consolidated statement of operations and comprehensive loss. As of December 31, 2018 and 2019, no accrued interest or penalties are included in the consolidated balance sheet.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal and state jurisdictions in the United States. There are currently no pending tax examinations. The Company thus is still open under the U.S. statute from 2016 to the present. To the extent that the Company has tax attribute carryforwards, the tax years in which the attribute was generated may still be adjusted upon examination by the Internal Revenue Service and the state tax authorities to the extent utilized in a future period. The Company had not, as yet, conducted a study of research and development tax credit carryforwards. This study may result in an adjustment to the Company's research and development credit carryforwards; however, until a study is completed, and any adjustment is known, no amounts are being presented as an uncertain tax position. A full valuation allowance has been provided against the Company's research and development credits and, if an adjustment is required, this adjustment would be offset by an adjustment to the valuation allowance. Thus, there would be no impact to the balance sheets or statements of operations and comprehensive loss if an adjustment was required.

On March 27, 2020, the United States enacted the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The CARES Act is an emergency economic stimulus package that includes spending and tax

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

breaks to strengthen the United States economy and fund a nationwide effort to curtail the effect of COVID-19. While the CARES Act provides sweeping tax changes in response to the COVID-19 pandemic, some of the more significant provisions include removal of certain limitations on utilization of net operating losses, increasing the loss carryback period for certain losses to five years, and increasing the ability to deduct interest expense, as well as amending certain provisions of the previously enacted Tax Cuts and Jobs Act. The CARES Act does not have a material impact on the Company's financial position, results of operations or cash flows.

**(10) Commitments and Contingencies**

*Operating Lease*

Rent expense for each of the years ended December 31, 2018 and 2019 was \$0.5 million.

In December 2017, the LLC signed an operating lease for 7,531 rentable square feet of office space in Cambridge, Massachusetts to commence on February 1, 2018. The lease expires on June 30, 2024. Rent expense will be recorded ratably over the lease period. The lease includes escalating rental payments, which are also being charged to rent expense ratably over the lease period.

The following table summarizes future minimum payments due under the operating lease as of December 31, 2019 (in thousands):

<u>Years Ending December 31,</u>	
2020	\$ 590
2021	599
2022	608
2023	618
2024	313
	<u>\$2,728</u>

**(11) Employee Benefit Plan**

The Company maintains a defined contribution 401(k) plan (the 401(k) Plan) in which employees may contribute a portion of their compensation, subject to statutory maximum contribution amounts. The Company assumes all administrative costs of the 401(k) Plan. For each of the years ended December 31, 2018 and 2019, the expense relating to the matching contribution was less than \$0.1 million.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**(12) Net Loss per Unit**

The following table sets forth the calculation of basic and diluted net loss per unit:

	Year ended December 31, 2018	2019
	(in thousands, except unit and per unit data)	
<b>Numerator:</b>		
Net loss attributable to Common and Non-Voting Incentive unitholders	\$ (14,189)	\$ (20,657)
<b>Denominator</b>		
Total weighted-average Common and Non-Voting Incentive units used in computing net loss per unit, basic and diluted	2,549,865	6,397,443
<b>Net Loss per Unit:</b>	\$ (5.56)	\$ (3.23)

The following outstanding units were excluded from the computation of the diluted net loss per unit for the periods presented because their effect would have been anti-dilutive:

	Year ended December 31,	
	2018	2019
Redeemable Preferred Units	66,000,000	120,006,407
Unvested Non-Voting Incentive Units	7,484,400	4,085,400
Total	73,484,400	124,091,807

***Unaudited Pro Forma Net Loss per Share***

The unaudited pro forma basic and diluted net loss per share attributable to common stockholders for the year ended December 31, 2019 has been prepared to give effect to the exchange of all outstanding Redeemable Preferred Units and Non-Voting Incentive Units of the LLC into shares of common stock of the newly formed corporation upon the reorganization as if the reorganization had occurred on the later of the beginning of the period or the issuance date of the Redeemable Preferred Units.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Unaudited pro forma basic and diluted net loss per share attributable to common stockholders was calculated as follows:

	<u>Year Ended</u> <u>December 31, 2019</u> <u>(in thousands,</u> <u>except share and</u> <u>per share data)</u>
<b>Numerator:</b>	
Loss attributable to Common and Non-Voting Incentive units	\$ (20,657)
Pro forma adjustments to loss attributable to Common stockholders	—
Pro forma net loss attributable to Common stockholders	<u>\$ (20,657)</u>
<b>Denominator:</b>	
Total weighted-average Common and Non-Voting Incentive units outstanding—basic and diluted	—
Pro forma adjustment to reflect the assumed exchange of outstanding units upon the reorganization	80,594,229
Pro forma total weighted-average common stock outstanding—basic and diluted	<u>80,594,229</u>
<b>Net Loss per Share:</b>	
Pro forma net loss per share attributable to common stockholders—basic and diluted	<u>\$ (0.26)</u>

### (13) Subsequent Events

#### *Series B Redeemable Preferred Unit—Financing*

In February and March of 2020, the Company received an additional \$14.3 million of funding under its Series B Redeemable Preferred Unit purchase agreement.

#### *Apollo—Wistar License Termination*

In May 2020, Apollo terminated the licensing and collaboration agreement with Wistar and decided to discontinue further development of the EBNA1 inhibitor associated with that agreement, VK-2019.

#### *Cullinan—Mica Acquisition*

On May 28, 2020 (the Acquisition Date), the Company purchased 5,385,787 shares of Series A Senior Preferred Stock of PDI Therapeutics, Inc., which was concurrently renamed Cullinan Mica (Mica) for \$7.1 million. As part of the transaction, Mica increased the size of its board from four to five directors, including three Series A directors that would be designated by the Company. In addition to the equity purchase and board seats, the Company holds most of the key officer roles in Mica. Accordingly, the Company obtained a controlling interest in Mica on the Acquisition Date. Further, the Company evaluated the Mica transaction and determined that Mica is not a variable interest entity; however, due to the controlling interest in Mica, the Company will consolidate Mica under the voting interest model. In addition to acquiring the Series A Senior Preferred Stock, the Company could be required to participate in two subsequent closings of the Series A Senior Preferred Stock if certain clinical milestones are achieved by Mica.

#### *Amber—Series A Preferred Stock Financing*

In April 2020, Amber initially issued 3,000,000 shares of its Series A Preferred Stock to the LLC for gross proceeds of \$3.0 million. At any time following the initial closing, upon election of Amber's board of directors,

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Amber shall sell, and each purchaser shall purchase, up to an aggregate of 9,000,000 shares of its Series A Preferred Stock at one or more subsequent closings.

***Florentine—Series A Preferred Stock Financing***

In August 2020, Florentine entered into a Series A Preferred Stock purchase agreement with the LLC. The initial closing took place in August and Florentine sold 6,000,000 shares of its Series A Preferred stock for gross proceeds of \$6.0 million. At any time following the initial closing, upon the election of Florentine's board of directors, Florentine shall sell, and each purchaser shall purchase, up to an aggregate of 12,000,000 shares of its Series A Preferred Stock at one or more subsequent closings at \$1.00 per share.

***Florentine—Tübingen License Agreement***

In August 2020, Florentine entered into an Exclusive License Agreement (the Tübingen License Agreement) with Deutsches Krebsforschungszentrum, (DKFZ), Eberhard Karls University of Tübingen Faculty of Medicine, (the University of Tübingen), and Universitätsmedizin Gesellschaft für Forschung und Entwicklung mbH, Tübingen, (UFE). Pursuant to the Tübingen License Agreement, DKFZ and the University of Tübingen, collectively referred to as the Licensor, granted to Florentine an exclusive (even as to Licensor, UFE and its and their affiliates), worldwide, milestone- and royalty-bearing, license under certain licensed patent rights, applications, technical information and know-how, with the right to grant sublicenses through multiple tiers to research, develop commercialize or otherwise exploit licensed products within the field.

Florentine shall pay to the Licensor an upfront non-refundable, non-creditable option exercise fee and, as partial consideration for the licenses, has issued to DKFZ and UFE a certain number of shares of common stock that amount to a mid single-digit percentage of the total shares outstanding. DKFZ and UFE were also granted the right to appoint one representative to the board of directors of Florentine.

Additionally, Florentine shall pay certain non-refundable, non-creditable milestone payments to the Licensor upon the occurrence of certain clinical and regulatory events by a licensed product. Each milestone payment is paid one time only up to a certain payment amount. No milestones have been achieved to date under the Tübingen License Agreement.

***Pearl—Series A Preferred Stock Financing***

In August 2020, Pearl issued 9,000,000 additional shares of its Series A Preferred Stock for \$9.0 million under the Series A Preferred Stock Agreement described in Note 4. Pursuant to the Series A Preferred Stock Agreement between Pearl and Taiho Pharma, Pearl issued additional shares of its common stock as anti-dilution shares, in exchange for no additional consideration as set forth in the license agreement.

***The LLC Equity Adoption of 2020 Unit Option and Grant Plan, Issuance of Options, and Contribution Agreement***

On October 29, 2020, the board of directors of the LLC Equity adopted the 2020 Unit Option and Grant Plan (the 2020 Plan), reserving 37.0 million common units for issuance pursuant to the 2020 Plan, and decreased the 2016 Equity Incentive Plan (the 2016 Plan) such that no more non-voting incentive units could be issued under the 2016 plan. In addition, the board of directors of the LLC Equity determined the fair market value of a common unit would be \$0.61 based on a hybrid of market based and option pricing methods. Following the adoption of the 2020 Plan, the LLC Equity issued 32.5 million options to purchase common units to the LLC's Equity employees, consultants, and directors, and reserved 4.5 million common units for future issuance.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***COVID-19 Impact***

In December 2019, a novel strain of COVID-19 was reported in China. Since then, COVID-19 has spread globally. The spread of COVID-19 from China to other countries has resulted in the World Health Organization (WHO) declaring the outbreak of COVID-19 as a pandemic, or a worldwide spread of a new disease, on March 11, 2020. Many countries around the world have imposed quarantines and restrictions on travel and mass gatherings to slow the spread of the virus and have closed non-essential businesses, and many local jurisdictions continue to have such restrictions in place.

As local jurisdictions continue to put restrictions in place, the Company's ability to continue to operate its business may also be limited. Such events may result in a period of business, supply and drug product manufacturing disruption, and in reduced operations, any of which could materially affect the Company's business, financial condition and results of operations. In response to COVID-19, the Company implemented remote working and thus far, has not experienced a significant disruption or delay in its operations as it relates to the clinical development or drug production of the Company's product candidates.

The spread of COVID-19, which has caused a broad impact globally, may materially affect the Company economically. While the ultimate economic impact brought by, and the duration of, the COVID-19 pandemic may be difficult to assess or predict, including new information which may emerge concerning the severity of COVID-19 and the actions to contain COVID-19 or treat its impact, among others, the pandemic has resulted in significant disruptions in the general commercial activity and the global economy and caused financial market volatility and uncertainty in significant and unforeseen ways in the recent months. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on the Company's ability to access capital, which could in the future negatively affect the Company's liquidity. In addition, a recession or market correction resulting from the spread of COVID-19 could materially affect the Company's business.

To date, COVID-19 has not had a financial impact on the Company. However, COVID-19 has impacted the pace of our enrollment in our clinical trials and our preclinical studies. The full extent and duration of the impact of COVID-19 on the Company's operations and financial performance is currently unknown and depends on future developments that are uncertain and unpredictable.

**CULLINAN ONCOLOGY, LLC**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands, except units and per unit amounts)  
(unaudited)

	December 31, 2019	September 30, 2020	Pro Forma September 30, 2020
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 63,250	\$ 41,297	\$ 165,997
Prepaid expenses and other current assets	1,461	2,138	2,138
Short term investments	35,380	53,595	53,595
Total current assets	100,091	97,030	221,730
Property and equipment, net	182	146	146
Other assets	188	141	141
Total assets	<u>\$ 100,461</u>	<u>\$ 97,317</u>	<u>\$ 222,017</u>
<b>Liabilities, Redeemable Preferred Units and Members' Deficit</b>			
Current liabilities:			
Accounts payable	\$ 934	\$ 3,487	\$ 3,487
Accrued expenses and other current liabilities	1,589	4,245	4,245
Total current liabilities	2,523	7,732	7,732
Long-term liabilities:			
Deferred rent	73	74	74
Total liabilities	2,596	7,806	7,806
Commitments and contingencies (Note 10)			
Redeemable preferred units:			
Series Seed redeemable preferred units, \$0.0001 par value: 16,000,000 units authorized, issued and outstanding at December 31, 2019 and September 30, 2020 (liquidation value: \$4,949)	3,956	3,956	—
Series A1 redeemable preferred units, \$0.0001 par value: 50,000,000 units authorized, issued and outstanding at December 31, 2019 and September 30, 2020 (liquidation value: \$60,282)	49,946	49,946	—
Series B redeemable preferred units, \$0.0001 par value: 64,200,000 authorized at December 31, 2019 and September 30, 2020; 54,006,407 and 63,141,020 units issued and outstanding at December 31, 2019 and September 30, 2020, respectively (liquidation value \$105,246)	83,872	97,909	—
Total redeemable preferred units	137,774	151,811	—
Members' deficit:			
Non-voting incentive units, \$0.0001 par value: 23,860,000 units authorized, 11,896,500 units issued and outstanding at December 31, 2019 and September 30, 2020	1	1	—
Common units, \$0.0001 par value: no shares authorized, issued and outstanding	—	—	—
Common stock, \$0.0001 par value; no shares authorized, issued or outstanding, actual; shares authorized, 207,636,565 shares issued and outstanding, pro forma			21
Noncontrolling interest in subsidiaries	864	1,863	1,863
Additional paid-in capital	770	770	277,261
Accumulated other comprehensive (loss) income	(4)	59	59
Accumulated deficit	(41,540)	(64,993)	(64,993)
Total members' deficit	(39,909)	(62,300)	214,211
Total liabilities, redeemable preferred units and members' deficit	<u>\$ 100,461</u>	<u>\$ 97,317</u>	<u>\$ 222,017</u>

See accompanying notes to condensed consolidated financial statements.

**CULLINAN ONCOLOGY, LLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
**(in thousands, except units and per unit amounts)**  
**(unaudited)**

	<b>Nine Months ended September 30,</b>	
	<b>2019</b>	<b>2020</b>
Operating expenses:		
Research and development	\$ 12,986	\$ 26,582
General and administrative	4,305	4,580
Total operating expenses	<u>17,291</u>	<u>31,162</u>
Loss from operations	(17,291)	(31,162)
Other income:		
Interest income	368	809
Other income, net	—	1
Net loss	(16,923)	(30,352)
Net loss attributable to noncontrolling interest	(835)	(6,899)
Net loss attributable to Cullinan	<u>\$ (16,088)</u>	<u>\$ (23,453)</u>
Net loss per unit attributable to common and non-voting incentive unit holders, basic and diluted	<u>\$ (2.67)</u>	<u>\$ (2.62)</u>
Total weighted-average common and non-voting incentive units used in computing net loss per unit, basic and diluted	<u>6,017,973</u>	<u>8,960,373</u>
Comprehensive loss:		
Net loss	\$ (16,923)	\$ (30,352)
Unrealized gain on investments	—	63
Comprehensive loss	(16,923)	(30,289)
Comprehensive loss attributable to noncontrolling interest	(835)	(6,899)
Comprehensive loss attributable to Cullinan	<u>\$ (16,088)</u>	<u>\$ (23,390)</u>
Pro forma net loss per share attributable to common stockholders, basic and diluted (unaudited)		<u>\$ (0.17)</u>
Total weighted-average common stock outstanding used in computing pro forma net loss per share, basic and diluted (unaudited)		<u>136,285,931</u>

See accompanying notes to condensed consolidated financial statements.



**CULLINAN ONCOLOGY, LLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE PREFERRED UNITS AND MEMBERS' DEFICIT**  
(in thousands, except units and per unit amounts)  
(unaudited)

	Redeemable Preferred Units		Non-Voting Incentive Units		Noncontrolling Interest in Subsidiaries	Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Members' Deficit
	Units	Amount	Units	Amount					
Balances at December 31, 2018	66,000,000	\$ 53,902	12,276,000	\$ 1	\$ 1	\$ 214	\$ —	\$ (20,866)	\$ (20,650)
Issuance costs of Series B preferred units	—	(42)	—	—	—	—	—	—	—
Issuance subsidiary preferred stock	—	—	—	—	1,860	—	—	(17)	1,843
Stock based compensation	—	—	—	—	—	17	—	—	17
Issuance of subsidiary common stock	—	—	—	—	—	539	—	—	539
Net loss	—	—	—	—	(835)	—	—	(16,088)	(16,923)
Balances at September 30, 2019	<u>66,000,000</u>	<u>\$ 53,860</u>	<u>12,276,000</u>	<u>\$ 1</u>	<u>\$ 1,026</u>	<u>\$ 770</u>	<u>\$ —</u>	<u>\$ (36,971)</u>	<u>\$ (35,174)</u>

	Redeemable Preferred Units		Non-Voting Incentive Units		Noncontrolling Interest in Subsidiaries	Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Members' Deficit
	Units	Amount	Units	Amount					
Balances at December 31, 2019	120,006,407	\$ 137,774	11,896,500	\$ 1	\$ 864	\$ 770	\$ (4)	\$ (41,540)	\$ (39,909)
Issuance of Series B preferred units net of issuance costs of \$213	9,134,613	14,037	—	—	—	—	—	—	—
Noncontrolling interest acquired in Mica	—	—	—	—	5,673	—	—	—	5,673
Issuance of subsidiary preferred stock	—	—	—	—	1,206	—	—	—	1,206
Issuance of subsidiary common stock	—	—	—	—	1,019	—	—	—	1,019
Unrealized gain on investments	—	—	—	—	—	—	63	—	63
Net loss	—	—	—	—	(6,899)	—	—	(23,453)	(30,352)
Balances at September 30, 2020	<u>129,141,020</u>	<u>\$ 151,811</u>	<u>11,896,500</u>	<u>\$ 1</u>	<u>\$ 1,863</u>	<u>\$ 770</u>	<u>\$ 59</u>	<u>\$ (64,993)</u>	<u>\$ (62,300)</u>

See accompanying notes to the condensed consolidated financial statements.

**CULLINAN ONCOLOGY, LLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(in thousands)**  
**(unaudited)**

	<b>Nine Months Ended</b>	
	<b>September 30,</b>	
	<b>2019</b>	<b>2020</b>
<b>Operating activities:</b>		
Net loss	\$(16,923)	\$ 30,352
Adjustments to reconcile net loss to net cash used in operating activities:		
License expense in exchange for subsidiary common stock	539	1,019
Depreciation and amortization	53	47
Share-based compensation expense	17	—
Acquired in-process research and development assets	—	6,447
Amortization/accretion on marketable securities	—	146
Changes in operating assets and liabilities, net of acquired balances:		
Prepaid expenses and other current assets	(397)	(526)
Accounts payable	798	1,064
Accrued expenses and other current liabilities	(123)	1,771
Deferred rent	8	1
Other assets	—	47
Net cash used in operating activities	<u>(16,028)</u>	<u>(20,336)</u>
<b>Investing activities:</b>		
Purchases of property and equipment	(15)	(11)
Net cash acquired upon consolidation of Mica	—	1,450
Purchase of available-for-sale securities	—	(48,264)
Proceeds from sale or maturity of investments	—	29,965
Net cash used in investing activities	<u>(15)</u>	<u>(16,860)</u>
<b>Financing activities:</b>		
Proceeds from issuance of Series B Redeemable Preferred Units	—	14,250
Proceeds from issuance of noncontrolling interest	1,860	1,206
Payment of issuance costs related to Series B Redeemable Preferred Units	(42)	(213)
Issuance costs of subsidiary preferred equity	(17)	—
Net cash provided by financing activities	<u>1,801</u>	<u>15,243</u>
Net decrease in cash and cash equivalents	(14,242)	(21,953)
Cash and cash equivalents at beginning of period	33,832	63,250
Cash and cash equivalents at end of period	<u>\$ 19,590</u>	<u>\$ 41,297</u>

See accompanying notes to condensed consolidated financial statements.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

**(1) Nature of Business and Basis of Presentation**

***Organization***

Cullinan Oncology, LLC (the LLC), together with its consolidated subsidiaries (Cullinan or the Company), is a biopharmaceutical company developing a diversified pipeline of targeted oncology and immuno-oncology therapies with transformative potential for cancer patients.

Each therapeutic candidate is developed within a separate subsidiary of the LLC. At September 30, 2020, the LLC had five development subsidiaries: Cullinan Amber Corp. (Amber), Cullinan Apollo Corp. (Apollo), Cullinan Florentine Corp. (Florentine), Mica Corp. and Cullinan Pearl Corp. (Pearl), in addition to its wholly owned management company, Cullinan Management, Inc. (Management) (together the Subsidiaries). At December 31, 2019, the LLC had four development subsidiaries: Amber, Apollo, Florentine, and Pearl, in addition to its wholly owned management company, Management.

***Liquidity***

The Company has funded its operations primarily through the sale of redeemable preferred units. As of September 30, 2020, the investors have provided \$151.8 million in cumulative net proceeds.

The Company has incurred operating losses and has had negative cash flows from operations since its inception. The Company's net loss was \$16.9 million and \$30.4 million for the nine months ended September 30, 2019 and 2020, respectively. As of September 30, 2020, the Company has an accumulated deficit of \$65.0 million. The Company expects to continue to generate operating losses for the foreseeable future. The Company expects that its cash, cash equivalents, and short term investments as of September 30, 2020 of \$94.9 million will be sufficient to fund its operating expenses and capital expenditure requirements through at least the next twelve months from the date of issuance of these condensed consolidated financial statements. The future viability of the Company is dependent on the success of its research and development and its ability to access additional capital to fund its operations. There can be no assurance that the current operating plan will be achieved or that additional funding will be available on terms acceptable to the Company, or at all.

**(2) Summary of Significant Accounting Policies**

***Basis of Presentation and Use of Estimates***

The accompanying condensed consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and include the accounts of the LLC and its consolidated subsidiaries. All intercompany balances have been eliminated in consolidation. Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Updates (ASUs) of the Financial Accounting Standards Board (FASB).

The preparation of financial statements in accordance with GAAP requires the Company's management to make estimates and judgments that may affect the reported amounts of assets, liabilities, expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, the Company's management evaluates the estimates, including those related to expenses and accruals. The Company's management bases its estimates on historical experience, and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Estimates and

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

assumptions reflected in these condensed consolidated financial statements include but are not limited to the fair value of the royalty transfer agreements, accrued research and development costs, the valuation of the non-voting incentive units, as well as restricted stock awards and common stock issued by the LLC's subsidiaries. Actual results may differ from these estimates under different assumptions or conditions.

***Unaudited Interim Financial Statements***

The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to present fairly the Company's financial position as of September 30, 2020, and its results of operations and comprehensive loss, cash flows, redeemable preferred units and members' deficit for the nine months ended September 30, 2019 and 2020. The financial data and the other financial information contained in these notes to the condensed consolidated financial statements related to the nine-month periods are also unaudited. The results of operations for the nine months ended September 30, 2020 are not necessarily indicative of the results to be expected for the year ending December 31, 2020 or for any other future annual or interim period. These unaudited interim condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements included elsewhere in this prospectus.

***Unaudited Pro Forma Balance Sheet***

Prior to the completion of an Initial Public Offering (IPO), the Company intends to engage in a series of transactions, which are referred to collectively as the Reorganization. As a result of the Reorganization, the LLC will merge with and into Cullinan Management, Inc., or the Corporation, with the Corporation being the surviving entity of such merger.

As part of the Reorganization, the holders of existing units in the LLC will exchange those units for shares of stock of the Corporation as of immediately prior to the completion of the IPO.

The accompanying unaudited pro forma balance sheet as of September 30, 2020 has been prepared to give effect to (i) the issuance and sale of 66,599,045 Series C preferred units after September 30, 2020, and (ii) the exchange of all the outstanding redeemable preferred units and vested non-voting incentive units into \_\_\_\_\_ shares of common stock of the Company upon the Reorganization as if the Reorganization had occurred on September 30, 2020 based on an IPO price of \$ \_\_\_\_\_ per share.

Non-Voting Incentive Units that have not vested as of the Reorganization will be exchanged for shares of the Corporation's restricted common stock, which will be subject to time-based vesting conditions in accordance with the terms and conditions of the Non-Voting Incentive Units of the LLC from which such shares are exchanged. As such, these units have been excluded from this calculation.

***Principles of Consolidation***

The LLC consolidates entities in which it has a controlling financial interest. The LLC evaluates each of its subsidiaries to determine whether the entity represents a variable interest entity (VIE) for which consolidation should be evaluated under the VIE model, or alternatively, if the entity is a voting interest entity, for which consolidation should be evaluated using the voting interest model (VOE). The LLC has concluded that none of its subsidiaries is a VIE and has consolidated each subsidiary under the voting interest model.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

The Company has either created or made investments in the following entities:

<u>Consolidated Entities</u>	<u>Relationship as of September 30, 2020</u>	<u>Date Control First Acquired</u>
Cullinan Management, Inc.	Wholly-owned Subsidiary	September 2016
Cullinan Apollo Corp.	Partially-owned Subsidiary	November 2018
Cullinan Pearl Corp.	Partially-owned Subsidiary	November 2018
Cullinan Amber Corp.	Partially-owned Subsidiary	December 2019
Cullinan Florentine Corp.	Partially-owned Subsidiary	December 2019
Cullinan Mica Corp.	Partially-owned Subsidiary	May 2020

***Noncontrolling Interests***

As of September 30, 2020, the Company has noncontrolling interests in certain of its consolidated subsidiaries. These balances are reported as separate components as part of members' deficit in the condensed consolidated balance sheets.

The Company adjusts the carrying value of noncontrolling interest to reflect the book value attributable to noncontrolling shareholders of consolidated partially-owned entities when there is a change in the hypothetical liquidation at book value (HLBV) during the respective reporting period. During the nine months ended September 30, 2019 and 2020, such adjustments in the aggregate amounts of \$0.8 million and \$6.9 million, respectively, were recorded as a net loss and disclosed within the noncontrolling interest in subsidiaries column in the condensed consolidated statements of redeemable preferred units and members' deficit.

***Comprehensive Loss***

Comprehensive loss is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. For the nine months ended September 30, 2019, comprehensive loss was equal to net loss. For the nine months ended September 30, 2020, the Company recognized less than \$0.1 million in unrealized gains on short term investments.

***Cash, Cash Equivalents, and Short Term Investments***

The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. Investments not classified as cash equivalents with maturities of less than twelve months are classified as short term, available-for-sale marketable securities. Available-for-sale marketable securities are carried at estimated fair value, with unrealized gains or losses included in accumulated other comprehensive loss in members' deficit. The fair value of marketable securities is based on available market information. The amortized cost of debt securities is adjusted for amortization of premiums and accretion of discounts to maturity. Such amortization is included in interest income. Interest and dividends are included in interest income. Declines in fair value judged to be other-than-temporary on available-for-sale securities, if any, are included in other income, net.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

The Company recognized its short-term investment marketable securities by security type as follows:

	As of December 31, 2019			Estimated Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	
	(in thousands)			
Corporate notes	\$ 19,718	\$ 2	\$ (6)	\$ 19,714
Commercial paper	5,571	—	—	5,571
Asset-backed securities	5,068	—	—	5,068
U.S. government notes	5,027	—	—	5,027
	<u>\$ 35,384</u>	<u>\$ 2</u>	<u>\$ (6)</u>	<u>\$ 35,380</u>

	As of September 30, 2020			Estimated Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	
	(in thousands)			
Corporate notes	\$ 23,802	\$ 30	\$ —	\$ 23,832
Commercial paper	15,875	—	—	15,875
Asset-backed securities	6,354	7	—	6,361
U.S. government notes	7,505	22	—	7,527
	<u>\$ 53,536</u>	<u>\$ 59</u>	<u>\$ —</u>	<u>\$ 53,595</u>

***Fair Value of Financial Instruments***

The following tables present information about the Company's financial assets measured at fair value on a recurring basis and indicates the level of the fair value hierarchy utilized to determine such fair values as of December 31, 2019 and September 30, 2020.

	As of December 31, 2019			Total
	Level 1	Level 2	Level 3	
	(in thousands)			
Cash and cash equivalents				
Cash	\$ 8,240	\$ —	\$ —	\$ 8,240
Money market funds	52,597	—	—	52,597
Corporate notes	—	2,413	—	2,413
Short term investments				
Corporate notes	—	19,714	—	19,714
Commercial paper	—	5,571	—	5,571
Asset-backed securities	—	5,069	—	5,069
U.S. government notes	—	5,026	—	5,026
	<u>\$60,837</u>	<u>\$37,793</u>	<u>\$ —</u>	<u>\$98,630</u>

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

	As of September 30, 2020			Total
	Level 1	Level 2	Level 3	
	(in thousands)			
Cash and cash equivalents				
Cash	\$24,164	\$ —	\$ —	\$24,164
Money market funds	17,133	—	—	17,133
Short-term investments				
Corporate notes	—	23,832	—	23,832
Commercial Paper	—	15,875	—	15,875
Asset-backed securities	—	6,361	—	6,361
U.S. government notes	—	7,527	—	7,527
	<u>\$41,297</u>	<u>\$53,595</u>	<u>\$ —</u>	<u>\$94,892</u>

Accounts payable and accrued expenses are carried at cost, which management believes approximates fair value.

***Property and Equipment***

Property and equipment consisted of the following:

	December 31, 2019	September 30, 2020
		(in thousands)
Computers	\$ 60	\$ 70
Office furniture and equipment	134	134
Leasehold improvements	105	105
Total property and equipment, gross	299	309
Less: accumulated depreciation	(117)	(163)
Total property and equipment, net	<u>\$ 182</u>	<u>\$ 146</u>

***Asset Acquisitions***

The Company measures and recognizes asset acquisitions that are not deemed to be business combinations based on the cost to acquire the assets, which includes transactions costs. Goodwill is not recognized in asset acquisitions. In an asset acquisition, the cost allocated to acquire in-process research and development (IPR&D) with no alternative future use is charged to research and development expense at the acquisition date.

***Net Loss per Unit***

The Company follows the two-class method when computing net loss per unit as the Company has issued units that meet the definition of participating securities. The two-class method determines net income (loss) per unit for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common unit holders for the period to be allocated between common and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed.

Basic net income (loss) per unit attributable to common unit holders is computed by dividing the net income (loss) attributable to common and non-voting incentive unit holders by the weighted average number of common

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

and non-voting incentive units outstanding for the period. Diluted net income (loss) attributable to common and non-voting incentive unit holders is computed by adjusting net income (loss) attributable to common unit holders to reallocate undistributed earnings based on the potential impact of dilutive securities. Diluted net income (loss) per unit attributable to common and non-voting incentive unit holders is computed by dividing the diluted net income (loss) attributable to common and non-voting incentive unit holders by the weighted average number of common and non-voting incentive units outstanding for the period, including potential dilutive common and non-voting incentive units. For purposes of this calculation, unvested non-voting incentive units, and Redeemable Preferred Units are considered potential dilutive common units.

The Company's Redeemable Preferred Units contractually entitles the holders of such units to participate in dividends but does not contractually require the holders of such units to participate in losses of the Company. Accordingly, in periods in which the Company reports a net loss attributable to common and non-voting incentive unit holders, such losses are not allocated to such participating securities. In periods in which the Company reports a net loss attributable to common and non-voting incentive unit holders, diluted net loss per unit attributable to common and non-voting incentive unit holders is the same as basic net loss per unit attributable to common and non-voting incentive unit holders, since dilutive common and non-voting incentive units are not assumed to have been issued if their effect is anti-dilutive. The Company reported a net loss attributable to common and non-voting incentive unit holders for the nine months ended September 30, 2019 and 2020.

***Unaudited Pro Forma Net Loss per Share***

The unaudited pro forma basic and diluted net loss per share attributable to common stockholders for the nine months ended September 30, 2020 has been prepared to give effect to the exchange of all outstanding redeemable preferred units and vested non-voting incentive units of the LLC into shares of common stock of the Corporation upon the Reorganization as if the Reorganization had occurred on the later of the beginning of the period or the issuance date of the redeemable preferred units.

**(3) Accrued Expenses and Other Current Liabilities**

Accrued expenses and other current liabilities consist of the following:

	December 31, 2019	September 30, 2020
	(in thousands)	
Research and development costs	\$ 656	\$ 3,003
Accrued bonuses	523	605
Professional fees	152	396
Consultants fees	231	195
Other	27	46
Total	<u>\$ 1,589</u>	<u>\$ 4,245</u>

**(4) License and Collaboration Agreements**

The following table summarizes the impact of the research and development costs related to the collaboration and license agreements on the Company's condensed consolidated statements of operations and comprehensive loss for the nine months ended September 30, 2019 and 2020. For details on the structure and accounting treatment for the Company's collaboration and license agreements, refer to the annual consolidated



**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

financial statements included elsewhere in this prospectus.

	Nine Months Ended September 30,	
	2019	2020
	(in thousands)	
Management - Adimab	\$ 716	\$ 318
Apollo - Wistar	469	304
Pearl - Taiho	3,039	531
Amber - MIT	—	276
Florentine - Tubingen	—	912
Total license and collaboration fees	<u>\$ 4,224</u>	<u>\$ 2,341</u>

***Florentine—Tübingen License Agreement***

In August 2020, Florentine entered into an Exclusive License Agreement, or the Tübingen License Agreement, with Deutsches Krebsforschungszentrum, or DKFZ, Eberhard Karls University of Tübingen, Faculty of Medicine, or University of Tübingen, and Universitätsmedizin Gesellschaft für Forschung und Entwicklung mbH, Tübingen, or UFE. Pursuant to the Tübingen License Agreement, DKFZ and University of Tübingen, collectively referred to as the Licensor, granted to Florentine an exclusive worldwide, milestone- and royalty-bearing license under certain licensed patent rights, applications, technical information and know-how, with the right to grant sublicenses through multiple tiers to research, develop, commercialize or otherwise exploit licensed products within the field.

Florentine shall pay to Licensor an upfront, non-refundable, non-creditable option exercise fee and, as partial consideration for the licenses, has issued to DKFZ and UFE a certain number of shares of common stock that amount to a mid single-digit percentage of the total Florentine shares outstanding. DKFZ and UFE were also granted the right to appoint one representative to the board of directors of Florentine.

Additionally, Florentine shall pay certain non-refundable, non-creditable milestone payments to Tübingen Licensor upon the occurrence of certain clinical and regulatory events related to a licensed product. Each milestone payment is paid one time only up to a certain payment amount. No milestones have been achieved to date under the Tübingen License Agreement.

**(5) Cullinan—Mica Transaction**

**Asset Acquisition**

On May 28, 2020 (the Acquisition Date), in accordance with the Series A Senior Preferred Stock Purchase Agreement (the Purchase Agreement), the LLC purchased 5,385,787 shares of Series A Senior Preferred Stock (the Series A Senior Preferred Stock) of PDI Therapeutics, Inc. (PDI Therapeutics), for \$7.1 million, and certain existing PDI Therapeutics shareholders purchased approximately 702,495 shares of the Series A Senior Preferred Stock for \$0.9 million. Concurrently with the Series A Senior Preferred Stock purchase, PDI Therapeutics was renamed Mica Corp. The terms of the Purchase Agreement included two additional milestone-dependent closings for total proceeds of up to \$26.0 million. Each additional closing is based on clinical development milestones of Mica's lead candidate, CLN-619. Neither milestone occurred as of September 30, 2020.

On the Acquisition Date, PDI Therapeutics authorized the issuance of 72,890,797 shares, of which 39,000,000 was designated as common stock and 33,890,797 was designated as preferred stock. Of the

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

authorized preferred stock, PDI Therapeutics designated 1,999,998 shares as Series A Junior Preferred Stock, 652,371 shares as Series A-1 Junior Preferred Stock, 11,451,514 shares as Series A-2 Junior Preferred Stock, and 19,786,914 as Series A Senior Preferred Stock (collectively the Series Preferred Stock). Following the initial close in May 2020, Mica had 22,829,406 shares outstanding, including 6,088,282 shares of Series A Senior Preferred Stock (of which the LLC held 5,385,787 shares), 602,784 shares of common stock, 2,034,457 shares of common stock underlying options (of which 1,826,402 was reserved for future issuances to Mica's directors and officers, as well as former employees of PDI Therapeutics), and the 14,103,883 shares of Series A, A-1, and A2 Junior Preferred Stock described above.

Other than the Series A-1 Junior Preferred Stock, which shares are non-voting, the Series Preferred Stock vote equally with the shares of Common Stock. In addition to any other vote or consent, the vote or written consent of a majority of the holders of Series A Senior Preferred Stock is required for certain actions, including redemptions, dividends, distributions, dissolutions, creation of new classes of stock, mergers, sale of Mica or its assets, and amendments to the certificate of incorporation, as well as other actions. The other classes of Series Preferred Stock have voting rights pertaining to the increase or decrease in the authorized number of shares of their respective classes.

The LLC's initial purchase represented approximately 23.6% of Mica's fully diluted shares outstanding, including shares reserved for future issuance, and 88.5% of the Series A Senior Preferred Stock outstanding. The LLC can increase its ownership to approximately 48% of Mica's fully diluted shares outstanding by participating in the additional milestone-dependent closings. Additionally, as part of the transaction and as outlined in the Voting Agreement dated May 28, 2020, among the LLC and other stockholders of Mica, Mica increased the size of its board of directors from four to five directors, of which three directors are designated by the LLC.

The LLC also entered into a Services Agreement with Mica under which Cullinan Management will perform functions required for Mica's operations, including accounts payable, cash management, record keeping, research and development, and accounting services.

Given the LLC's ownership of the Series A Senior Preferred Stock and its majority representation on Mica's board of directors, the LLC obtained a controlling interest in Mica on the Acquisition Date. Further, the LLC evaluated the Mica transaction and determined that Mica is not a variable interest entity; however, due to the controlling interest in Mica, the LLC will consolidate Mica under the voting interest model.

The LLC evaluated the change in control of Mica and concluded that the change in control is an asset acquisition rather than a business combination as substantially all of the value in Mica resides in CLN-619, the in-process research and development IPR&D asset developed by Mica. The cost of the assets was calculated as the sum of the fair value of the LLC's investment in Mica, the fair value of the noncontrolling interests in Mica and the LLC's transaction costs. This cost was allocated to the assets acquired and liabilities assumed in the transaction based on their relative fair values. The amount allocated to the IPR&D acquired was \$6.4 million and was charged to research and development expense within the condensed consolidated statements of operations and comprehensive loss during the nine months ended September 30, 2020 as it had no alternative future use at the time of the acquisition.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

**(6) Redeemable Preferred Units**

As of September 30, 2020, the LLC Agreement provided for the issuance of Seed Redeemable Preferred Units, Series A Redeemable Preferred Units, and Series B Redeemable Preferred Units. Outstanding redeemable preferred units consist of the following:

	<u>As of December 31, 2019</u>		
	<u>Units Issued and Outstanding</u>	<u>Original Issue Price Per Unit</u>	<u>Carrying Value (thousands)</u>
Series Seed Redeemable Preferred Units	16,000,000	\$ 0.25	\$ 3,956
Series A Redeemable Preferred Units	50,000,000	\$ 1.00	49,946
Series B Redeemable Preferred Units	54,006,407	\$ 1.56	83,872
Total Redeemable Preferred Units as of December 31, 2019	<u>120,006,407</u>		<u>\$ 137,774</u>

	<u>As of September 30, 2020</u>		
	<u>Units Issued and Outstanding</u>	<u>Original Issue Price Per Unit</u>	<u>Carrying Value (thousands)</u>
Series Seed Redeemable Preferred Units	16,000,000	\$ 0.25	\$ 3,956
Series A Redeemable Preferred Units	50,000,000	\$ 1.00	49,946
Series B Redeemable Preferred Units	63,141,020	\$ 1.56	97,909
Total Redeemable Preferred Units as of September 30, 2020	<u>129,141,020</u>		<u>\$ 151,811</u>

**(7) Non-Voting Incentive Units and Noncontrolling Interest in Subsidiaries*****Non-Voting Incentive Units***

As of September 30, 2020, the LLC Agreement provides for the issuance of up to 23,860,000 non-voting incentive units for grant under Amendment No. 1 of the 2016 Equity Incentive Plan (the Plan). During the nine months ended September 30, 2019 and 2020, the LLC did not issue any non-voting incentive units. Non-voting incentive units do not carry the right to vote. As of September 30, 2020, there were 11,963,500 incentive units available for future grant under the plan.

***Noncontrolling Interest in Subsidiaries***

Certain Subsidiaries issue common stock in connection with licensing agreements, as further detailed in Note 4, and to its employees, directors and consultants pursuant to subsidiary equity incentive plans.

In 2018, Apollo reserved 2,120,000 shares of common stock for future issuances of equity grants under its 2018 equity incentive plan. In December 2018, Apollo entered into a Series A Preferred Stock purchase agreement with Cullinan Oncology, LLC. The initial closing took place in December and Apollo sold 7,000,000 subsidiary shares of Series A Preferred Stock for gross proceeds of \$7.0 million. At any time following the initial closing, upon the election of the Apollo's Board of Directors, Apollo may sell up to an aggregate of 11,000,000 Series A Preferred Stock shares at one or more subsequent closings at \$1.00 per share.

In 2019, upon inception, Amber reserved 2,400,200 shares of common stock for future issuances of equity grants under its 2019 equity incentive plan. In 2020, in connection with its Series A Preferred Stock financing,

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

Amber authorized a total of 16,001,332 shares of common stock for issuance pursuant to preferred stock conversions and issuances related to equity grants, and issued 3,000,000 shares of its Series A Preferred Stock to the LLC for gross proceeds of \$3.0 million. At any time following the initial closing, upon election of Amber's Board of Directors, Amber may sell up to an aggregate of 9,000,000 shares of Amber's Series A Preferred Stock at one or more subsequent closings at \$1.00 per share.

In April 2020, pursuant to the license agreement between Amber and the Massachusetts Institute of Technology, Amber issued 400,132 shares of its common stock, in exchange for no additional consideration as set forth in the license agreement. Accordingly, under the HLBV method, \$0.2 million of Amber's net loss was attributed to noncontrolling interests and \$0.4 million of net loss was attributed to the LLC for the nine months ended September 30, 2020.

In 2019, upon inception, Florentine reserved 2,337,857 shares of common stock for future issuances of equity grants under its 2019 equity incentive plan. In August 2020, Florentine entered into a Series A Preferred Stock purchase agreement with the LLC. The initial closing took place in August 2020 and Florentine sold 6,000,000 subsidiary shares of Series A Preferred Stock for gross proceeds of \$6.0 million. At any time following the initial closing, upon the election of the Florentine's Board of Directors, Florentine may sell up to an aggregate of 12,000,000 shares of Series A Preferred Stock at one or more subsequent closings at \$1.00 per share.

In August 2020, pursuant to the Tübingen License Agreement, Florentine issued 725,118 shares of its common stock, in exchange for no additional consideration as set forth in the license agreement. Accordingly, under the HLBV method, \$0.3 million of Florentine's net loss was attributed to noncontrolling interests and \$7.3 million of net loss was attributed to the LLC for the nine months ended September 30, 2020.

As described further in Note 5 to the condensed consolidated financial statements, in May 2020, Mica issued 6,088,282 million shares of Series A Senior Preferred Stock, including 5,385,787 to the LLC, at \$1.31 per share. Following the transaction, Mica had 22,829,406 shares outstanding, which, in addition to the Series A Senior Preferred Stock, included the following:

- 1,999,998 shares as Series A Junior Preferred Stock
- 652,371 shares as Series A-1 Junior Preferred Stock
- 11,451,514 shares as Series A-2 Junior Preferred Stock
- 2,637,241 shares of common stock (of which 1,826,402 was reserved for future issuances to Mica's directors and officers, as well as former employees of PDI Therapeutics)

Using a market-based approach and an option-pricing allocation method, Mica determined the fair market value of Mica's equity at acquisition was \$12.8 million, of which \$7.1 million was allocated to the LLC's Series A Senior Preferred Stock position, and \$5.7 million was allocated to noncontrolling interests, including the Junior Preferred and Common Stock holders. Further, Mica had \$4.7 million of net assets as of September 30, 2020. Given this value was below the liquidation preference of the Series A Senior Preferred Stock, the noncontrolling interest claim on the net assets was \$0.6 million as of September 30, 2020, which represented the pro-rata portion of Series A Senior Preferred Stock not held by the LLC. Accordingly, under the HLBV method, \$6.1 million of Mica's net loss was attributed to noncontrolling interests and \$3.8 million of net loss was attributed to the LLC for the nine months ended September 30, 2020.

In August 2020, Pearl issued 9,000,000 additional subsidiary shares of Series A Preferred Stock for \$9.0 million pursuant to a purchase agreement with the LLC, and Taiho Ventures, LLC (Taiho Ventures). Pearl

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

issued 1,206,000 additional shares of its common stock as anti-dilution shares, in exchange for no additional consideration as set forth in the license agreement.

In 2019, Pearl provided Taiho Pharmaceuticals, Co. Ltd. (Taiho Pharma) with 1,860,000 shares of common stock as compensation for a license and collaboration agreement with Taiho Pharma (the Taiho License Agreement). In 2019, Pearl increased the reserved shares of common stock to 31,000,000. Further in 2019, Pearl issued 93,000 options under its equity incentive plan at a fair market value of \$0.18 per share and recorded less than \$0.1 million of stock compensation expense. In August 31, 2020, Pearl increased its shares available for issuance under the Plan from 2,800,000 shares to 4,600,059 shares. For the nine months ended September 30, 2019 and 2020, under the HLBV method, \$0.8 million and \$1.3 million, respectively, of losses were attributed to noncontrolling interests due to the preferred ownership of Taiho Ventures in Pearl.

The holders of Subsidiary common stock are entitled to one vote per share. The holders of Subsidiary common stock are entitled to receive dividends when and if declared by the subsidiaries' board of directors and distributions in either case only after the payment of all preferential amounts required to be paid to the holders of shares of Series A Preferred Stock.

### **(8) Equity-Based Compensation**

#### *Non-Voting Incentive Units*

The LLC's 2016 Equity Incentive Plan (the Plan) provides for the grant of non-voting incentive units to employees, consultants, advisors and directors, as determined by the Board of Directors. During the nine months ended September 30, 2019 and 2020, the Company did not issue any LLC non-voting incentive units.

A summary of the LLC's non-voting incentive unit activity for the nine months ended September 30, 2020 is as follows:

	<u>Number of Units</u>	<u>Weighted Average Grant Date Fair Value Per Unit</u>
Outstanding unvested as of December 31, 2019	4,085,400	\$ 0.0001
Vested	(2,153,250)	0.0001
Outstanding unvested as of September 30, 2020	<u>1,932,150</u>	<u>\$ 0.0001</u>
Outstanding vested as of September 30, 2020	<u>9,964,350</u>	<u>\$ 0.0001</u>

#### *Equity-based compensation*

The Company recorded a nominal amount of equity-based compensation in the condensed consolidated statement of operations and comprehensive loss for the nine months ended September 30, 2019 and 2020. As of September 30, 2020, the unrecognized equity-based compensation is nominal.

### **(9) Related Party Transactions**

MPM Capital is a significant investor in the Company through one of its managed funds. In October 2016, the Company also began receiving consulting and management services pursuant to agreements with a Managing Director at MPM Capital and a principal at F2 Ventures, also a significant investor in the Company. For the nine months ended September 30, 2019 and 2020, the Company incurred \$0.2 million and \$0.1 million, respectively, for management and advisory services, in addition to their director compensation, in connection with those agreements.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

On April 1, 2020, the Company entered into a consulting agreement, or the 2020 Consulting Agreement, with Globeways Holdings Limited, or Globeways. Globeways and entities affiliated with F2 Ventures beneficially own in the aggregate greater than five percent of the Company's outstanding units and Globeways is beneficially owned by a member of the LLC's board of directors. Pursuant to the 2020 Consulting Agreement, the board member provides leadership and advice regarding the Company's scientific, clinical, product development and related activities and operations. Pursuant to the 2020 Consulting Agreement, the LLC pays Globeways a consulting fee at a monthly rate of \$25,000. As the sole beneficial owner of Globeways, this board member receives all of the compensation paid to Globeways under the Globeways Agreements. For the nine months ended September 30, 2020, the Company incurred \$0.2 million in costs related to this agreement.

***Royalty Transfer Agreements***

In October and December 2019, May 2020 the Company's subsidiaries Amber, Apollo, Florentine, Mica, and Pearl entered into royalty transfer agreements with MPM Oncology Charitable Foundation, Inc. and UBS Optimus Foundation. Under these agreements, each investor is entitled to receive a royalty equal to 0.5% (1.0% in aggregate) of all global net sales of any products developed by the subsidiary, subject to limitations after patent expirations and on intellectual property developed after a change of control. The Company has deemed these royalty transfer agreements to be freestanding financial instruments that should be accounted for at fair value.

As of September 30, 2020, Amber and Florentine had options to programs in pre-clinical research, while Apollo and Pearl's programs were in phase 1 clinical trials. Given that these programs are all still in early stages of development and face inherent technical, regulatory, and competitive risks associated with achieving approval and commercialization, the Company ascribed no value to the royalty agreement as of September 30, 2020. The Company currently does not have any net sales or license income and as a result has paid no royalties under this obligation as of September 30, 2020 nor has the Company accrued any liability as of September 30, 2020. The Company will monitor these instruments for changes in fair value at each reporting date.

**(10) Commitments and Contingencies**

***Operating Lease***

Rent expense for the nine months ended September 30, 2019 and 2020 was \$0.4 million and \$0.4 million, respectively.

In December 2017, the LLC signed an operating lease for 7,531 rentable square feet of office space in Cambridge, Massachusetts to commence on February 1, 2018. The lease expires on June 30, 2024. Rent expense will be recorded ratably over the lease period. The lease includes escalating rental payments, which are also being charged to rent expense ratably over the lease period.

**(11) Employee Benefit Plan**

The Company maintains a defined contribution 401(k) plan (the 401(k) Plan) in which employees may contribute a portion of their compensation, subject to statutory maximum contribution amounts. The Company assumes all administrative costs of the 401(k) Plan. For the nine months ended September 30, 2019 and 2020, the expense relating to the matching contribution was less than \$0.1 million and \$0.1 million, respectively.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

**(12) Net Loss per Unit**

The following table sets forth the calculation of basic and diluted net loss per unit:

	<u>Nine Months Ended September 30,</u>	
	<u>2019</u>	<u>2020</u>
	<u>(in thousands, except unit and per unit data)</u>	
<b>Numerator:</b>		
Net loss attributable to common and vested non-voting incentive unit holders	\$ (16,088)	\$ (23,453)
<b>Denominator:</b>		
Total weighted-average common and vested non-voting incentive units used in computing net loss per unit, basic and diluted	6,017,973	8,960,373
Net loss per unit:	<u>\$ (2.67)</u>	<u>\$ (2.62)</u>

The following outstanding units were excluded from the computation of the diluted net loss per unit for the periods presented because their effect would have been anti-dilutive:

	<u>Nine Months Ended September 30,</u>	
	<u>2019</u>	<u>2020</u>
Redeemable preferred units	66,000,000	129,141,020
Unvested non-voting incentive units	4,803,150	1,932,150
	<u>70,803,150</u>	<u>131,073,170</u>

***Unaudited Pro Forma Net Loss per Share***

The unaudited pro forma basic and diluted net loss per share attributable to common stockholders for the nine months ended September 30, 2020 has been prepared to give effect to the exchange of all outstanding redeemable preferred units and vested non-voting incentive units of the LLC into shares of common stock of the Company upon the reorganization as if the reorganization had occurred on the later of the beginning of the period or the issuance date of the redeemable preferred units.

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

Unaudited pro forma basic and diluted net loss per share attributable to common stockholders was calculated as follows:

	<u>Nine Months Ended September 30, 2020</u> (in thousands, except share and per share data)
<b>Numerator:</b>	
Loss attributable to common and non-voting incentive units	\$ (23,453)
Pro forma adjustments to loss attributable to common and non-voting incentive units	—
Pro forma net loss attributable to common and non-voting incentive units	<u>\$ (23,453)</u>
<b>Denominator:</b>	
Total weighted-average common and non-voting incentive units outstanding—basic and diluted	—
Pro forma adjustment to reflect the assumed exchange of outstanding units upon the Reorganization	136,285,931
Pro forma total weighted-average common stock outstanding—basic and diluted	<u>136,285,931</u>
<b>Net Loss per Share:</b>	
Pro forma net loss per share attributable to common stockholders—basic and diluted	<u>\$ (0.17)</u>

### (13) Subsequent Events

#### *The LLC Entity Adoption of 2020 Unit Option and Grant Plan, Issuance of Options and Contribution Agreement*

On October 29, 2020, the Company adopted the 2020 Unit Option and Grant Plan, reserving 36,972,854 common units for issuance and decreased the 2016 Equity Incentive Plan such that no more non-voting incentive units could be issued under that plan. These options have an exercise price of \$0.61 per common unit and vest as to 25% of the number of common units subject to the award on the first anniversary of the vesting commencement date, with the remaining portion of the award vesting over the following 36 months in equal monthly installments. Following the plan adoption, the LLC issued 32,493,491 options.

In addition, in November 2020, the LLC entered into a Contribution Agreement (the Restricted Stock Contribution Agreement), with each holder of restricted stock of Amber, Pearl, and Florentine. Pursuant to the Restricted Stock Contribution Agreement, each holder contributed their respective shares of restricted stock and in exchange received a number of authorized but unissued restricted common units of the LLC entity under the 2020 Unit Plan with an aggregate value equal to the value of the restricted stock contributed to the LLC (the Restricted Stock Contribution).

A total of 2,231,363 restricted common units of the LLC were issued pursuant to the Restricted Stock Contribution Agreement. Simultaneous with the Restricted Stock Contribution, the board of directors of Amber, Pearl, and Florentine determined to accelerate the vesting of the shares of unvested restricted stock immediately prior to the contribution of such stock pursuant to the Restricted Stock Contribution Agreement described above and then terminated their respective stock option and grant plans and the remaining shares reserved for issuance under each respective stock option and grant plan were retired to the status of authorized and unissued shares.



**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

The board of directors of Cullinan Pearl further authorized the entry into a Common Unit Purchase Agreement with the LLC pursuant to which Pearl purchased 22,868 common units of the LLC for a purchase price of \$0.61 per common unit, for an aggregate of \$14 thousand (the Unit Purchase). Pearl then transferred those common units to two directors of Pearl in exchange for the cancellation of 46,500 stock options issued to those Directors. In addition, the LLC entered into subscription agreements with Pearl pursuant to which the LLC purchased an aggregate of 2,730,225 shares of Pearl's common stock at a purchase price of \$0.44 per share, for an aggregate amount of \$1.2 million. The intent of each transaction was for the LLC entity to increase its ownership in Pearl.

***Series C Redeemable Preferred Unit - Financing***

In December 2020, the LLC entered into a Series C Preferred Unit Purchase Agreement to issued up to \$132 million Series C Redeemable Preferred Units. On December 16, 2020, the LLC issued 66,599,045 of Series C Redeemable Preferred Units at \$1.97 per unit, resulting in net proceeds of \$124.7 million. Upon the closing of the Series C Preferred Unit Purchase Agreement, the Series B Preferred Unit Purchase Agreement, dated as of October 4, 2019, was terminated and the LLC will not issue any additional Series B Preferred Units.

***Florentine – Series A Preferred Financing***

In December 2020, Florentine issued 6,000,000 additional shares of its Series A Preferred Stock for proceeds of \$6,000,000 under the Florentine Series A Preferred Stock purchase agreement described in Note 7. Pursuant to the Series A Preferred Stock Agreement, Florentine will issue additional shares of its common stock to DFKZ and UFE as anti-dilution shares, in exchange for no additional consideration as set forth in the license agreement.

***COVID-19 Impact***

In December 2019, a novel strain of COVID-19 was reported in China. Since then, COVID-19 has spread globally. The spread of COVID-19 from China to other countries has resulted in the World Health Organization (WHO) declaring the outbreak of COVID-19 as a pandemic, or a worldwide spread of a new disease, on March 11, 2020. Many countries around the world have imposed quarantines and restrictions on travel and mass gatherings to slow the spread of the virus and have closed non-essential businesses, and many local jurisdictions continue to have such restrictions in place.

As local jurisdictions continue to put restrictions in place, the Company's ability to continue to operate its business may also be limited. Such events may result in a period of business, supply and drug product manufacturing disruption, and in reduced operations, any of which could materially affect the Company's business, financial condition and results of operations. In response to COVID-19, the Company implemented remote working and thus far, has not experienced a significant disruption or delay in its operations as it relates to the clinical development or drug production of the Company's product candidates.

The spread of COVID-19, which has caused a broad impact globally, may materially affect the Company economically. While the ultimate economic impact brought by, and the duration of, the COVID-19 pandemic may be difficult to assess or predict, including new information which may emerge concerning the severity of COVID-19 and the actions to contain COVID-19 or treat its impact, among others, the pandemic has resulted in significant disruptions in the general commercial activity and the global economy and caused financial market volatility and uncertainty in significant and unforeseen ways in the recent months. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on the

**CULLINAN ONCOLOGY, LLC**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

Company's ability to access capital, which could in the future negatively affect the Company's liquidity. In addition, a recession or market correction resulting from the spread of COVID-19 could materially affect the Company's business.

To date, COVID-19 has not had a financial impact on the Company. However, COVID-19 has impacted the pace of our enrollment in our clinical trials and our preclinical studies. The full extent and duration of the impact of COVID-19 on the Company's operations and financial performance is currently unknown and depends on future developments that are uncertain and unpredictable.

*Shares*



*Common Stock*

*PRELIMINARY PROSPECTUS*

*Joint Book-Running Managers*

*MORGAN STANLEY*

*SVB LEERINK*

*EVERCORE ISI*

*Lead-Manager*

*H.C. WAINWRIGHT & CO.*

*Until \_\_\_\_\_, 2021, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.*

**PART II**  
**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 13. Other Expenses of Issuance and Distribution.**

The following table sets forth the fees and expenses, other than underwriting discounts and commissions, payable in connection with the registration of the common stock hereunder. All amounts are estimates except the SEC registration fee.

	<b>Amount Paid or to be Paid</b>
SEC registration fee	\$ 10,910
FINRA filing fee	*
Nasdaq Global Market listing fee	*
Legal fees and expenses	*
Accounting fees and expenses	*
Printing expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous	*
Total	<u>\$ *</u>

\* To be provided by amendment

**Item 14. Indemnification of directors and officers**

Section 145 of the Delaware General Corporation Law, or the DGCL, authorizes a corporation to indemnify its directors and officers against liabilities arising out of actions, suits and proceedings to which they are made or threatened to be made a party by reason of the fact that they have served or are currently serving as a director or officer to a corporation. The indemnity may cover expenses (including attorneys' fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by the director or officer in connection with any such action, suit or proceeding. Section 145 permits corporations to pay expenses (including attorneys' fees) incurred by directors and officers in advance of the final disposition of such action, suit or proceeding. In addition, Section 145 provides that a corporation has the power to purchase and maintain insurance on behalf of its directors and officers against any liability asserted against them and incurred by them in their capacity as a director or officer, or arising out of their status as such, whether or not the corporation would have the power to indemnify the director or officer against such liability under Section 145.

We have adopted provisions in our certificate of incorporation and bylaws to be in effect upon the closing of this offering that limit or eliminate the personal liability of our directors to the fullest extent permitted by the DGCL, as it now exists or may in the future be amended. Consequently, a director will not be personally liable to us or our stockholders for monetary damages or breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- any unlawful payments related to dividends or unlawful stock purchases, redemptions or other distributions; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not alter director liability under the federal securities laws and do not affect the availability of equitable remedies such as an injunction or rescission.

## Table of Contents

In addition, our bylaws provide that:

- we will indemnify our directors, officers and, in the discretion of our board of directors, certain employees to the fullest extent permitted by the DGCL, as it now exists or may in the future be amended; and
- we will advance reasonable expenses, including attorneys' fees, to our directors and, in the discretion of our board of directors, to our officers and certain employees, in connection with legal proceedings relating to their service for or on behalf of us, subject to limited exceptions.

We intend to enter into indemnification agreements with each of our directors and executive officers. These agreements provide that we will indemnify each of our directors, certain of our executive officers and, at times, their affiliates to the fullest extent permitted by Delaware law. We will advance expenses, including attorneys' fees (but excluding judgments, fines and settlement amounts), to each indemnified director or executive officer in connection with any proceeding in which indemnification is available and we will indemnify our directors and officers for any action or proceeding arising out of that person's services as a director or officer brought on behalf of us or in furtherance of our rights. Additionally, certain of our directors or officers may have certain rights to indemnification, advancement of expenses or insurance provided by their affiliates or other third parties, which indemnification relates to and might apply to the same proceedings arising out of such director's or officer's services as a director referenced herein. Nonetheless, we have agreed in the indemnification agreements that our obligations to those same directors or officers are primary and any obligation of such affiliates or other third parties to advance expenses or to provide indemnification for the expenses or liabilities incurred by those directors are secondary.

We also maintain general liability insurance which covers certain liabilities of our directors and officers arising out of claims based on acts or omissions in their capacities as directors or officers, including liabilities under the Securities Act of 1933, as amended (the Securities Act).

The underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification of us and our directors and officers by the underwriters against certain liabilities under the Securities Act and the Securities Exchange Act of 1934.

### **Item 15. Recent Sales of Unregistered Securities.**

Set forth below is information regarding securities we have issued within the past three years that were not registered under the Securities Act. Amounts below do not give effect to the Reorganization.

#### ***(a) Issuances of Capital Stock***

In April 2017, certain investors purchased an aggregate of 50,000,000 of our Series A Preferred Units for \$50,000,000.00 at a price of \$1.00 per unit.

In October 2019, certain investors purchased an aggregate of 30,128,204 of our Series B Preferred Units for \$46,999,998.24 at a price of \$1.56 per unit.

In December 2019, certain investors purchased an aggregate of 23,878,203 of our Series B Preferred Units for \$37,249,996.68 at a price of \$1.56 per unit.

In February 2020, certain investors purchased an aggregate of 6,891,025 of our Series B Preferred Units for \$10,749,999.00 at a price of \$1.56 per unit.

In March 2020, certain investors purchased an aggregate of 2,243,584 of our Series B Preferred Units for \$3,499,997.28 at a price of \$1.56 per unit.

In December 2020, certain investors purchased an aggregate of 66,599,045 of our Series C Preferred Units for \$131,200,118.65 at a price of \$1.97 per unit.

## Table of Contents

No underwriters were involved in the foregoing sales of securities. Unless otherwise stated, the sales of securities described above were deemed to be exempt from registration pursuant to Section 4(a)(2) of the Securities Act, including Regulation D and Rule 506 promulgated thereunder, as transactions by an issuer not involving a public offering. All of the purchasers in these transactions represented to us in connection with their purchase that they were acquiring the securities for investment and not distribution, that they could bear the risks of the investment and could hold the securities for an indefinite period of time. Such purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration or an available exemption from such registration. All of the foregoing securities are deemed restricted securities for the purposes of the Securities Act.

### ***(b) Grants and Exercises of Stock Options***

Through November 30, 2020, we have granted an aggregate of 12,276,000 nonvoting incentive units, with a grant date fair value of \$0.0001 per unit, 2,254,231 restricted common units with a grant date fair value of \$0.61 per unit, and 32,493,491 common unit options with a strike price of \$0.61 per unit, to employees, directors and consultants pursuant to the 2016 Equity Incentive Plan and 2020 Unit Option and Grant Plan. Of those awards, 379,500 have been forfeited and 46,644,222 remain outstanding. There have been no option exercises as of November 30, 2020.

The issuances of the securities described above were deemed to be exempt from registration pursuant to Section 4(a)(2) of the Securities Act or Rule 701 promulgated under the Securities Act as transactions pursuant to compensatory benefit plans. The shares of common stock issued upon the exercise of options are deemed to be restricted securities for purposes of the Securities Act.

## **Item 16. Exhibits and Financial Statement Schedules.**

### ***(a) Exhibits***

<u>Exhibit Number</u>	<u>Description</u>
1.1*	Form of Underwriting Agreement.
2.1*	Form of Agreement and Plan of Merger by and between Cullinan Oncology, LLC and Cullinan Management, Inc.
3.1	<a href="#"><u>Certificate of Incorporation of the Registrant, as currently in effect.</u></a>
3.2*	Form of Amended and Restated Certificate of Incorporation of the Registrant, to be in effect immediately prior to completion of this offering.
3.3	<a href="#"><u>Bylaws of the Registrant, as currently in effect.</u></a>
3.4*	Form of Amended and Restated Bylaws of the Registrant, to be in effect immediately prior to completion of this offering.
4.1*	Specimen Common Stock Certificate.
4.2	<a href="#"><u>Third Amended and Restated Limited Liability Company Agreement, dated December 16, 2020, by and among Cullinan Oncology, LLC and its members.</u></a>
4.3*	Registration Rights Agreement, among the Registrant and certain of its stockholders, to be in effect immediately prior to completion of this offering.
5.1*	Opinion of Goodwin Procter LLP.
10.1#*	2021 Stock Option and Incentive Plan and form of award agreements thereunder.
10.2#*	2021 Employee Stock Purchase Plan.
10.3#	<a href="#"><u>Senior Executive Cash Incentive Bonus Plan.</u></a>
10.4#	<a href="#"><u>Form of Indemnification Agreement, between the Registrant and each of its directors.</u></a>
10.5#	<a href="#"><u>Form of Indemnification Agreement, between the Registrant and each of its executive officers.</u></a>
10.6†	<a href="#"><u>Exclusive Patent License Agreement, dated December 12, 2019, as amended on April 3, 2020, by and between Massachusetts Institute of Technology and Cullinan Amber Corp.</u></a>

## Table of Contents

<u>Exhibit Number</u>	<u>Description</u>
10.7†	<a href="#">Collaboration Agreement, dated November 28, 2018, by and between Adimab, LLC and Cullinan Management, Inc.</a>
10.8#	<a href="#">License and Collaboration Agreement, dated February 4, 2019, by and between Taiho Pharmaceutical, Co., Ltd. and Cullinan Pearl Corp.</a>
10.9†	<a href="#">Exclusive License Agreement, dated August 31, 2020, by and among Deutsches Krebsforschungszentrum, Eberhard Karls University of Tuebingen, Faculty of Medicine, Universitätsmedizin Gesellschaft für Forschung und Entwicklung mbH, Tübingen and Cullinan Florentine Corp.</a>
10.10#	<a href="#">Offer Letter, dated June 16, 2017, by and between Cullinan Management, Inc. and Leigh Zawel.</a>
10.11#	<a href="#">Offer Letter, dated May 1, 2017, by and between Cullinan Management, Inc. and Owen Hughes.</a>
10.12#	<a href="#">Offer Letter, dated August 25, 2020, by and between Cullinan Management, Inc. and Jeffrey Trigilio.</a>
10.13#	<a href="#">Form of Executive Employment Agreement</a>
10.14#	<a href="#">Consulting Agreement, dated January 1, 2019, by and between Cullinan Management, Inc. and Corinne Savill.</a>
10.15#	<a href="#">Consulting Agreement, dated January 1, 2019, by and between Cullinan Management, Inc. and Patrick Baeuerle.</a>
10.16#	<a href="#">Consulting Agreement, dated April 1, 2020, by and between Cullinan Management, Inc. and Globeways Holdings Limited.</a>
10.17	<a href="#">Sublease, effective as of December 14, 2017, by and between Teva Pharmaceuticals USA, Inc. and Cullinan Management, Inc.</a>
10.18	<a href="#">Form of Voting Agreement</a>
10.19	<a href="#">Form of Investors Rights Agreement</a>
10.20	<a href="#">Form of Services Agreement</a>
10.21	<a href="#">Form of Royalty Transfer Agreements</a>
10.22*	Form of Contribution Agreement by and between Cullinan Oncology, LLC and Cullinan Management, Inc.
10.23#	<a href="#">Non-Employee Director Compensation Policy.</a>
21.1	<a href="#">List of Subsidiaries of the Registrant.</a>
23.1	<a href="#">Consent of KPMG LLP independent registered public accounting firm.</a>
23.2*	Consent of Goodwin Procter LLP (included in Exhibit 5.1).
24	<a href="#">Power of Attorney (included on signature page).</a>

\* To be filed by amendment.

# Indicates a management contract or compensatory plan, contract or arrangement.

† Portions of this exhibit (indicated by asterisks) have been omitted in accordance with the rules of the Securities and Exchange Commission.

### ***(b) Financial Statement Schedules***

None.

**Item 17. Undertakings.**

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(a) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(b) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.



## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Cambridge, Massachusetts on December 18, 2020.

### Cullinan Management, Inc.

By: /s/ Owen Hughes  
Name: Owen Hughes  
Title: Chief Executive Officer

## POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Owen Hughes and Jeffrey Trigilio his true and lawful attorney-in-fact and agent with full power of substitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to sign any registration statement for the same offering covered by the registration statement that is to be effective upon filing pursuant to Rule 462(b) promulgated under the Securities Act, and all post-effective amendments thereto, and to file the same, with all exhibits thereto and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming that all said attorneys-in-fact and agents or any of them, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Owen Hughes</u> Owen Hughes	President, Chief Executive Officer, and Director (Principal Executive Officer)	December 18, 2020
<u>/s/ Jeffrey Trigilio</u> Jeffrey Trigilio	Chief Financial Officer (Principal Financial and Accounting Officer)	December 18, 2020
<u>/s/ Tim Anderson</u> Tim Anderson	Director	December 18, 2020
<u>/s/ Thomas Ebeling</u> Thomas Ebeling	Director	December 18, 2020
<u>/s/ Ansbert Gadicke</u> Ansbert Gadicke, M.D.	Director	December 18, 2020
<u>/s/ Morana Jovan-Embiricos</u> Morana Jovan-Embiricos, Ph.D.	Director	December 18, 2020

[Table of Contents](#)

<u>Name</u>	<u>Title</u>	<u>Date</u>
<hr/> <u>/s/ Anthony Rosenberg</u> Anthony Rosenberg	Director	December 18, 2020
<hr/> <u>/s/ Stephen Webster</u> Stephen Webster	Director	December 18, 2020

## CERTIFICATE OF INCORPORATION

OF

## CULLINAN MANAGEMENT, INC.

- FIRST: The name of this corporation shall be: Cullinan Management, Inc.
- SECOND: Its registered office in the State of Delaware is to be located at:
- 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801, and its registered agent at such address is: The Corporation Trust Company.
- THIRD: The purpose or purposes of the corporation shall be:
- To carry on any and all business and to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.
- FOURTH: The total number of shares of stock which this corporation is authorized to issue is:
- One Hundred (100) shares of Common Stock, par value \$0.0001 per share.
- FIFTH: The name and mailing address of the sole incorporator is as follows:
- | <u>NAME</u> | <u>MAILING ADDRESS</u>                  |
|-------------|---|
| Ian K. Peck | 100 Northern Avenue<br>Boston, MA 02210 |
- SIXTH: In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal the by-laws of the corporation.
- SEVENTH: Elections of directors need not be by written ballot unless the by-laws of the corporation shall so provide.
- EIGHTH: A director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived any improper personal benefit. If the Delaware General Corporation Law is amended after the effective date of this Certificate of Incorporation to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law of the State of Delaware. No amendment, modification or repeal of this Article EIGHTH shall adversely affect the rights and protection afforded to a director of the corporation under this Article EIGHTH for acts or omissions occurring prior to such amendment, modification or repeal.

NINTH: The corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and to add or insert other provisions authorized by the laws of the State of Delaware at the time in force, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the rights reserved in this Article NINTH.

TENTH: 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 Title 8 of the Delaware Code 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 Title 8 of the Delaware Code 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 consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, 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.

*The remainder of this page is intentionally left blank*

IN WITNESS WHEREOF, the undersigned, being the incorporator hereinbefore named, has executed, signed, and acknowledged this Certificate of Incorporation this 15<sup>th</sup> day of September, 2016.

/s/ Ian K. Peck

Ian K. Peck

Sole Incorporator

[Signature Page to Certificate of Incorporation – Cullinan Management, Inc.]

**BY-LAWS**  
**of**  
**CULLINAN MANAGEMENT, INC.**  
**(the “Corporation”)**

1. Stockholders

(a) Annual Meeting. The annual meeting of stockholders shall be held for the election of directors each year at such place, date and time as shall be designated by the Board of Directors. Any other proper business may be transacted at the annual meeting. If no date for the annual meeting is established or said meeting is not held on the date established as provided above, a special meeting in lieu thereof may be held or there may be action by written consent of the stockholders on matters to be voted on at the annual meeting, and such special meeting or written consent shall have for the purposes of these By-laws or otherwise all the force and effect of an annual meeting.

(b) Special Meetings. Special meetings of stockholders may be called by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, a President, or by the Board of Directors, but such special meetings may not be called by any other person or persons. The call for the meeting shall state the place, date, hour and purposes of the meeting. Only the purposes specified in the notice of special meeting shall be considered or dealt with at such special meeting.

(c) Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a notice stating the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present and vote at such meeting, and, in the case of a special meeting, the purpose or purposes of the meeting, shall be given by the Secretary (or other person authorized by these By-laws or by law) not less than ten (10) nor more than sixty (60) days before the meeting to each stockholder entitled to vote thereat and to each stockholder who, under the Certificate of Incorporation or under these By-laws is entitled to such notice. If mailed, notice is given when deposited in the mail, postage prepaid, directed to such stockholder at such stockholder’s address as it appears in the records of the Corporation. Without limiting the manner by which notice otherwise may be effectively given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law (the “DGCL”).

If a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place, if any, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken, except that if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(d) Quorum. The holders of a majority in interest of all stock issued, outstanding and entitled to vote at a meeting, present in person or represented by proxy, shall constitute a quorum. Any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question, whether or not a quorum is present. The stockholders present at a duly constituted meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough stockholders to reduce the voting shares below a quorum.

(e) Voting and Proxies. Except as otherwise provided by the Certificate of Incorporation or by law, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by either written proxy or by a transmission permitted by Section 212(c) of the DGCL, but no proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period or is irrevocable and coupled with an interest. Proxies shall be filed with the Secretary of the meeting, or of any adjournment thereof. Except as otherwise limited therein, proxies shall entitle the persons authorized thereby to vote at any adjournment of such meeting.

(f) Action at Meeting. When a quorum is present, any matter before the meeting shall be decided by vote of the holders of a majority of the shares of stock voting on such matter except where a larger vote is required by law, by the Certificate of Incorporation or by these By-laws. Any election of directors by stockholders shall be determined by a plurality of the votes cast, except where a larger vote is required by law, by the Certificate of Incorporation or by these By-laws. The Corporation shall not directly or indirectly vote any share of its own stock; provided, however, that the Corporation may vote shares which it holds in a fiduciary capacity to the extent permitted by law.

(g) Presiding Officer. Meetings of stockholders shall be presided over by the Chairman of the Board, if one is elected, or in his or her absence, the Vice Chairman of the Board, if one is elected, or if neither is elected or in their absence, a President. The Board of Directors shall have the authority to appoint a temporary presiding officer to serve at any meeting of the stockholders if the Chairman of the Board, the Vice Chairman of the Board or a President is unable to do so for any reason.

(h) Conduct of Meetings. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the presiding officer of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding officer of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the presiding officer of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

(i) Action without a Meeting. Unless otherwise provided in the Certificate of Incorporation, any action required or permitted by law to be taken at any annual or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office, by hand or by certified mail, return receipt requested, or to the Corporation's principal place of business or to the officer of the Corporation having custody of the minute book. Every written consent shall bear the date of signature and no written consent shall be effective unless, within sixty (60) days of the earliest dated consent delivered pursuant to these By-laws, written consents signed by a sufficient number of stockholders entitled to take action are delivered to the Corporation in the manner set forth in these By-laws. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

(j) Stockholder Lists. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Nothing contained in this Section 1(j) shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting in the manner provided by law. The list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law.

## 2. Directors

(a) Powers. The business of the Corporation shall be managed by or under the direction of a Board of Directors who may exercise all the powers of the Corporation except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws. In the event of a vacancy in the Board of Directors, the remaining directors, except as otherwise provided by law, may exercise the powers of the full Board until the vacancy is filled.

(b) Number and Qualification. Unless otherwise provided in the Certificate of Incorporation or in these By-laws, the number of directors which shall constitute the whole board shall be determined from time to time by resolution of the Board of Directors. Directors need not be stockholders.



(c) Vacancies; Reduction of Board. A majority of the directors then in office, although less than a quorum, or a sole remaining Director, may fill vacancies in the Board of Directors occurring for any reason and newly created directorships resulting from any increase in the authorized number of directors. In lieu of filling any vacancy, the Board of Directors may reduce the number of directors.

(d) Tenure. Except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws, directors shall hold office until their successors are elected and qualified or until their earlier resignation or removal. Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) Removal. To the extent permitted by law, a director may be removed from office with or without cause by vote of the holders of a majority of the shares of stock entitled to vote in the election of directors.

(f) Meetings. Regular meetings of the Board of Directors may be held without notice at such time, date and place as the Board of Directors may from time to time determine. Special meetings of the Board of Directors may be called, orally or in writing, by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, the President, or by two or more Directors, designating the time, date and place thereof. Directors may participate in meetings of the Board of Directors by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting.

(g) Notice of Meetings. Notice of the time, date and place of all special meetings of the Board of Directors shall be given to each director by the Secretary, or Assistant Secretary, or in case of the death, absence, incapacity or refusal of such persons, by the officer or one of the directors calling the meeting. Notice shall be given to each director in person, by telephone, or by facsimile, electronic mail or other form of electronic communications, sent to such director's business or home address at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to such director's business or home address at least forty-eight (48) hours in advance of the meeting.

(h) Quorum. At any meeting of the Board of Directors, a majority of the total number of directors then in office shall constitute a quorum for the transaction of business. A majority of the quorum present at the meeting may adjourn any meeting from time to time and the meeting may be held as adjourned without further notice.

(i) Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, unless otherwise provided in the following sentence, a majority of the directors present may take any action on behalf of the Board of Directors, unless a larger number is required by law, by the Certificate of Incorporation or by these By-laws. So long as there are two (2) or fewer Directors, any action to be taken by the Board of Directors shall require the approval of all Directors.

(j) Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the records of the meetings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

(k) Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, establish one or more committees, each committee to consist of one or more directors. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval or (ii) adopting, amending or repealing any provision of these By-laws.

Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but in the absence of such rules its business shall be conducted so far as possible in the same manner as is provided in these By-laws for the Board of Directors. All members of such committees shall hold their committee offices at the pleasure of the Board of Directors, and the Board may abolish any committee at any time.

### 3. Officers

(a) Enumeration. The officers of the Corporation shall consist of one or more Presidents (who, if there is more than one, shall be referred to as Co-Presidents), a Treasurer, a Secretary, and such other officers, including, without limitation, a Chief Executive Officer and one or more Vice Presidents (including Executive Vice Presidents or Senior Vice Presidents), Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board of Directors may determine. The Board of Directors may elect from among its members a Chairman of the Board and a Vice Chairman of the Board.

(b) Election. The Presidents, Treasurer and Secretary shall be elected annually by the Board of Directors at their first meeting following the annual meeting of stockholders. Other officers may be chosen by the Board of Directors at such meeting or at any other meeting.

(c) Qualification. No officer need be a stockholder or Director. Any two or more offices may be held by the same person. Any officer may be required by the Board of Directors to give bond for the faithful performance of such officer's duties in such amount and with such sureties as the Board of Directors may determine.

(d) Tenure. Except as otherwise provided by the Certificate of Incorporation or by these By-laws, each of the officers of the Corporation shall hold office until the first meeting of the Board of Directors following the next annual meeting of stockholders and until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any officer may resign by delivering his or her written resignation to the Corporation, and such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) Removal. The Board of Directors may remove any officer with or without cause by a vote of a majority of the directors then in office.

(f) Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

(g) Chairman of the Board and Vice Chairman. Unless otherwise provided by the Board of Directors, the Chairman of the Board of Directors, if one is elected, shall preside, when present, at all meetings of the stockholders and the Board of Directors. The Chairman of the Board shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

Unless otherwise provided by the Board of Directors, in the absence of the Chairman of the Board, the Vice Chairman of the Board, if one is elected, shall preside, when present, at all meetings of the stockholders and the Board of Directors. The Vice Chairman of the Board shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

(h) Chief Executive Officer. The Chief Executive Officer, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

(i) Presidents. The Presidents shall, subject to the direction of the Board of Directors, each have general supervision and control of the Corporation's business and any action that would typically be taken by a President may be taken by any Co-President. If there is no Chairman of the Board or Vice Chairman of the Board, a President shall preside, when present, at all meetings of stockholders and the Board of Directors. The Presidents shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

(j) Vice Presidents and Assistant Vice Presidents. Any Vice President (including any Executive Vice President or Senior Vice President) and any Assistant Vice President shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

(k) Treasurer and Assistant Treasurers. The Treasurer shall, subject to the direction of the Board of Directors, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. The Treasurer shall have custody of all funds, securities, and valuable documents of the Corporation, except as the Board of Directors may otherwise provide. The Treasurer shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

Any Assistant Treasurer shall have such powers and perform such duties as the Board of Directors may from time to time designate.

(l) Secretary and Assistant Secretaries. The Secretary shall record the proceedings of all meetings of the stockholders and the Board of Directors (including committees of the Board) in books kept for that purpose. In the absence of the Secretary from any such meeting an Assistant Secretary, or if such person is absent, a temporary secretary chosen at the meeting, shall record the proceedings thereof. The Secretary shall have charge of the stock ledger (which may, however, be kept by any transfer or other agent of the Corporation) and shall have such other duties and powers as may be designated from time to time by the Board of Directors.

Any Assistant Secretary shall have such powers and perform such duties as the Board of Directors may from time to time designate.

(m) Other Powers and Duties. Subject to these By-laws, each officer of the Corporation shall have in addition to the duties and powers specifically set forth in these By-laws, such duties and powers as are customarily incident to such officer's office, and such duties and powers as may be designated from time to time by the Board of Directors.

#### 4. Capital Stock

(a) Certificates of Stock. Each stockholder shall be entitled to a certificate of the capital stock of the Corporation in such form as may from time to time be prescribed by the Board of Directors. Such certificate shall be signed by a President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary. Such signatures may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. The Corporation shall be permitted to issue fractional shares.

(b) Transfers. Subject to any restrictions on transfer, shares of stock may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate therefor properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require.

(c) Record Holders. Except as may otherwise be required by law, by the Certificate of Incorporation or by these By-laws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these By-laws.

It shall be the duty of each stockholder to notify the Corporation of such stockholder's post office address.

(d) Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not precede the date on which it is established, and which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, more than ten (10) days after the date on which the record date for stockholder consent without a meeting is established, nor more than sixty (60) days prior to any other action. In such case only stockholders of record on such record date shall be so entitled notwithstanding any transfer of stock on the books of the Corporation after the record date.

If no record date is fixed, (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, (ii) the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in this state, to its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded, and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(e) Lost Certificates. The Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

5. Indemnification

(a) Definitions. For purposes of this Section 5:

(i) "Corporate Status" describes the status of a person who is serving or has served (A) as a Director of the Corporation, (B) as an Officer of the Corporation, (C) as a Non-Officer Employee of the Corporation, or (D) as a director, partner, trustee, officer, employee or agent of any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, foundation, association, organization or other legal entity for which such person is or was serving at the request of the Corporation. For purposes of this Section 5(a)(i), a Director, Officer or Non-Officer Employee of the Corporation who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Corporation. Notwithstanding the foregoing, "Corporate Status" shall not include the status of a person who is serving or has served as a director, officer, employee or agent of a constituent corporation absorbed in a merger or consolidation transaction with the Corporation with respect to such person's activities prior to said transaction, unless specifically authorized by the Board of Directors or the stockholders of the Corporation;

(ii) "Director" means any person who serves or has served the Corporation as a director on the Board of Directors of the Corporation;

(iii) "Disinterested Director" means, with respect to each Proceeding in respect of which indemnification is sought hereunder, a Director of the Corporation who is not and was not a party to such Proceeding;

(iv) "Expenses" means all reasonable attorneys fees, retainers, court costs, transcript costs, fees of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), travel expenses, duplicating costs, printing and binding costs, costs of preparation of demonstrative evidence and other courtroom presentation aids and devices, costs incurred in connection with document review, organization, imaging and computerization, telephone charges, postage, delivery service fees, and all other disbursements, costs or expenses of the type customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settling or otherwise participating in, a Proceeding;

(v) "Liabilities" means judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement;

(vi) "Non-Officer Employee" means any person who serves or has served as an employee or agent of the Corporation, but who is not or was not a Director or Officer;

(vii) "Officer" means any person who serves or has served the Corporation as an officer of the Corporation appointed by the Board of Directors of the Corporation;

(viii) "Proceeding" means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, inquiry, investigation, administrative hearing or other proceeding, whether civil, criminal, administrative, arbitrate or investigative; and

(ix) "Subsidiary" shall mean any corporation, partnership, limited liability company, joint venture, trust or other entity of which the Corporation owns (either directly or through or together with another Subsidiary of the Corporation) either (i) a general partner, managing member or other similar interest or (ii) (A) 50% or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other entity, or (B) 50% or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other entity.

(b) Indemnification of Directors and Officers. Subject to the operation of Section 5(d) of these By-laws, each Director and Officer shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), and to the extent authorized in subsections (i) through (iv) of this Section 5(b).

(i) Actions, Suits and Proceedings Other than By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses and Liabilities that are incurred or paid by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein (other than an action by or in the right of the Corporation), which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal Proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(ii) Actions, Suits and Proceedings By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses that are incurred by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein by or in the right of the Corporation, which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, that no indemnification shall be made under this Section 5(b)(ii) in respect of any claim, issue or matter as to which such Director or Officer shall have been finally adjudged (with no right to any further appeal) by a court of competent jurisdiction to be liable to the Corporation, unless, and only to the extent that, the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite adjudication of liability, but in view of all the circumstances of the case, such Director or Officer is fairly and reasonably entitled to indemnification for such Expenses that such court deems proper.

(iii) Survival of Rights. The rights of indemnification provided by this Section 5(b) shall continue as to a Director or Officer after he or she has ceased to be a Director or Officer and shall inure to the benefit of his or her heirs, executors, administrators and personal representatives.

(iv) Actions by Directors or Officers. Notwithstanding the foregoing, the Corporation shall indemnify any Director or Officer seeking indemnification in connection with a Proceeding initiated by such Director or Officer only if such Proceeding (including any parts of such Proceeding not initiated by such Director or Officer) was authorized in advance by the Board of Directors of the Corporation, unless such Proceeding was brought to enforce such Officer's or Director's rights to indemnification or, in the case of Directors, advancement of Expenses under these By-laws in accordance with the provisions set forth herein.

(c) Indemnification of Non-Officer Employees. Subject to the operation of Section 5(d) of these By-laws, each Non-Officer Employee may, in the discretion of the Board of Directors of the Corporation, be indemnified by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against any or all Expenses and Liabilities that are incurred by such Non-Officer Employee or on such Non-Officer Employee's behalf in connection with any threatened, pending or completed Proceeding, or any claim, issue or matter therein, which such Non-Officer Employee is, or is threatened to be made, a party to or participant in by reason of such Non-Officer Employee's Corporate Status, if such Non-Officer Employee acted in good faith and in a manner such Non-Officer Employee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal Proceeding, had no reasonable cause to believe his or her conduct was unlawful. The rights of indemnification provided by this Section 5(c) shall exist as to a Non-Officer Employee after he or she has ceased to be a Non-Officer Employee and shall inure to the benefit of his or her heirs, personal representatives, executors and administrators. Notwithstanding the foregoing, the Corporation may indemnify any Non-Officer Employee seeking indemnification in connection with a Proceeding initiated by such Non-Officer Employee only if such Proceeding was authorized in advance by the Board of Directors of the Corporation.

(d) Determination. Unless ordered by a court, no indemnification shall be provided pursuant to this Section 5 to a Director, to an Officer or to a Non-Officer Employee unless a determination shall have been made that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal Proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. Such determination shall be made by (i) a majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, (ii) a committee comprised of Disinterested Directors, such committee having been designated by a majority vote of the Disinterested Directors (even though less than a quorum), (iii) if there are no such Disinterested Directors, or if a majority of Disinterested Directors so directs, by independent legal counsel in a written opinion, or (iv) by a majority of the outstanding stockholders of the Corporation.



(e) Advancement of Expenses to Directors Prior to Final Disposition.

(i) The Corporation shall advance all Expenses incurred by or on behalf of any Director in connection with any Proceeding in which such Director is involved by reason of such Director's Corporate Status within thirty (30) days after the receipt by the Corporation of a written statement from such Director requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Director and shall be preceded or accompanied by an undertaking by or on behalf of such Director to repay any Expenses so advanced if it shall ultimately be determined that such Director is not entitled to be indemnified against such Expenses. Notwithstanding the foregoing, the Corporation shall advance all Expenses incurred by or on behalf of any Director seeking advancement of expenses hereunder in connection with a Proceeding initiated by such Director only if such Proceeding (including any parts of such Proceeding not initiated by such Director) was (A) authorized by the Board of Directors of the Corporation, or (B) brought to enforce such Director's rights to indemnification or advancement of Expenses under these By-laws.

(ii) If a claim for advancement of Expenses hereunder by a Director is not paid in full by the Corporation within thirty (30) days after receipt by the Corporation of documentation of Expenses and the required undertaking, such Director may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and if successful, in whole or in part, such Director shall also be entitled to be paid all the expenses incurred in prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such advancement of Expenses under this Section 5 shall not be a defense to an action brought by a Director for recovery of the unpaid amount of an advancement claim and shall not create a presumption that such advancement is not permissible. The burden of proving that a Director is not entitled to an advancement of Expenses shall be on the Corporation.

(iii) In any suit brought by the Corporation to recover an advancement of Expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Director has not met any applicable standard for indemnification set forth in the DGCL.

(f) Advancement of Expenses to Officers and Non-Officer Employees Prior to Final Disposition.

(i) The Corporation may, at the discretion of the Board of Directors of the Corporation, advance any or all Expenses incurred by or on behalf of any Officer or any Non-Officer Employee in connection with any Proceeding in which such person is involved by reason of his or her Corporate Status as an Officer or Non-Officer Employee upon the receipt by the Corporation of a statement or statements from such Officer or Non-Officer Employee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Officer or Non-Officer Employee and shall be preceded or accompanied by an undertaking by or on behalf of such person to repay any Expenses so advanced if it shall ultimately be determined that such Officer or Non-Officer Employee is not entitled to be indemnified against such Expenses.

(ii) In any suit brought by the Corporation to recover an advancement of Expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such Expenses upon a final adjudication that the Officer or Non-Officer Employee has not met any applicable standard for indemnification set forth in the DGCL.

(g) Contractual Nature of Rights.

(i) The provisions of this Section 5 shall be deemed to be a contract between the Corporation and each Director and Officer entitled to the benefits hereof at any time while this Section 5 is in effect, in consideration of such person's past or current and any future performance of services for the Corporation. Neither amendment, repeal or modification of any provision of this Section 5 nor the adoption of any provision of the Certificate of Incorporation inconsistent with this Section 5 shall eliminate or reduce any right conferred by this Section 5 in respect of any act or omission occurring, or any cause of action or claim that accrues or arises or any state of facts existing, at the time of or before such amendment, repeal, modification or adoption of an inconsistent provision (even in the case of a proceeding based on such a state of facts that is commenced after such time), and all rights to indemnification and advancement of Expenses granted herein or arising out of any act or omission shall vest at the time of the act or omission in question, regardless of when or if any Proceeding with respect to such act or omission is commenced. The rights to indemnification and to advancement of Expenses provided by, or granted pursuant to, this Section 5 shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributees of such person.

(ii) If a claim for indemnification hereunder by a Director or Officer is not paid in full by the Corporation within sixty (60) days after receipt by the Corporation of a written claim for indemnification, such Director or Officer may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, such Director or Officer shall also be entitled to be paid all the expenses incurred in prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such indemnification under this Section 5 shall not be a defense to an action brought by a Director or Officer for recovery of the unpaid amount of an indemnification claim and shall not create a presumption that such indemnification is not permissible. The burden of proving that a Director or Officer is not entitled to indemnification shall be on the Corporation.

(iii) In any suit brought by a Director or Officer to enforce a right to indemnification hereunder, it shall be a defense that such Director or Officer has not met any applicable standard for indemnification set forth in the DGCL.

(h) Non-Exclusivity of Rights. The rights to indemnification and advancement of Expenses set forth in this Section 5 shall not be exclusive of any other right which any Director, Officer, or Non-Officer Employee may have or hereafter acquire under any statute, provision of the Certificate or these By-laws, agreement, vote of stockholders or Disinterested Directors or otherwise.

(i) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer or Non-Officer Employee against any liability of any character asserted against or incurred by the Corporation or any such Director, Officer or Non-Officer Employee, or arising out of any such person's Corporate Status, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL or the provisions of this Section 5.

(j) Other Indemnification. The Corporation's obligation, if any, to indemnify or provide advancement of Expenses to any person under this Section 5 as a result of such person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount such person may collect as indemnification or advancement of Expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or enterprise (the "Primary Indemnitor"). Any indemnification or advancement of Expenses under this Section 5 owed by the Corporation as a result of a person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall only be in excess of, and shall be subordinated to, the indemnification or advancement of Expenses available from the applicable Primary Indemnitor(s) and any applicable insurance policies.

#### 6. Miscellaneous Provisions

(a) Fiscal Year. Except as otherwise determined by the Board of Directors, the fiscal year of the Corporation shall end on December 31 of each year.

(b) Seal. The Board of Directors shall have power to adopt and alter the seal of the Corporation.

(c) Execution of Instruments. Subject to any limitations which may be set forth in a resolution of the Board of Directors, all deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director action may be executed on behalf of the Corporation by, a President, or by any other officer, employee or agent of the Corporation as the Board of Directors may authorize.

(d) Voting of Securities. Unless the Board of Directors otherwise provides, a President, any Vice President or the Treasurer may waive notice of and act on behalf of this Corporation, or appoint another person or persons to act as proxy or attorney in fact for this Corporation with or without discretionary power and/or power of substitution, at any meeting of stockholders or shareholders of any other corporation or organization, any of whose securities are held by this Corporation.

(e) Resident Agent. The Board of Directors may appoint a resident agent upon whom legal process may be served in any action or proceeding against the Corporation.

(f) Corporate Records. The original or attested copies of the Certificate of Incorporation, By-laws and records of all meetings of the incorporators, stockholders and the Board of Directors and the stock and transfer records, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, shall be kept at the principal office of the Corporation, at the office of its counsel, or at an office of its transfer agent.

(g) Certificate of Incorporation. All references in these By-laws to the Certificate of Incorporation shall be deemed to refer to the Certificate of Incorporation of the Corporation, as amended and in effect from time to time.

(h) Amendments. These By-laws may be altered, amended or repealed, and new By-laws may be adopted, by the stockholders or by the Board of Directors; provided, that (a) the Board of Directors may not alter, amend or repeal any provision of these By-laws which by law, by the Certificate of Incorporation or by these By-laws requires action by the stockholders and (b) any alteration, amendment or repeal of these By-laws by the Board of Directors and any new By-law adopted by the Board of Directors may be altered, amended or repealed by the stockholders.

(i) Waiver of Notice. Whenever notice is required to be given under any provision of these By-laws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting needs to be specified in any written waiver or any waiver by electronic transmission.

Adopted: September 15, 2016

**THIRD AMENDED AND RESTATED  
LIMITED LIABILITY COMPANY AGREEMENT OF  
CULLINAN ONCOLOGY, LLC  
A Delaware Limited Liability Company  
Dated as of December 16, 2020**

TABLE OF CONTENTS

ARTICLE I ORGANIZATION AND POWERS	1
1.01 Organization	1
1.02 Purpose and Powers	2
1.03 Principal Place of Business	2
1.04 Fiscal Year	2
1.05 Qualification in Other Jurisdictions	2
1.06 Tax Status	2
ARTICLE II MEMBERS; CAPITAL STRUCTURE	3
2.01 Members	3
2.02 Compliance with Securities Laws and Other Laws and Obligations	3
2.03 Meetings of the Members	3
2.04 Voting	4
2.05 Limitation of Liability of Members	4
2.06 Authority	4
2.07 No Right to Withdraw	5
2.08 Rights to Information	5
2.09 Confidential Information	6
2.10 Units	8
2.11 Adjustments for Dilutive Issues	10
2.12 Adjustment for Splits and Combinations	12
2.13 Certificate as to Adjustments	12
2.14 “Bad Actor” Voting Restrictions	12
2.15 Notification of a Bad Actor Disqualification Event	13
ARTICLE III BOARD OF DIRECTORS; CERTAIN GOVERNANCE MATTERS	13
3.01 Board of Directors	13
3.02 Composition of the Board of Directors	13
3.03 Powers and Duties of the Directors	15
3.04 Actions Requiring Member Consent	17
3.05 Committees of the Board of Directors	20
3.06 Chairman of the Board of Directors	20
3.07 Reliance by Third Parties	20
3.08 Board Voting Rights; Meetings; Quorum	20
3.09 Actions of the Board of Directors and Committees	21
3.10 Reimbursement of Directors	21
3.11 Transaction with Interested Persons	21
3.12 Limitation of Liability of Directors	22
3.13 Confidentiality Agreement	22
ARTICLE IV OFFICERS	22
4.01 Enumeration	22
4.02 Election	23
4.03 Qualification	23
4.04 Tenure	23

4.05	Removal	23
4.06	Vacancies	23
4.07	Chief Executive Officer	23
4.08	President	23
4.09	Treasurer and Chief Financial Officer	23
4.10	Secretary and Assistant Secretaries	23
4.11	Other Powers and Duties	24
4.12	Reimbursement of Officers	24
ARTICLE V INDEMNIFICATION		24
5.01	Right to Indemnification	24
5.02	Primary Indemnification	24
5.03	Award of Indemnification	25
5.04	Successful Defense	25
5.05	Advance Payments	25
5.06	Definitions	25
5.07	Insurance	26
5.08	Successor Indemnification	26
5.09	Non-Exclusivity	26
5.10	Amendment; Survival	26
ARTICLE VI CAPITAL CONTRIBUTIONS AND DISTRIBUTIONS		27
6.01	Additional Capital Contributions	27
6.02	Capital Accounts	27
ARTICLE VII ALLOCATIONS OF INCOME, ETC.		28
7.01	Allocations Generally	28
7.02	Tax Allocations	28
7.03	Special Allocations, Tax Elections and Partnership Representative	29
ARTICLE VIII DISTRIBUTIONS		30
8.01	Distributions Generally	30
8.02	Tax Distributions	32
8.03	Limitations on Distributions	34
8.04	In-Kind Distributions; Distributions of Subsidiaries	34
8.05	Tax Information	34
ARTICLE IX TAX MATTERS AND REPORTS; ACCOUNTING		35
9.01	Tax Reports to Current and Former Members	35
9.02	Accounting Records	35
9.03	Tax Accounting Method	35
9.04	Effectively-Connected Income	35
9.05	UBTI	35
9.06	Tax Information	36

ARTICLE X RESTRICTIONS ON TRANSFER; RIGHT OF FIRST REFUSAL; RIGHT OF CO-SALE; DRAG-ALONG RIGHTS; AND PRE-EMPTIVE RIGHTS	36
10.01 Transfers	36
10.02 Effective Date and Requirements of Transfer	37
10.03 Right of First Refusal	38
10.04 Right of Co-Sale	40
10.05 Effect of Failure to Comply with Right of First Refusal and Right of Co-Sale	41
10.06 Drag-Along Right	42
10.07 Preemptive Rights	45
10.08 Substitution of Members	46
10.09 Conversion to Corporation and Registration Rights	46
10.10 Lock-Up	47
ARTICLE XI DISSOLUTION, LIQUIDATION, AND TERMINATION; INCORPORATION	48
11.01 Dissolution	48
11.02 Liquidating Distributions	48
11.03 Allocation of Sale Proceeds	49
11.04 Orderly Winding Up	50
ARTICLE XII DEFINITIONS	50
12.01 Terms Defined Elsewhere in the Agreement	50
12.02 Other Definitions	55
ARTICLE XIII GENERAL PROVISIONS	62
13.01 Offset and Withholding	62
13.02 Notices	63
13.03 Entire Agreement	63
13.04 Amendment or Modification	63
13.05 Binding Effect	64
13.06 Governing Law; Severability	64
13.07 Waiver of Certain Rights	64
13.08 Interpretation	64



**THIRD AMENDED AND RESTATED  
LIMITED LIABILITY COMPANY AGREEMENT  
OF  
CULLINAN ONCOLOGY, LLC**

This Third Amended and Restated Limited Liability Company Agreement (the “**Agreement**”) of Cullinan Oncology, LLC, a Delaware limited liability company (the “**Company**”), is made as of December 16, 2020, by and among the Persons identified as the Members on Schedule A attached hereto (each a “**Member**” and, collectively, the “**Members**”), and such other Persons who may, or have, become Members from time to time under the terms of this Agreement. Certain capitalized terms used in this Agreement are defined in Section 12.02 below.

WHEREAS, the Company has been formed as a limited liability company under the Delaware Limited Liability Company Act (as amended from time to time, the “**Act**”) on September 15, 2016, by the filing of a Certificate of Formation, as amended, with the office of the Secretary of State of the State of Delaware.

WHEREAS, the initial Members of the Company entered into a Limited Liability Company Agreement dated as of October 17, 2016 (the “**Initial LLC Agreement**”).

WHEREAS, the Members of the Company and the Company entered into the Amended and Restated Limited Liability Company Agreement, dated as of April 28, 2017 (as amended, the “**A&R Agreement**”), which amended and restated the Initial LLC Agreement.

WHEREAS, the Members of the Company and the Company entered into the Second Amended and Restated Limited Liability Company Agreement, dated as of October 4, 2019 (as amended, the “**Prior Agreement**”), which amended and restated the A&R Agreement and was further amended on December 19, 2019, February 21, 2020 and November 4, 2020.

WHEREAS, certain of the Members and the Company desire to amend and restate the Prior Agreement as set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises, representations and warranties and the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members hereby agree that the Prior Agreement is amended and restated in its entirety as of the date hereof to read as follows:

ARTICLE I  
ORGANIZATION AND POWERS

1.01 Organization. The Company has been formed by the filing of its Certificate of Formation with the Delaware Secretary of State pursuant to the Act. The Certificate of Formation may be amended or restated with respect to the address of the registered office of the Company in Delaware, the name and address of its registered agent in Delaware or to make corrections required by the Act as provided in the Act. Other additions to or amendments of the

Certificate of Formation shall be authorized by the Board of Directors and the Members as provided in Sections 3.04 and 13.04. The Certificate of Formation as so amended from time to time, is referred to herein as the “**Certificate**.” The Board of Directors shall deliver a copy of the Certificate and this Agreement, and any amendment thereto, to any Member if so requested.

1.02 Purpose and Powers. The principal business activity and purpose of the Company shall be to directly and/or indirectly through one or more subsidiaries engage in the development and commercialization of pharmaceutical products and in any and all other activities permitted under the Act. The business and purposes of the Company, however, shall not be limited to its initial principal business activity, and if the Board of Directors otherwise determines, it shall have authority to engage in any other lawful business, purpose or activity permitted by the Act and shall possess and may exercise all of the powers and privileges granted by the Act or which may be exercised by any other person, together with any powers incidental thereto, so far as such powers or privileges are necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Company. Notwithstanding the above, the business and activities of the Company shall be subject to the conditions and restrictions provided in this Agreement, including Sections 9.04 and 9.05.

1.03 Principal Place of Business. The principal office and place of business of the Company shall initially be 1 Main Street, Cambridge, MA 02142. The Company may locate its place of business at any other place or places as the Board of Directors may, from time to time, deem advisable.

1.04 Fiscal Year. Except as may otherwise be required by the federal tax laws, the fiscal year of the Company for both financial and tax reporting purposes shall end on December 31 (the “**Fiscal Year**”).

1.05 Qualification in Other Jurisdictions. The Board of Directors shall cause the Company to be qualified or registered under applicable laws of any jurisdiction in which the Company owns property or engages in activities and shall be authorized to execute, deliver and file any certificates and documents necessary to effect such qualification or registration, including, without limitation, the appointment of agents for service of process in such jurisdictions, if such qualification or registration is necessary or desirable to permit the Company to own property and engage in the Company’s business in such jurisdictions.

1.06 Tax Status. The Company is intended to be classified as a partnership for federal and state income tax purposes, and each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with and actions necessary to obtain such treatment (unless contrary treatment is intended pursuant to Section 10.09 or otherwise approved by the Board of Directors). This classification for tax purposes shall not create or imply a general partnership, limited partnership or joint venture for state law or any other purpose.

ARTICLE II  
MEMBERS; CAPITAL STRUCTURE

2.01 Members. The Members of the Company shall be the Persons identified on Schedule A hereto, as may be amended from time to time by the Company to reflect any Permitted Transfers and further issuances of Units that are permitted under this Agreement. The Members shall have only such rights with respect to the Company as specifically provided in this Agreement and as required by non-waivable provisions of the Act.

2.02 Compliance with Securities Laws and Other Laws and Obligations. Each Member hereby represents and warrants to the Company and acknowledges that (a) it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Company and making an informed investment decision with respect thereto, (b) it is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time and understands that, except in connection with a Permitted Transfer in accordance with the applicable terms of this Agreement, the Member has no right to withdraw and/or have its Units repurchased by the Company, (c) it is acquiring Units in the Company for investment only and not with a view to, or for resale in connection with, any distribution to the public or public offering thereof, (d) unless the Member holds only Company Options issued pursuant to the 2020 Unit Option and Grant Plan and/or Non-Voting Incentive Units, the Member is an “accredited investor” as defined in Rule 501 under the Securities Act of 1933, as amended (the “**Securities Act**”), (e) it understands that the Units in the Company have not been registered under the securities laws of any jurisdiction and cannot be disposed of unless they are subsequently registered and/or qualified under applicable securities laws, or in accordance with an applicable exemption therefrom, and the provisions of this Agreement have been complied with, and (f) the execution, delivery and performance of this Agreement does not require it to obtain any consent or approval that has not been obtained and do not contravene or result in a default under any provision of any existing law or regulation applicable to it, any provision of its charter, by-laws or other governing documents (if applicable) or any agreement or instrument to which it is a party or by which it is bound.

2.03 Meetings of the Members

(a) The Members may hold meetings at such time and place and use such procedures as the Board of Directors may reasonably determine from time to time. Meetings of the Members may be called at any time by (i) the affirmative vote of the Members holding at least sixty percent (60%) of the outstanding Capital Units, voting together as a single class (the “**Majority Interest**”), or (ii) the consent of a majority of the Board of Directors, in either case, upon twenty-four (24) hours written or electronic mail notice. Notice of any such meeting may be waived by any Member upon either the signing of a written waiver thereof or presence at a meeting by such Member as provided herein.

(b) At any meeting of the Members, the Members representing a Majority Interest shall constitute a quorum. Less than a quorum may adjourn any meeting from time to time and the meeting may be held as adjourned without further notice upon reaching a quorum.

(c) Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting and without any notice to the Members upon the written consent of the requisite percentage of the class or classes of the Members entitled to vote on such matter. The Secretary of the Company shall provide prompt written notice to the other Members of any action so taken.

2.04 Voting. Except as otherwise provided by the Act or by this Agreement, holders of Preferred Units shall vote together with the holders of Common Units as a single class. Any action to be taken by the Members shall require the approval of a Majority Interest, unless a different threshold is specifically required by the Act or this Agreement. Unless otherwise provided by the Act, the Non-Voting Incentive Units shall not carry the right to vote on any matter under this Agreement or under the Act, including without limitation, with respect to any amendment or restatement of this Agreement or the merger, consolidation, conversion or dissolution of the Company. Except as otherwise provided herein, on any matter to be approved by the Members, (i) each Common Unit shall carry the right to cast one vote per Common Unit, (ii) each Series Seed Preferred Unit shall carry the right to cast the number of votes equal to the Adjustment Ratio for the Series Seed Preferred Units that is in effect as of the record date for determining Members entitled to vote on such matter, (iii) each Series A Preferred Unit shall carry the right to cast the number of votes equal to the Adjustment Ratio for the Series A Preferred Units that is in effect as of the record date for determining Members entitled to vote on such matter, (iv) each Series B Preferred Unit shall carry the right to cast the number of votes equal to the Adjustment Ratio for the Series B Preferred Units that is in effect as of the record date for determining Members entitled to vote on such matter and (v) each Series C Preferred Unit shall carry the right to cast the number of votes equal to the Adjustment Ratio for the Series C Preferred Units that is in effect as of the record date for determining Members entitled to vote on such matter. For illustrative purposes only, if the Adjustment Price for the Series Seed Preferred Units is \$0.125 as of the record date for determining Members entitled to vote on a matter, each Series Seed Preferred Unit shall be entitled to two (2) votes (the quotient obtained by dividing the Series Seed Original Issue Price (\$0.25) by such Adjustment Price).

2.05 Limitation of Liability of Members. Except as otherwise provided in the Act, no Member shall be obligated personally for any debt, obligation or liability of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Member of the Company. Except as otherwise provided in the Act or expressly in this Agreement or by another writing signed by a Member, such Member shall have no fiduciary or other duty with respect to the business and affairs of the Company, and such Member shall not be liable to the Company for acting in good faith reliance upon the provisions of this Agreement. No Member shall have any obligation to contribute to, or in respect of, the liabilities or obligations of the Company or return distributions made by the Company except as required by the Act or other applicable law. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Agreement or the Act shall not be grounds for making its Members (including, without limitation, the Partnership Representative) responsible for the liabilities of the Company.

2.06 Authority. Unless specifically authorized by this Agreement or by the Board of Directors, no Member shall be an agent of the Company or have any right, power or authority to act for or to bind the Company, or to undertake or assume any obligation or responsibility of the Company or any other Member.

2.07 No Right to Withdraw. Except in connection with a Permitted Transfer in accordance with the applicable terms of this Agreement, no Member shall have any right to resign or withdraw from the Company without the consent of the Board of Directors. No Member shall have any right to receive any distribution or the repayment of its Capital Contribution, except as provided in ARTICLE VIII, upon dissolution and liquidation of the Company. No interest or other compensation shall be paid on or with respect to the Capital Contribution of any of the Members, except as expressly provided herein. No Member shall have any right to have the fair value of its interest in the Company appraised and paid out upon its resignation or withdrawal.

2.08 Rights to Information.

(a) Operating Budget. Each year as soon as reasonably practicable following preparation thereof, the Officers shall cause to be furnished to the Board of Directors the proposed capital and operating budget of the Company and its subsidiaries for such Fiscal Year, setting forth revenue, anticipated expenses and cash position on a monthly basis. Any such budget shall be subject to the Board of Directors' approval and the Board of Directors may make such changes as the Board of Directors deems necessary or appropriate.

(b) Financial Statements. For as long as any of the Preferred Units originally issued remain outstanding, the Board of Directors shall deliver or cause the Officers to deliver to each Preferred Member the following:

(i) as soon as reasonably practicable, but in no event more than 120 days after the end of each Fiscal Year, a report of the activities of the Company (consolidated with its subsidiaries) for the preceding Fiscal Year, including a statement of all fees paid and distributions made to the Members during the Fiscal Year with a comparison to the amounts budgeted for such Fiscal Year, and audited financial statements for the Fiscal Year of the Company consisting of a balance sheet, a statement of income, and a statement of cash flows, certified by certified public accountants selected by the Company who are acceptable to a majority of the Board of Directors and prepared in accordance with U.S. generally accepted accounting principles consistently applied;

(ii) as soon as reasonably practicable, but in no event more than forty-five (45) days after the end of each fiscal quarter, an updated capitalization table;

(iii) as soon as reasonably practicable, but in no event more than forty-five (45) days after the end of each of the first three fiscal quarters of the Company in each Fiscal Year, unaudited financial statements of the Company (consolidated with its subsidiaries) for the fiscal quarter consisting of a balance sheet and statements of income and cash flows;

(iv) as soon as reasonably practicable, but in any event at least forty-five (45) days before the end of each Fiscal Year, the capital and operating budget of the Company and its subsidiaries for the next Fiscal Year, setting forth revenue, anticipated expenses and cash position on a monthly basis as approved by the Board of Directors; and

(v) with reasonable promptness, such other information and data as such Preferred Member may from time to time reasonably request.

(c) Other Information Requests. For as long as any of the Preferred Units originally issued remain outstanding, any Preferred Member, at any reasonable time during normal business hours after reasonable advance notice to the Company and at such Preferred Member's own expense, upon request from such Preferred Member, will be granted access to the Company's facilities and personnel for the purposes of examining the Company's books of account and records and discussing the Company's affairs, finances and accounts. Furthermore, the Company agrees that it shall promptly respond to any requests for information from a Preferred Member necessary for such Preferred Member's regulatory compliance programs, including without limitation programs related to compliance with the U.S. Foreign Corrupt Practices Act and any foreign equivalents.

(d) Non-Voting Incentive Unit Holders and Common Unit Holders. Each Member that holds no Units other than Non-Voting Incentive Units and/or Common Units acknowledges and agrees that the contents of Schedule A are confidential and that the Board of Directors shall be entitled, in its sole discretion, to restrict access to some or all of Schedule A; provided, that each Member shall be entitled to receive (i) all information regarding such Member on Schedule A and (ii) the total number of each series or class of Units outstanding. Notwithstanding anything to the contrary herein, a Member that holds no Units other than Non-Voting Incentive Units and/or Common Units shall not be entitled to any information from or about the Company, other than the information required to be reported on such Member's federal Form K-1 and any equivalent state income tax information forms.

(e) Termination. The covenants set forth in Section 2.08 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO or (ii) upon a Change of Control, whichever event occurs first.

## 2.09 Confidential Information

(a) Each Member agrees that such Member shall not use or disclose to others any Confidential Information received from the Company or from any other Member for any purpose other than for the purpose of monitoring such Member's investment in the Company or for the benefit of the Company, as determined by the Board of Directors, or as required by law or order of court, government authority or arbitrator. The restrictions imposed by this Section 2.09 shall continue to apply to a former Member, notwithstanding such Member's withdrawal from the Company or Transfer of its Units. Notwithstanding the foregoing, the restrictions on disclosure set forth in this Section 2.09 shall not apply to any Confidential Information to the extent that such information can be shown to have been: (i) generally available to the public other than as a result of a breach of the provisions of this Agreement; (ii) already in the possession of the receiving Person, without any restriction on disclosure, prior to any disclosure of such information to the receiving Person by or on behalf of the Company or any Member pursuant to the terms of this Agreement or otherwise; (iii) lawfully disclosed, without any restriction on additional disclosure, to the receiving Person by a third party who is free lawfully to disclose the same; or (iv) independently developed by the receiving Person without use of any Confidential Information. The restrictions on disclosure set forth in this Section 2.09 shall also not apply to any Confidential Information that is disclosed to (A) any limited or general partner, member, parent, subsidiary or Affiliate of any Member, or any employee of any of the foregoing in the ordinary course of business, provided that such Member informs such Person that such information is confidential and requires such Person to maintain the confidentiality of such information, (B) any attorney, auditor or accountant of such Member to the extent necessary to obtain their services in monitoring such Member's investment in the Company and who are under obligations to maintain confidentiality, (C) with respect to a Member that is a registered investment company within the meaning of the Investment Company Act of 1940, as amended, or an Affiliate thereof, in connection with its required investment reporting practices, or (D) any prospective purchaser of a Member's Units (provided that such prospective purchaser agrees to be bound by the provisions of this Section 2.09(a)).

(b) Notwithstanding anything to the contrary contained herein, the Company acknowledges that certain Members are in the business of professional investing or venture capital investing and therefore review the business plans and related proprietary information of many enterprises, including enterprises that may have products or services that compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict such Members from evaluating, or purchasing securities, including publicly traded securities, of any other enterprises or investing or participating in any particular enterprise whether or not such enterprise has products or services that compete with those of the Company and the Company hereby agrees that, to the extent permitted under applicable law, such professional or venture capital investors shall not be liable to the Company for any claim arising out of, or based upon, (i) the investment by such professional or venture capital investors in any entity competitive with the Company, or (ii) actions taken by any partner, officer, employee or other representative thereof to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; provided, however, that the foregoing shall not relieve (x) any of the Members from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement, or (y) any director or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

(c) The Company and each Member shall use reasonable efforts not to disclose the names of any of the Affiliates of any Member except as required by law or order of any court or governmental authority or any arbitration order (in which case, after giving reasonable notice thereof to any such Affiliate to allow such Person the opportunity to oppose such disclosure if the Member has made reasonable efforts to maintain its secrecy and the identity of the Affiliate is not generally known to the public).

(d) Notwithstanding the foregoing, each Member (and each employee, representative, or other agent of the Member) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of, and tax strategies relating to, the Company and all transactions and investments of the Company or in which the Company participates, and all materials of any kind (including opinions or other tax analyses) that are provided to the Member relating to such tax treatment, tax structure or tax strategies.

## 2.10 Units.

(a) All interests of Members in distributions and other amounts specified herein shall be represented by their units of membership interests in the Company (each a “Unit” and, collectively, the “Units”). There shall be two (2) classes of Units: “**Capital Units**” (which initially shall be comprised solely of the “**Preferred Units**” and the “**Common Units**”) and the “**Non-Voting Incentive Units**.” The Company may issue fractional Units. Except as otherwise provided herein, on any matter to be approved by the Members, each Unit shall carry the right to cast one (1) vote per Unit on any matter to be approved by the Members.

(b) The Preferred Units shall be comprised initially of (i) the “**Series Seed Preferred Units**”, (ii) the “**Series A Preferred Units**”, all of which shall initially be comprised of one sub-series, the “**Series A1 Preferred Units**”, (iii) the “**Series B Preferred Units**”, and (iv) the “**Series C Preferred Units**”. The Series Seed Preferred Units, Series A Preferred Units, Series B Preferred Units, Series C Preferred Units, Common Units and Non-Voting Incentive Units shall have the respective rights, preferences, privileges and restrictions set forth in this Agreement. The Company is authorized to issue from time to time up to an aggregate of 244,609,419 Units, as follows: (i) 195,740,065 shall be Preferred Units, 16,000,000 of which shall be designated Series Seed Preferred Units, 50,000,000 of which shall be designated Series A Preferred Units, all of which are designated as Series A1 Preferred Units, 63,141,020 of which shall be designated Series B Preferred Units, 66,599,045 of which shall be designated Series C Preferred Units, (ii) 36,972,854 shall be Common Units, and (iii) 11,896,500 shall be Non-Voting Incentive Units. Each authorized Unit may be issued pursuant to such agreements as the Board of Directors or a committee thereof shall approve.

(c) The Board of Directors may, subject to Section 3.04, authorize the Company to create and, for such consideration as the Board of Directors may deem appropriate, issue such Units or additional classes or series of Units, having such designations, preferences and relative, participating or other special rights, powers and duties, as the Board of Directors shall determine, including, without limitation: (i) the right of any such class or series of Units to share in Company Distributions; (ii) the allocation to any such class or series of Units of items of Company income, gains, losses and deductions; (iii) the rights of any such class or series of Units upon dissolution or liquidation of the Company; and (iv) the right of any such class or series of Units to vote on matters relating to the Company and this Agreement. The Members understand and agree that rights afforded to any additional classes or series of Units (including, without limitation, rights to Company Distributions) will result in a reduction and/or dilution in the rights of then outstanding Units. The Board of Directors may, subject to Sections 3.04 and 13.04 of this Agreement, amend any provision of this Agreement, and authorize any Person to execute, swear to, acknowledge, deliver, file and record, if required, such documents, to the extent necessary or desirable to reflect the admission of any additional Member to the Company or the authorization and issuance of such class or series of Units, and the related rights and preferences thereof.



(d) The Board of Directors may issue Non-Voting Incentive Units to employees or directors of, or consultants or advisors to, the Company or any of its subsidiaries pursuant to a plan, agreement or arrangement (and any amendments thereto) approved by the Board of Directors. Non-Voting Incentive Units may be issued subject to vesting, forfeiture and repurchase pursuant to separate agreements, the provisions of which may be determined, altered or waived in the sole discretion of the Board of Directors. Unless otherwise approved by the Board of Directors, all Non-Voting Incentive Units issued after the date hereof shall vest over a four (4) year period, with the first twenty-five percent (25%) of such Non-Voting Incentive Units vesting on the twelve (12) month anniversary of the vesting start date and the remaining Non-Voting Incentive Units vesting in equal monthly installments over the following thirty-six (36) months.

(e) In connection with the issuance of Non-Voting Incentive Units, the Board of Directors may set a strike price with respect to such Non-Voting Incentive Units (the “**Strike Price**”). The Strike Price with respect to each such Non-Voting Incentive Unit will be determined by the Board of Directors and will be at least equal to the amount that would be distributed in respect of a Common Unit (which for the avoidance of doubt, is not subject to a Strike Price) in a hypothetical liquidation of the Company on the date of issuance of such Non-Voting Incentive Unit in which the Company sold its assets for their Fair Market Value, satisfied its liabilities (excluding any non-recourse liabilities to the extent the balance of such liabilities exceeds the fair market value of the assets that secure them) and distributed the net proceeds to the holders of Units in liquidation of the Company. The Board of Directors may adjust the Strike Price as appropriate (i) to reflect the consideration, if any, paid in connection with any issuance of Non-Voting Incentive Units, (ii) to reflect an increase to the Fair Market Value of the Company’s assets that is attributable to Capital Contributions made to the Company in respect of other Units and (iii) when and as permitted pursuant to any award agreement. The determination of the Board of Directors of the Strike Price shall be final, conclusive and binding on all Members. In the event the Board of Directors issues additional Non-Voting Incentive Units with a Strike Price lower than the Strike Price associated with a prior issuance of Non-Voting Incentive Units, the Board of Directors may, in its sole discretion, reduce the Strike Price of the Non-Voting Incentive Units issued at the higher Strike Price. Each Non-Voting Incentive Unit that has an associated Strike Price is intended to be a “profits interest” within the meaning of IRS Revenue Procedures 93-27 and 2001-43 and is issued with the intention that under current interpretations of the Code the recipient will not realize income upon the issuance of such Non-Voting Incentive Unit, and that neither the Company nor any Member is entitled to any deduction either immediately or through depreciation or amortization as a result of the issuance of such Non-Voting Incentive Unit. Any Person holding a Unit subject to a vesting arrangement shall make a timely Code Section 83(b) election in accordance with Treasury Regulation 1.83-2 with respect to each such Unit (to the extent applicable).

(f) Except as provided in Section 2.10(h), no Person shall be admitted as a new Member of the Company unless and until the Board of Directors has approved the admission of such Person as a new Member and such Person has executed this Agreement or a counterpart hereto and such other documents or agreements as the Board of Directors may request reasonably in connection with such admission.

(g) The Units may, but need not, be represented by a Unit certificate (a “**Unit Certificate**”), as determined by the Board of Directors. Each Unit Certificate, if any, shall be issued in such form as approved by the Board of Directors.

(h) Subject to Sections 3.08 and 3.09, the Board of Directors may authorize the Company to issue Options to purchase Common Units. Upon the exercise of any such Options, the payment of any exercise price and the execution of this Agreement or a counterpart hereto by the holder of such Options, such holder shall automatically, with no further action required by the Board of Directors or the Person exercising the Option(s), be admitted as a new Member of the Company. Notwithstanding anything else contained in this Agreement to the contrary, no Options shall have the rights or powers associated with the underlying Common Units, including with respect to the right to cast votes on any matter to be approved by the Members or the right to receive distributions in respect of such Common Units, until such Options are duly exercised in accordance with the terms thereof and the 2020 Unit Option and Grant Plan. No Units underlying Options shall be deemed outstanding until the exercise of the respective Options in accordance with the terms thereof and the 2020 Unit Option and Grant Plan.

## 2.11 Adjustments for Dilutive Issues.

### (a) No Adjustments.

(i) No adjustment in the Adjustment Price to Series Seed Preferred Units shall be made to such class of Units as the result of the issuance or deemed issuance of Additional Units if the Company receives written notice from, in the case of the Series Seed Preferred Units, Members holding at least sixty percent (60%) of the outstanding Series Seed Preferred Units, voting together as a single class, it being agreed that no such adjustment shall be made to such class of Units as the result of the issuance or deemed issuance of such Additional Units.

(ii) No adjustment in the Adjustment Price to Series A Preferred Units shall be made to such class of Units as the result of the issuance or deemed issuance of Additional Units if the Company receives written notice from, in the case of the Series A Preferred Units, Members holding at least sixty percent (60%) of the outstanding Series A Preferred Units, voting together as a single class, it being agreed that no such adjustment shall be made to such class of Units as the result of the issuance or deemed issuance of such Additional Units.

(iii) No adjustment in the Adjustment Price to Series B Preferred Units shall be made to such class of Units as the result of the issuance or deemed issuance of Additional Units if the Company receives written notice from, in the case of the Series B Preferred Units, Members holding at least a majority of the outstanding Series B Preferred Units, voting together as a single class, it being agreed that no such adjustment shall be made to such class of Units as the result of the issuance or deemed issuance of such Additional Units.

(iv) No adjustment in the Adjustment Price to Series C Preferred Units shall be made to such class of Units as the result of the issuance or deemed issuance of Additional Units if the Company receives written notice from, in the case of the Series C Preferred Units, Members holding at least a majority of the outstanding Series C Preferred Units, voting together as a single class, it being agreed that no such adjustment shall be made to such class of Units as the result of the issuance or deemed issuance of such Additional Units.

(b) Adjustment of Adjustment Price Upon Issuance of Additional Units. In the event the Company shall at any time after the date of this Agreement issue Additional Units, without consideration or for a consideration per share less than the Adjustment Price for a class of Preferred Units in effect immediately prior to such issue, then such Adjustment Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$P = ((P_1 * Q_1) + (P_1 * Q_2)) / (Q_1 + Q_3)$$

For purposes of the foregoing formula, the following definitions shall apply:

- (A) "P" shall mean the Adjustment Price in effect immediately after such issuance of Additional Units
- (B) "P<sub>1</sub>" shall mean the Adjustment Price in effect immediately prior to such issuance of Additional Units;
- (C) "Q<sub>1</sub>" shall mean the number of Units Deemed Outstanding immediately prior to such issue of Additional Units;
- (D) "Q<sub>2</sub>" shall mean the number of Units that would have been issued if such Additional Units had been issued at a price per Unit equal to P<sub>1</sub> (determined by dividing the aggregate consideration received by the Company in respect of such issue by P<sub>1</sub>); and
- (E) "Q<sub>3</sub>" shall mean the number of Additional Units issued in such transaction.

(c) Determination of Consideration. For purposes of this Section 2.11, the consideration received by the Company for the issue of any Additional Units shall be computed as follows:

(i) Cash and Property: Such consideration shall:

- (A) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Company, excluding amounts paid or payable for accrued interest;
- (B) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors (including at least one (1) Preferred Director); and

(C) in the event Additional Units are issued together with other units or securities or other assets of the Company for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board of Directors (including at least one (1) Preferred Director).

(d) Multiple Closing Dates. In the event the Company shall issue on more than one date Additional Units that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Adjustment Price, then, upon the final such issuance, the number of the issued and outstanding Preferred Units shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

2.12 Adjustment for Splits and Combinations. If the Company shall at any time or from time to time after the date of this Agreement effect a subdivision of the outstanding Units, the Adjustment Price in effect immediately before that subdivision shall be proportionately decreased. If the Company shall at any time or from time to time after the date of this Agreement combine the outstanding Units, the Adjustment Price in effect immediately before the combination shall be proportionately increased. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

2.13 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Adjustment Price pursuant to Section 2.11 or Section 2.12, the Company at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Preferred Member a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, as promptly as reasonably practicable after the written request at any time of any Preferred Member (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Adjustment Price and Adjustment Ratio then in effect, and (ii) such holder's Percentage Interest.

2.14 "Bad Actor" Voting Restrictions. In the event the Company proposes an offering of its securities in reliance on Rule 506 of the Securities Act, the Company intends to conduct an inquiry of all Members that beneficially own 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power (each, a "**20% Holder**") as to whether any 20% Holder or any Rule 506(d) Related Party of such 20% Holder is a "bad actor" within the meaning of Rule 506(d) promulgated under the Securities Act (a "**Bad Actor**") and whether such 20% Holder or any Rule 506(d) Related Party are subject to any of the Bad Actor disqualifying events described in Rule 506(d)(1)(i) to (viii) promulgated under the Securities Act (a "**Bad Actor Disqualification Event**"). If (a) any 20% Holder fails to provide any requested information to the Company within ten (10) business days of the date of the request therefor or (b) any 20% Holder indicates that it or any Rule 506(d) Related Party of such 20% Holder is a Bad Actor, then, such 20% Holder agrees that it shall not cast any vote in respect of shares of the Company's securities beneficially owned by such 20% Holder that are equal to or in excess of 20% of the Company's outstanding voting equity securities, calculated on the basis of voting power. Notwithstanding the foregoing, the voting restrictions under this Section 2.14 shall cease as to a 20% Holder at such time as such 20% Holder certifies or recertifies to the Company that neither it nor any of its Rule 506(d) Related Parties is a Bad Actor.

2.15 Notification of a Bad Actor Disqualification Event. Each Member that is a 20% Holder hereby agrees that it shall notify the Company promptly (which in no event shall be more than 7 business days) in writing in the event a Bad Actor Disqualification Event becomes applicable to such Member or any of its Rule 506(d) Related Parties, except, if applicable, for a Bad Actor Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable.

ARTICLE III  
BOARD OF DIRECTORS; CERTAIN GOVERNANCE MATTERS

3.01 Board of Directors. The business of the Company shall be managed by a Board of Directors (the “**Board of Directors**”) who may exercise all the powers of the Company, except as otherwise provided by law or by this Agreement, and by any committees that the Board of Directors may from time to time establish. In the event of a vacancy in the Board of Directors, the remaining Directors, except as otherwise provided by law, may exercise the powers of the full Board of Directors until the vacancy is filled. A Director shall be the equivalent of a “Manager” for all purposes under the Act.

3.02 Composition of the Board of Directors.

(a) The Board of Directors shall consist of one or more members. The number of Directors shall initially be seven (7).

(b) From and after the date of this Agreement, each Member shall vote, or cause to be voted, all Units and all other voting securities of the Company presently owned or hereafter acquired by such Member, or over which such Member has voting control, at any meeting of the Members called for the purpose of filling positions on the Board of Directors, or to execute a written consent in lieu of a meeting of the Members, for purpose of filling positions on the Board of Directors to fix the number of Directors at seven (7) and to elect and continue in office as Directors the following:

(i) For so long as UBS Oncology Impact Fund L.P. or its Affiliates (“**OIF**”), holds at least 10% of its originally issued Series A Preferred Units, one (1) person (the “**OIF Director**”), designated by OIF who initially shall be Ansbert Gadicke;

(ii) For so long as F2 Ventures or its Affiliates (“**F2**”) holds at least 10% of its originally issued Series A Preferred Units, one (1) person (the “**F2 Director**”) and together with the OIF Director, collectively the “**Series A Preferred Directors**”), designated by F2 who initially shall be Morana Jovan;

(iii) For so long as Cowen and Baupost jointly hold at least 10% of their originally issued Series B Preferred Units, one (1) person (the “**Series B Preferred Director**” and together with the Series A Preferred Directors, the “**Preferred Directors**”), designated jointly by Cowen and Baupost who initially shall be Tim Anderson;

(iv) The CEO (the “**CEO Director**”), who shall initially be Owen Hughes, provided that if for any reason the CEO Director shall cease to serve as the CEO, each of the Members shall promptly vote their respective Units (A) to remove the former CEO from the Board of Directors if such person has not resigned as a member of the Board of Directors and (B) to elect such person’s replacement as the CEO as the new CEO Director;

(v) Two (2) people, mutually acceptable to a majority of the other members of the Board of Directors, including all of the Lead Directors, who shall initially be Tony Rosenberg and Thomas Ebeling (the “**Independent Directors**”); and

(vi) One (1) independent person who does not have an affiliation with any of the Members or the Company, who shall be designated by a majority of the Preferred Directors and subject to the mutual satisfaction of the Board, who initially shall be Stephen Webster.

(c) In the event that the Member or Members that has or have the right to designate a Director pursuant to clause (b) above requests that the Director so designated by such Member or Members be removed (with or without cause), by written notice to the other holders of Units, then in such case, such Director shall be removed and each Member hereby agrees to vote all Units, and all other voting securities of the Company over which such Member has voting control, to effect such removal upon such request. Each Member agrees not to vote any Units having voting power, or any voting securities over which such Member has voting control, to remove any Director other than pursuant to this clause (c).

(d) Except as otherwise provided by law or by this Agreement, Directors shall hold office until their successors are elected and duly qualified or until their earlier death, disability, resignation or removal. Any Director may resign by delivering his or her written resignation to the Company. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) The Company shall permit up to: one (1) representative of Baupost, one (1) representative from AIG, one (1) representative from Emerson Collective Investments LLC (“**Emerson**”), one (1) representative from Schooner Capital (“**Schooner**”), and one (1) representative from Foresite, each of whom shall be designated from time to time, to attend all meetings of its Board, any committee thereof, or any board of any subsidiary of the Company, in a nonvoting observer capacity (each such representative, a “**Board Observer**”) and, in this respect, shall give such representative copies of all notices, minutes, consents, and other documents or materials that it provides to its members at the same time and in the same manner as provided to such members; provided, however, that Baupost, AIG, Emerson, Schooner and Foresite shall each cause its respective representative to hold in confidence such information to the same extent as provided in Section 2.09 above; provided further, the Company reserves the right to withhold any information and/or exclude any such representative from any meeting or portion thereof to the extent that the Company reasonably believes that the disclosure of which or that the inclusion of such representative would adversely affect the attorney-client privilege between the Company or its Affiliates and its counsel. Notwithstanding the preceding provisions of this Section, the absence of any such representative from any meeting or the failure of any such representative to participate in any consent shall not affect the existence of a quorum of the validity of any action taken.

3.03 Powers and Duties of the Directors.

(a) Subject in all cases to the provisions of Section 3.03(b) and Section 3.04 and any applicable consents that must be obtained thereunder or otherwise under this Agreement, the Board of Directors shall have and may exercise on behalf of the Company all of its rights, powers, duties and responsibilities under Section 1.02 or as otherwise provided by law or this Agreement, including without limitation the right and authority:

(i) to manage the business and affairs of the Company and its subsidiaries and for this purpose to employ, retain or appoint any officers, employees, consultants, agents, brokers, professionals or other Persons in any capacity with the Company or its subsidiaries for such compensation and on such terms as the Board of Directors deems necessary or desirable and to delegate to such Persons such of its duties and responsibilities as the Board of Directors shall determine, and to remove such Persons or revoke their delegated authority on such terms or under such conditions as the Board of Directors shall determine;

(ii) to form, manage, dissolve and make capital contributions to any subsidiaries of the Company;

(iii) to merge or consolidate the Company or any of its subsidiaries with or into any other entity or otherwise effect the sale of the Company and its business;

(iv) to acquire or invest in other entities or businesses directly or indirectly through one or more subsidiaries;

(v) to enter into, execute, deliver, acknowledge, make, modify, supplement or amend any documents or instruments in the name of the Company;

(vi) to borrow money or otherwise obtain credit and other financial accommodations on behalf of the Company or any of its subsidiaries on a secured or unsecured basis and to perform or cause to be performed all of the Company's obligations in respect of its indebtedness or guarantees and any mortgage, lien or security interest securing such indebtedness;

(vii) to issue additional Units, Options or other rights or other interests in the Company and to designate additional classes of interest in the Company as provided in Section 2.10;

(viii) to designate one of the Members to serve as the “Partnership Representative” of the Company for purposes of Section 6223 of the Code (the “**Partnership Representative**”) with power to manage and represent the Company in any administrative proceeding of the Internal Revenue Service; and

(ix) to take any actions in connection with any of the matters set forth in Section 3.04.

(b) Matters Requiring Preferred Director Consent. For so long as the holders of Preferred Units are entitled to elect the Preferred Directors, the Company shall not, without the approval (or written consent) of the Board of Directors, which approval must include the affirmative vote of at least two of the Preferred Directors:

(i) make, or permit any subsidiary to make, any loan or advance to, or own any stock or other securities of, any subsidiary or other corporation, partnership, or other entity unless it is wholly owned by the Company;

(ii) make, or permit any subsidiary to make, any loan or advance to any Person, including, without limitation, any employee or Director of the Company or any subsidiary, except advances and similar expenditures in the ordinary course of business or under the terms of an employee unit or option plan approved by the Board of Directors;

(iii) guarantee, or permit any subsidiary to guarantee, any indebtedness except for trade accounts of the Company or any subsidiary arising in the ordinary course of business;

(iv) make, or permit any subsidiary to make, any investment inconsistent with any investment policy approved by the Board of Directors;

(v) incur, or permit any subsidiary to incur, any aggregate indebtedness in excess of \$100,000 that is not already included in a budget approved by the Board of Directors, other than trade credit incurred in the ordinary course of business;

(vi) enter into or be a party to, or permit a subsidiary to enter into or be a party to, any transaction with any Director, Officer, or employee of the Company or any “associate” (as defined in Rule 12b-2 promulgated under the Exchange Act) of any such Person, except for transactions contemplated by this Agreement;

(vii) hire, terminate, or change, or permit any subsidiary to hire, terminate, or change, the compensation of the executive officers, including approving any option grants or unit awards;

(viii) change the principal business of the Company and its subsidiaries, enter new lines of business, or exit the current line of business;



(ix) sell, assign, license, pledge or encumber, or permit any subsidiary to sell, assign, license, pledge or encumber, any material technology or intellectual property, other than non-exclusive licenses granted in the ordinary course of business; or

(x) enter into any corporate strategic relationship, or permit any subsidiary to enter into any corporate strategic relationship, involving payment, contribution or assignment by the Company or any subsidiary or to the Company or any subsidiary of assets greater than \$500,000.

#### 3.04 Actions Requiring Member Consent.

(a) Matters Requiring the Consent of the Requisite Preferred Holders. Notwithstanding the provisions of this Agreement, including Section 3.03, for as long as 10% of the Preferred Units originally issued are outstanding, the Company shall not, and shall not permit any subsidiary to (either directly or by amendment, merger, consolidation or otherwise), without first having obtained the affirmative vote or written consent (including by means of an authorized electronic, stamped or other facsimile signature) of the Requisite Preferred Holders:

(i) liquidate, dissolve or wind-up the affairs of the Company, whether voluntary or involuntary, or effect any merger or consolidation or any other Change of Control of the Company or enter into any agreement to do any of the foregoing;

(ii) amend, alter, or repeal any provision of this Agreement if it would adversely alter the rights, preferences, privileges or powers of or restrictions on the Preferred Units;

(iii) create or authorize the creation of, or issue, or incur any obligation to issue, any other security convertible into or exercisable for, any equity security, having rights, preferences or privileges senior to or on parity with the Preferred Units (or any sub-series thereof), including with respect to redemption and distributions to be made on liquidation or otherwise, or increase the authorized number of Preferred Units (or any sub-series thereof);

(iv) except as provided for in this Agreement, redeem, purchase or pay, or permit any subsidiary to redeem, purchase or pay, any distribution or dividend on any Units; provided, however, that this restriction shall not apply to the repurchase of Units from employees, Officers, directors, consultants or other persons performing services for the Company (i) pursuant to agreements under which the Company has the option to repurchase such Units at the lower of fair market value or cost upon the occurrence of certain events, such as the termination of employment or service, or pursuant to a right of first refusal or (ii) as approved by the Board of Directors;

(v) create or authorize the creation of any debt security other than equipment leases in the ordinary course of business;

(vi) create or hold an equity interest in any subsidiary, including a wholly-owned subsidiary, or dispose of any subsidiary equity or all or substantially all of any subsidiary assets;

(vii) increase or decrease the authorized number of Directors constituting the Board of Directors;

(viii) grant or create any lien or security interests in any of the assets of the Company or any subsidiary other than equipment in connection with equipment leases in the ordinary course of business and permitted encumbrances;

(ix) effect any tax election, decision or filing that would reasonably be expected to have a material adverse and disproportionate effect on the holders of Preferred Units relative to any other holder of Capital Units; or

(x) create or establish any new employee equity incentive plan (other than the 2020 Unit Option and Grant Plan), or increase the number of Units reserved for issuance under any such plan.

(b) Matters Requiring the Series B Vote. Notwithstanding the provisions of this Agreement, including Section 3.03, for as long as 10% of the Series B Preferred Units originally issued are outstanding, the Company shall not, and shall not permit any subsidiary to (either directly or by amendment, merger, consolidation or otherwise), without first having obtained the affirmative vote or written consent (including by means of an authorized electronic, stamped or other facsimile signature) of the Series B Vote:

(i) amend, waive, alter, or repeal any provision of this Agreement if it would adversely alter the rights, preferences, privileges, powers or obligations of or restrictions on the Series B Preferred Units or the holders of Series B Preferred Units in their capacity as such;

(ii) create or authorize the creation of, or issue, or incur any obligation to issue, any other security convertible into or exercisable for, any equity security, having rights, preferences or privileges senior to or on parity with the Series B Preferred Units, including with respect to redemption and distributions to be made on liquidation or otherwise, or increase the authorized number of Series B Preferred Units (or any sub-series thereof);

(iii) except as provided for in Section 8.02 of this Agreement, redeem, purchase, pay or make any distribution or dividend on any Units (for the avoidance of doubt, including payments in cash or in-kind and distributions pursuant to Section 8.04 of this Agreement); provided, however, that this restriction shall not apply to the repurchase of Units from employees, Officers, directors, consultants or other persons performing services for the Company pursuant to agreements under which the Company has the option to repurchase such Units at the lower of fair market value or cost upon the occurrence of certain events, such as the termination of employment or service, or pursuant to a right of first refusal;

(iv) enter into or be a party to, or permit any subsidiary to enter into or be a party to, any transaction with any Director, Officer, employee or Member of the Company or any Affiliate of any such Person, except for this Agreement, the Purchase Agreement and customary arms-length employment agreements;

(v) effect any tax election, decision or filing that would reasonably be expected to have a material adverse and disproportionate effect on the holders of Series B Preferred Units (or their direct or indirect beneficial owners) relative to any other holder of Capital Units; or

(vi) amend, waive, alter, or repeal any provision of this Agreement if it would improve the rights of other Members or Units relative to holders of Series B Preferred Units.

(c) Matters Requiring the Series C Vote. Notwithstanding the provisions of this Agreement, including Section 3.03, for as long as 10% of the Series C Preferred Units originally issued are outstanding, the Company shall not, and shall not permit any subsidiary to (either directly or by amendment, merger, consolidation or otherwise), without first having obtained the affirmative vote or written consent (including by means of an authorized electronic, stamped or other facsimile signature) of the Series C Vote:

(i) amend, waive, alter, or repeal any provision of this Agreement if it would adversely alter the rights, preferences, privileges, powers or obligations of or restrictions on the Series C Preferred Units or the holders of Series C Preferred Units in their capacity as such;

(ii) create or authorize the creation of, or issue, or incur any obligation to issue, any other security convertible into or exercisable for, any equity security, having rights, preferences or privileges senior to or on parity with the Series C Preferred Units, including with respect to redemption and distributions to be made on liquidation or otherwise, or increase the authorized number of Series C Preferred Units (or any sub-series thereof);

(iii) except as provided for in Section 8.02 of this Agreement, redeem, purchase, pay or make any distribution or dividend on any Units (for the avoidance of doubt, including payments in cash or in-kind and distributions pursuant to Section 8.04 of this Agreement); provided, however, that this restriction shall not apply to the repurchase of Units from employees, Officers, directors, consultants or other persons performing services for the Company pursuant to agreements under which the Company has the option to repurchase such Units at the lower of fair market value or cost upon the occurrence of certain events, such as the termination of employment or service, or pursuant to a right of first refusal;

(iv) enter into or be a party to, or permit any subsidiary to enter into or be a party to, any transaction with any Director, Officer, employee or Member of the Company or any Affiliate of any such Person, except for this Agreement, the Purchase Agreement and customary arms-length employment agreements;

(v) effect any tax election, decision or filing that would reasonably be expected to have a material adverse and disproportionate effect on the holders of Series C Preferred Units (or their direct or indirect beneficial owners) relative to any other holder of Capital Units; or

(vi) amend, waive, alter, or repeal any provision of this Agreement if it would improve the rights of other Members or Units relative to holders of Series C Preferred Units.

3.05 Committees of the Board of Directors. The Board of Directors may establish an audit committee, compensation committee or other committees from time to time and any such committee shall carry out such functions as may from time to time be delegated to it by the Board of Directors. All members of the audit committee and compensation committee shall be non-employee Directors and each committee shall include at least a majority of the Preferred Directors. Each Lead Director shall be entitled, in such person's discretion, to be a member of any committee of the Board of Directors that may be established by the Company from time to time or a member of any committee of any board of directors of a subsidiary established from time to time.

3.06 Chairman of the Board of Directors. The Board of Directors may elect a chairperson.

3.07 Reliance by Third Parties. Any Person dealing with the Company, the Directors or any Member may rely upon a certificate signed by all of the Directors as to: (a) the identity of any Directors or Members; (b) any factual matters relevant to the affairs of the Company; (c) the Persons who are authorized to execute and deliver any document on behalf of the Company; or (d) any action taken or omitted by the Company, the Directors or any Member.

3.08 Board Voting Rights; Meetings; Quorum.

(a) Each Director shall be entitled to one (1) vote with respect to any matter before the Board of Directors or any committee thereof.

(b) Regularly scheduled meetings of the Board of Directors may be held without notice at such time, date and place as a majority of the Directors may from time to time determine. Unless otherwise determined by the vote of a majority of the Directors then in office, the Board of Directors shall meet at least quarterly in accordance with an agreed-upon schedule. Special meetings of the Board of Directors may be called, in person, in writing or by means of electronic communication, by the chairman of the Board of Directors or any of the Directors, designating the time, date and place thereof. Directors may participate in meetings of the Board of Directors by means of telephone conference or similar communications equipment by means of which all Directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting. No Director may delegate its rights and obligations to participate in and vote at any meeting of the Board of Directors.

(c) Notice of the time, date and place of all special meetings of the Board of Directors shall be given to each Director by the Secretary or Assistant Secretary, or in case of the death, absence, incapacity or refusal of such Persons, by the Officer or one of the Directors calling the meeting. Notice shall be given to each Director in person or by facsimile or electronic mail sent to his or her business or home address at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to his or her business or home address at least seventy-two (72) hours in advance of the meeting. Notice need not be given to any Director if a written waiver of notice is executed by him before or after the meeting, or if communication with such Director is unlawful. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because such meeting is not lawfully called or convened. A notice or waiver of notice of a meeting of the Board of Directors need not specify the purposes of the meeting.

(d) At any meeting of the Board of Directors, a majority of the Board of Directors shall constitute a quorum. Less than a quorum may adjourn any meeting from time to time and the meeting may be held as adjourned without further notice upon reaching a quorum.

### 3.09 Actions of the Board of Directors and Committees.

(a) At any meeting of the Board of Directors at which a quorum is present, a majority of the Directors present may take any action on behalf of the Board of Directors, unless a larger number is required by law or by this Agreement.

(b) Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a written consent thereto is signed (including by means of an authorized electronic, stamped or other facsimile signature) by all of the Directors then in office and filed with the records of the meetings of the Board of Directors. Such consent shall be treated as a vote of the Board of Directors for all purposes.

3.10 Reimbursement of Directors. The Company shall promptly reimburse in full each Director and Board Observer for all such Director's and Board Observer's reasonable out-of-pocket expenses incurred in connection with attending any meeting of the Board of Directors or a committee thereof or any board of directors or committee thereof of a subsidiary of the Company for each Director and Board Observer with respect to service on the Board of Directors.

### 3.11 Transaction with Interested Persons.

(a) Unless entered into in bad faith, no contract or transaction between the Company or any of its subsidiaries and one of its or their Directors, Officers or Members, or between the Company or any of its subsidiaries and any other Person in which one or more of its or any of its subsidiaries' Directors, Officers or Members have a financial interest or are directors, partners, members, stockholders, officers or employees, shall be voidable solely for this reason or solely because said Member, Director or Officer was present or participated in the authorization of such contract or transaction if: (i) the material facts as to the relationship or interest of said Person and as to the contract or transaction were disclosed or known to the Board of Directors and the contract or transaction was authorized by a majority of the votes held by disinterested members of the Board of Directors (if any); or (ii) the contract or transaction was entered into on terms and conditions that were fair and reasonable to the Company as of the time it was authorized, approved or ratified. Subject to compliance with the provisions of this Section 3.11, no Member, Director or Officer interested in such contract or transaction, because of such interest, shall be considered to be in breach of this Agreement or liable to the Company, any other Member, Director or other Person for any loss or expense incurred by reason of such contract or transaction or shall be accountable for any gain or profit realized from such contract or transaction.

(b) The Company hereby renounces, to the fullest extent permitted by the Act and applicable law, any interest or expectancy of the Company in, or in being offered, an opportunity to participate in, any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, (i) any Director who is not an employee or consultant of the Company or any of its subsidiaries, or (ii) any holder of Units or any partner, member, director, stockholder, officer, employee or agent of any such holder, other than someone who is an employee of the Company or any of its subsidiaries (collectively, “**Covered Persons**”), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person’s capacity as a Director (an “**Investor Business Opportunity**”). To the fullest extent permitted by law, and solely in connection therewith, the Company hereby waives any claim against a Covered Person, and agrees to indemnify all Covered Persons against any claim, that is based on fiduciary duties, the corporate opportunity doctrine or any other legal theory which could limit any Covered Person from pursuing or engaging in any Investor Business Opportunity.

3.12 Limitation of Liability of Directors. No Director shall be obligated personally for any debt, obligation or liability of the Company or of any Member, whether arising in contract, tort or otherwise, by reason of being or acting as Director of the Company. No Director shall be personally liable to the Company or its Members for any action undertaken or omitted in good faith reliance upon the provisions of this Agreement unless the acts or omissions of the Director were not in good faith or involved gross negligence or intentional misconduct; provided, that, subject to Section 3.11, each Director shall owe, and shall act in a manner consistent with, fiduciary duties to the Company and its Members of the nature, and to the same extent, as those owed by Directors of a Delaware corporation to such corporation and its stockholders. Any Person alleging any act or omission as not taken or omitted in good faith shall have the burden of proving by a preponderance of the evidence the absence of good faith.

3.13 Confidentiality Agreement. The Company will cause each employee and consultant, now or hereafter engaged by the Company or any subsidiary, to enter into a non-disclosure, non-solicitation and proprietary information and inventions assignment agreement in a form reasonably acceptable to the Requisite Preferred Holders.

#### ARTICLE IV OFFICERS

4.01 Enumeration. Except as otherwise provided herein, the Board of Directors may delegate its powers to act on behalf of the Company to officers of the Company (each, an “**Officer**” and, collectively, the “**Officers**”), which may consist of a President (the “**President**”),

a CEO, Treasurer (the “**Treasurer**”), Secretary (the “**Secretary**”), and such other Officers, including one or more Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board of Directors may determine.

4.02 Election. The President, CEO, Treasurer and Secretary may be elected by the Directors at any meeting.

4.03 Qualification. No Officer need be a Member or Director. Any two (2) or more offices may be held by the same Person.

4.04 Tenure. Except as otherwise provided by the Act or by this Agreement, each of the Officers shall hold office until his or her successor is elected or until his or her earlier resignation or removal. Any Officer may resign by delivering his or her written resignation to the Company, and such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

4.05 Removal. The Board of Directors may remove any Officer with or without cause unless otherwise provided in a written employment agreement between the Company and the Officer that has been approved by the Board of Directors.

4.06 Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

4.07 Chief Executive Officer. The CEO shall, subject to the direction of the Board of Directors, have general supervision and control of the Company’s business. Unless otherwise provided by the Board of Directors, he or she shall preside, when present, at all meetings of the Members. Any action taken by the CEO, and the signature of the CEO on any agreement, contract, instrument or other document on behalf of the Company shall, with respect to any third party, be sufficient to bind the Company and shall conclusively evidence the authority of the CEO and the Company with respect thereto.

4.08 President. The President shall, subject to the direction of the Board of Directors and the CEO, have general supervision and control of the Company’s business. Any action taken by the President, and the signature of the President on any agreement, contract, instrument or other document on behalf of the Company shall, with respect to any third party, be sufficient to bind the Company and shall conclusively evidence the authority of the President and the Company with respect thereto.

4.09 Treasurer and Chief Financial Officer. The Treasurer and Chief Financial Officer shall, subject to the direction of the Board of Directors, have general charge of the financial affairs of the Company and shall cause to be kept accurate books of account. He or she shall have custody of all funds, securities, and valuable documents of the Company, except as the Board of Directors may otherwise provide.

4.10 Secretary and Assistant Secretaries. The Secretary shall record all the proceedings of the meetings of the Board of Directors (including committees thereof) in books kept for that purpose. In his or her absence from any such meeting an Assistant Secretary, or if there be none or he or she is absent, a temporary secretary chosen at the meeting, shall record the proceedings thereof. The Secretary shall have such other duties and powers as may be designated from time to time by the Board of Directors, the President or the CEO.

4.11 Other Powers and Duties. Subject to this Agreement, each Officer shall have, in addition to the duties and powers specifically set forth in this Agreement, such duties and powers as are customarily incident to his or her office, and such duties and powers as may be designated from time to time by the Board of Directors.

4.12 Reimbursement of Officers. The Company shall promptly reimburse in full each Officer who is not an employee of the Company for all of such Officer's reasonable out-of-pocket expenses, subject to pre-approval, incurred in connection with the performance of his or her duties as such an Officer.

## ARTICLE V INDEMNIFICATION

5.01 Right to Indemnification. Subject to the provisions of this ARTICLE V, the Company shall indemnify, to the fullest extent that would have been permissible under the Delaware General Corporation Law (as amended, the "**DGCL**") if the Company were a corporation organized and existing under the DGCL, all Indemnified Persons against expenses incurred by the Indemnified Persons in connection with any proceeding in which an Indemnified Person is involved as a result of serving in the capacity by reason of which such Person is deemed to be an "Indemnified Person" pursuant to Section 5.06(a); except to the extent caused by the bad faith, gross negligence or intentional misconduct by such Indemnified Person. Subject to the foregoing limitation, such indemnification shall be provided by the Company with respect to a proceeding in which it is claimed that the Indemnified Person received an improper personal benefit by reason of his position, regardless of whether the claim arises out of the Indemnified Person's service in such capacity, except for matters as to which it is finally judicially determined that an improper personal benefit was received by the Indemnified Person.

5.02 Primary Indemnification. Each Member acknowledges that each Indemnified Person may have certain rights to indemnification, advancement of expenses or insurance available to such Indemnified Person pursuant to other agreements or arrangements with one or more third parties, including, without limitation, a Member or its Affiliates (collectively, "**Other Indemnitors**"). The Company shall be the indemnitor of first resort (i.e., its obligations to an Indemnified Person are primary and any obligation of any Other Indemnitor to advance expenses or to provide indemnification for the same expenses or liabilities incurred by an Indemnified Person are secondary) in connection with any claims or losses arising from any matter referred to in this ARTICLE V in which an Indemnified Person may be involved or threatened to be involved, as a party or otherwise, arising out of or incident to the business or operations of the Company or any of its subsidiaries. The Company shall advance the full amount of expenses incurred by an Indemnified Person and shall be liable for the full amount of all such losses to the extent legally permitted and required by the terms of this Agreement (or any other agreement between the Company and an Indemnified Person), without regard to any rights an Indemnified Person may have against any Other Indemnitor. The Company irrevocably waives, relinquishes and releases the Other Indemnitors from any claim against the Other Indemnitors for contribution, subrogation or any other recovery of any kind in respect of any amount paid or advanced by the Company pursuant to this provision. No advancement or payment by any Other Indemnitor on behalf of an Indemnified Person with respect to any claim for which an Indemnified Person has sought indemnification from the Company shall affect the Company's obligation as primary obligor and to the extent of such advancement or payment by any of the Other Indemnitors, the Other Indemnitors shall have a right of contribution and shall be subrogated to all of the rights of recovery of an Indemnified Person against the Company. The Other Indemnitors are express third party beneficiaries of the terms of this Section 5.02. An Indemnified Person may notify the Company in writing of the existence of any Other Indemnitor in respect of such Indemnified Person, provided that the failure of an Indemnified Person to so notify the Company shall not adversely impact the rights of any Other Indemnitor under this Section 5.02.



5.03 Award of Indemnification. The determination of whether the Company is authorized to indemnify the Indemnified Persons hereunder and any award of indemnification shall be made in each instance (a) if there is more than one Indemnified Person, by a majority of the votes held by Directors who are not parties to the proceeding in question or (b) by independent legal counsel appointed by such Directors or a Majority Interest. The Company shall be obliged to pay indemnification applied for by the Indemnified Persons unless there is an adverse determination (as provided above) within forty-five (45) days after the application. If indemnification is denied, the applicant may seek an independent determination of its right to indemnification by a court, and in such event, the Company shall have the burden of proving that the applicant was ineligible for indemnification under this ARTICLE V.

5.04 Successful Defense. Notwithstanding any contrary provisions of this ARTICLE V, if the Indemnified Person has been wholly successful on the merits in the defense of any proceeding in which it was involved by reason of its position as an Indemnified Person or as a result of serving in such capacity (including termination of investigative or other proceedings without a finding of fault on the part of the Indemnified Person), the Indemnified Person shall be indemnified by the Company against all expenses incurred by the Indemnified Person in connection therewith.

5.05 Advance Payments. Except as limited by law, expenses incurred by the Indemnified Person in defending any proceeding, including a proceeding by or in the right of the Company, shall be paid by the Company to the Indemnified Person in advance of final disposition of the proceeding upon receipt of its written undertaking to repay such amount if the Indemnified Person is determined pursuant to this ARTICLE V or adjudicated to be ineligible for indemnification, which undertaking shall be an unlimited general obligation but need not be secured and may be accepted without regard to the financial ability of the Indemnified Person to make repayment.

5.06 Definitions. For purposes of this Article:

(a) “**Indemnified Person**” includes (i) a Person serving as a Director, including, without limitation, as a Preferred Director, or an Officer or in a similar executive capacity appointed by the Directors and exercising rights and duties delegated by the Directors, (ii) a Person serving at the request of the Company as a director, manager, officer, employee or other agent of another organization, including, without limitation, any subsidiary of the Company, (iii) any Person who formerly served in any of the foregoing capacities (with respect to matters relating to such services), and (iv) holders of Capital Units;

(b) “**Expenses**” means all expenses, including attorneys’ fees and disbursements, actually and reasonably incurred in defense of a proceeding or in seeking indemnification under this ARTICLE V, and except for proceedings by or in the right of the Company or alleging that the Indemnified Person received an improper personal benefit (unless it is judicially determined that the Indemnified Person satisfied the standard of conduct set forth above for indemnification), any judgments, awards, fines, penalties and reasonable amounts paid in settlement of a proceeding; and

(c) “**Proceeding**” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and any claim which could be the subject of a proceeding.

5.07 Insurance.

(a) The Company shall have the power to purchase and maintain insurance on behalf of any Director, Officer, agent or employee against any liability or cost incurred by such Person in any such capacity or arising out of its status as such, whether or not the Company would have power to indemnify against such liability or cost.

(b) The Company shall use commercially reasonable efforts to cause a Directors and Officers Errors and Omissions insurance policy to be maintained from an insurer and in an amount satisfactory to the Board of Directors, until such time as the Board of Directors, including all Preferred Directors, determines that such insurance should be discontinued.

5.08 Successor Indemnification. The indemnification provided by this ARTICLE V shall inure to the benefit of the heirs and personal representatives of the Indemnified Persons. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of Indemnified Persons as in effect immediately before such transaction, whether such obligations are contained in this Agreement, or elsewhere, as the case may be.

5.09 Non-Exclusivity. The provisions of this ARTICLE V shall not be construed to limit the power of the Company to indemnify its or any of its subsidiaries’ directors, members, equityholders, partners, officers, employees or agents to the full extent that would have been permitted by the DGCL if the Company were a corporation organized and existing under the DGCL, or otherwise permitted by law, or to enter into specific agreements, commitments or arrangements for indemnification that would have been or are so permitted. The absence of any express provision for indemnification herein shall not limit any right of indemnification existing independently of this ARTICLE V.

5.10 Amendment; Survival. The provisions of this ARTICLE V may be amended or repealed in accordance with Section 13.04; provided, however, that no amendment or repeal of such provisions that adversely affects the rights of an Indemnified Person under this ARTICLE V with respect to his, her or its acts or omissions at any time prior to such amendment or repeal, shall apply to an Indemnified Person without his, her or its consent. The obligations of the Company under this ARTICLE V shall survive any Change of Control of the Company.

ARTICLE VI  
CAPITAL CONTRIBUTIONS AND DISTRIBUTIONS

6.01 Additional Capital Contributions. Except as specified in this Agreement or in any other agreement executed by such Member and the Company, no Member shall be required to make any additional Capital Contributions to the Company.

6.02 Capital Accounts.

(a) A separate Capital Account shall be established for each Member and shall be maintained in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv) and this Section 6.02(a) shall be interpreted and applied in a manner consistent with such regulations. No Member shall have any obligation to restore any portion of any deficit balance in such Member's Capital Account, whether upon liquidation of its interest in the Company, liquidation of the Company or otherwise. In accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f), the Company may adjust the Capital Accounts of its Members to reflect revaluations (including any unrealized income, gain or loss) of the Company's property (including intangible assets such as goodwill), whenever it issues additional interests in the Company (including any interests with a zero initial Capital Account), or whenever the adjustments would otherwise be permitted under such Treasury Regulation. In the event that the Capital Accounts of the Members are so adjusted, (i) the Capital Accounts of the Members shall be adjusted in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g) for allocations of depreciation, depletion, amortization and gain or loss, as computed for book purposes, with respect to such property and (ii) the Members' distributive shares of depreciation, depletion, amortization and gain or loss, as computed for tax purposes, with respect to such property shall be determined so as to take account of the variation between the adjusted tax basis and book value of such property in the same manner as under Section 704(c) of the Code. In the event that Code Section 704(c) applies to property of the Company, the Capital Accounts of the Members shall be adjusted in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g) for allocations of depreciation, depletion, amortization, and gain and loss, as computed for book purposes with respect to such property. The Capital Accounts shall be maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any distributions to any Members in liquidation or otherwise (except with respect to Tax Distributions to the extent of any allocation that gives rise to taxable income or loss under Section 8.02).

(b) The Capital Accounts of the Members as of the date hereof are set forth on Schedule A.

(c) Except as otherwise expressly provided herein, no Member may withdraw, or shall be entitled to a return of, any portion of such Member's Capital Contribution.

ARTICLE VII  
ALLOCATIONS OF INCOME, ETC.

7.01 Allocations Generally.

(a) General Allocations. Subject to, and after applying, Section 2.10(e) and Section 7.01(b), net income or net loss, if any, shall be allocated among the Members in such ratio or ratios as may be required to cause the balances of the Members' Economic Capital Accounts to equal, as nearly as possible, their Target Balances, consistent with the provisions of Section 7.01(b).

(b) Regulatory Allocations. To the extent the allocation provisions of Section 7.01 would not comply with the Treasury Regulations under Section 704(b) of the Code, there is hereby included in this Agreement such special allocation provisions governing the allocation of income, gain, loss, deduction and credit (prior to making the remaining allocations in conformity with Section 7.01) as may be necessary to provide herein a so-called "qualified income offset," and ensure that this Agreement complies with all provisions, including "minimum gain" provisions, relating to the allocation of so-called "nonrecourse deductions" and "partner nonrecourse deductions" and the charge back thereof as are required to comply with the Treasury Regulations under Section 704(b) of the Code. In particular, so-called "nonrecourse deductions" and "excess nonrecourse liabilities," as defined in the Treasury Regulations under Sections 704(b) and 752 of the Code, shall be allocated to each Member based upon each Member's Percentage Interest.

(c) Compliance with Code Section 704(b). The allocation provisions contained in this ARTICLE VII are intended to comply with Code Section 704(b) and the Treasury Regulations promulgated thereunder and shall be interpreted and applied in a manner consistent therewith.

7.02 Tax Allocations.

(a) Subject to Section 7.02(b), (c) and (d), items of income, gain, loss, deduction, and credit to be allocated for income tax purposes shall be allocated among the Members on the same basis as the corresponding "book" items are allocated as provided in Section 7.01; provided however, that the tax items allocated to Members pursuant to this Section 7.02(a) shall not be reflected in the Member's Capital Accounts.

(b) If any assets of the Company are subject to Code Section 704(c) or reflected in the Capital Accounts of the Members at a book value that differs from the adjusted federal income tax basis of such property, then the tax items with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted federal income tax basis of such property of the Company and its book value in accordance with the requirements of Code Section 704(c), the Treasury Regulations thereunder, and Treasury Regulations Section 1.704-1(b)(4)(i).

(c) If the book value of any Company asset is adjusted pursuant to Section 6.02(a), subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its book value in the same manner as under Code Section 704(c).

(d) Allocations of tax credits, tax credit recapture, and any items related thereto shall be allocated to the holders of Units according to their interests in such items as determined by the Board of Directors taking into account the principles of Treasury Regulations Section 1.704-1(b)(4)(ii).

(e) Allocations pursuant to this Section 7.02 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any holder's Capital Account or share of book income, gain, loss or deduction, distributions or other Company items pursuant to any provision of this Agreement.

#### 7.03 Special Allocations, Tax Elections and Partnership Representative.

(a) If any interest in the Company is transferred, increased or decreased during the year, all items of income, gain, loss, deduction and credit recognized by the Company for such year shall be allocated among the Members as determined by the Board of Directors, subject to compliance with Section 706(d) of the Code. Notwithstanding the foregoing, items of income, gain, loss, deduction and credit recognized by the Company for the taxable year in which Baupost purchases the Series B Preferred Units pursuant to the Purchase Agreement shall be allocated among the Members using the "closing of the books" method, as of the end of the day on the Closing (as defined in the Purchase Agreement).

(b) The Company and the Members shall not treat any of the rights of the Members under this Agreement, including with respect to the issuance of, and economic rights of, Preferred Units, as giving rise to any guaranteed payment for capital under Section 707 of the Code.

(c) Subject to compliance with the terms of this Agreement and any express limitations herein (including Section 3.04(a)(ix) or (b)(v), the second sentence of Section 7.03(a), and Sections 9.04 and 9.05), the Board of Directors shall have the authority to make any tax elections and other tax decisions with respect to the Company, to approve any returns regarding any foreign, federal, state or local tax obligations of the Company, and to make all determinations regarding the allocation of income and loss contemplated by this ARTICLE VII.

(d) Subject to the last sentence of this Section 7.03(d) and to Section 7.03(e), the Partnership Representative shall have authority to make decisions regarding any Company tax controversy. Each Member hereby agrees (i) to take such actions as may be required to effect the appointed Member's designation as the Partnership Representative (as determined pursuant to Section 3.03(a)(viii)), (ii) to cooperate to provide any information or take such other actions as may be reasonably requested by the Partnership Representative in order to determine whether any Imputed Underpayment Amount may be modified pursuant to Code Section 6225(c), and (iii) to, upon the request of the Partnership Representative, file any amended U.S. federal income tax return and pay any tax due in connection with such tax return in accordance with Code Section 6225(c)(2); provided, however, that this clause (iii) shall not apply with respect to Baupost or Eventide with respect to any requirement to file an amended tax return. A

Member's obligation to comply with this Section 7.03(d) shall survive the transfer, assignment or liquidation of such Member's interest in the Company. Notwithstanding the foregoing the Partnership Representative shall be subject to the control of the Board of Directors pursuant to Section 7.03(c) and shall not settle or otherwise compromise any issue in any such examination, audit or other proceeding without first obtaining approval of the Board of Directors.

(e) The Partnership Representative (and, if different, the Company) will give notice to Baupost, Rock Springs, Eventide and Foresite within a reasonable period of time following the receipt of notice that the IRS or any other taxing authority intends to examine or audit any income tax returns of the Company. The Partnership Representative will keep Baupost, Rock Springs, Eventide and Foresite reasonably informed of all tax audits, examinations and other proceedings involving the Company. In addition, in connection with any audit, examination or other proceeding, the Partnership Representative will not settle or compromise any audit, examination or other proceeding without the prior written consent of Baupost, Rock Springs, Eventide and Foresite if such settlement or compromise would disproportionately adversely affect Baupost, Rock Springs, Eventide and Foresite or their respective direct or indirect members, shareholders, partners, beneficiaries, or other beneficial owners. Notwithstanding anything to the contrary in this Agreement, Baupost, Rock Springs, Eventide and Foresite shall not be required to file any amended tax return in connection with Code Section 6225 or otherwise by the Company. Notwithstanding the foregoing, any notice, documentation or other information provided to Baupost, Rock Springs, Eventide and Foresite by the Partnership Representative or the Company pursuant to this Section 7.03(e) shall also be provided to Cowen.

(f) Notwithstanding anything to the contrary in this Agreement, neither the Partnership Representative (nor, if different, the Company) will make an election pursuant to section 1101(g)(4) of the Bipartisan Budget Act of 2015 to have the new partnership audit regime apply to any of its tax returns for a taxable period ending on or before December 31, 2017.

## ARTICLE VIII DISTRIBUTIONS

### 8.01 Distributions Generally.

(a) Subject to the provisions of this ARTICLE VIII, the Board of Directors may, in its discretion, determine the amount of any Proceeds Available for Distribution and any Capital Transaction Proceeds and the time when such amounts are to be distributed. Once such determination is made by the Board of Directors, and, in any event, if required pursuant to Section 11.03, (i) upon the closing of any Capital Transaction the Company shall promptly distribute such Capital Transaction Proceeds associated with such transaction in accordance with Section 8.01(b), (ii) upon the closing of a Change of Control, the Company shall immediately distribute such proceeds associated with such Change of Control transaction in accordance with Section 8.01(b), and (iii) upon a dissolution, winding up and liquidation in accordance with Section 11.02, the Company shall immediately distribute such proceeds associated with such dissolution, winding up and liquidation. The Board of Directors may establish record dates for the purpose of determining the Members of the Company entitled to any distribution.

(b) Proceeds Available for Distribution and any Capital Transaction Proceeds shall be distributed to the Members:

(i) First, to the Members holding Series C Preferred Units and Series B Preferred Units on a pari passu basis in proportion to the remaining amount to be distributed to such holders under this Section 8.01(b)(i) until, on a Series C Preferred Unit and Series B Preferred Unit by Series C Preferred Unit and Series B Preferred Unit basis, each Preferred Unit has been distributed an amount equal to the Unpaid Preferred Unit Preference Amount for such Series C Preferred Unit and Series B Preferred Unit, as applicable;

(ii) Second, to the Members holding Series Seed Preferred Unit and Series A Preferred Units on a pari passu basis in proportion to the remaining amount to be distributed to such holders under this Section 8.01(b)(ii) until, on a Series Seed Preferred Unit and Series A Preferred Unit basis, each such Preferred Unit has been distributed an amount equal to the Unpaid Preferred Unit Preference Amount for such Series Seed Preferred Unit and Series A Preferred Unit, as applicable;

(iii) Third, subject to Section 8.01(c), to the Members holding Common Units and Non-Voting Incentive Units pro rata an amount per Unit under this Section 8.01(b)(iii) equal to the amount per Unit paid per Unit in respect of the Series Seed Preferred Units under Section 8.01(b)(ii) above;

(iv) Fourth, subject to Section 8.01(c), to the Members holding Common Units, Non-Voting Incentive Units and Series Seed Preferred Units, pro rata in proportion to the remaining amount to be distributed to such holders under this Section 8.01(b)(iv), if any, until an amount has been distributed in respect of each such Unit under Section 8.01(b)(ii), Section 8.01(b)(iii), and this Section 8.01(b)(iv) equal to (1) in the case of Series Seed Preferred Units, the product of (A) the Adjustment Ratio in effect for such Unit (if any) multiplied by (B) the amount distributed in respect of any Series A Preferred Unit under Section 8.01(b)(ii), and (2) in the case of Common Units and Non-Voting Incentive Units, the amount distributed in respect of any Series A Preferred Unit under Section 8.01(b)(ii);

(v) Fifth, subject to Section 8.01(c), to the Members holding Common Units, Non-Voting Incentive Units, Series Seed Preferred Units and Series A Preferred Units, pro rata in proportion to the remaining amount to be distributed to such holders under this Section 8.01(b)(v), until an amount has been distributed in respect of each such Unit under Section 8.01(b)(ii), Section 8.01(b)(iii), Section 8.01(b)(iv) and this Section 8.01(b)(v) equal to (1) in the case of Series A Preferred Units, the product of (A) the Adjustment Ratio in effect for such Unit (if any) multiplied by (B) the amount distributed in respect of any Series B Preferred Unit under Section 8.01(b)(i), (2) in the case of Series Seed Preferred Units, the product of (A) the Adjustment Ratio in effect for such Unit (if any) multiplied by (B) the amount distributed in respect of any Series B Preferred Unit under Section 8.01(b)(i), and (3) in the case of Common Units and Non-Voting Incentive Units, the amount distributed in respect of any Series B Preferred Unit under Section 8.01(b)(i);

(vi) Sixth, subject to Section 8.01(c), to the Members holding Common Units, Non-Voting Incentive Units, Series Seed Preferred Units, Series A Preferred Units and Series B Preferred Units, pro rata in proportion to the remaining amount to be distributed to such holders under this Section 8.01(b)(vi), until an amount has been distributed in respect of each such Unit under Section 8.01(b)(ii), Section 8.01(b)(iii), Section 8.01(b)(iv), Section 8.01(b)(v) and this Section 8.01(b)(vi) equal to (1) in the case of Series B Preferred Units, the product of (A) the Adjustment Ratio in effect for such Unit (if any) multiplied by (B) the amount distributed in respect of any Series C Preferred Unit under Section 8.01(b)(i), (2) in the case of Series A Preferred Units, the product of (A) the Adjustment Ratio in effect for such Unit (if any) multiplied by (B) the amount distributed in respect of any Series C Preferred Unit under Section 8.01(b)(i), (3) in the case of Series Seed Preferred Units, the product of (A) the Adjustment Ratio in effect for such Unit (if any) multiplied by (B) the amount distributed in respect of any Series C Preferred Unit under Section 8.01(b)(i), and (4) in the case of Common Units and Non-Voting Incentive Units, the amount distributed in respect of any Series C Preferred Unit under Section 8.01(b)(i); and

(vii) Seventh, subject to Section 8.01(c), to all holders of Units in proportion to their Percentage Interest.

(c) Notwithstanding any provision in this Agreement to the contrary, no holder of Non-Voting Incentive Units shall participate in (and no such Non-Voting Incentive Unit shall be treated as outstanding for purposes of apportioning) any distributions under Section 8.01 (i) in respect of any Non-Voting Incentive Units that are unvested at the time of such distribution, absent a separate written agreement between the Member and the Company and (ii), until a total amount equal to the Strike Price with respect to such Non-Voting Incentive Unit has been distributed in respect of each other Non-Voting Incentive Unit pursuant to Sections 8.01(b)(iii), 8.01(b)(iv), 8.01(b)(v) and 8.01(b)(vi) (reduced in the case of Non-Voting Incentive Units also subject to a Strike Price by the amount of such Strike Price) subsequent to the issuance of such Non-Voting Incentive Units, except, in each case, other than Tax Distributions treated as advances on distributions made pursuant to Section 8.01. Notwithstanding any provision in this Agreement to the contrary, no holder of a Common Unit shall participate in (and no such Common Unit shall be treated as outstanding for purposes of apportioning) any distributions under Section 8.01 in respect of any Common Units that are unvested at the time of such distribution, absent a separate written agreement between the Member and the Company. The Board of Directors shall have the discretion to make any determinations required under this clause, including as to the extent to which Non-Voting Incentive Units with an associated Strike Price and unvested Common Units will be excluded from participating in Company Distributions on account of this Section 8.01(c).



## 8.02 Tax Distributions.

(a) At least three (3) weeks prior to the end of any fiscal quarter of the Company, the Company, at the sole discretion of the Board of Directors, shall deliver to each Member a statement setting forth the amount of income and gain (and, to the extent reasonably practicable, each item thereof) expected to be allocated by the Company to such Member for federal income tax purposes with respect to such fiscal quarter, as estimated by the Board of Directors, in consultation with the Officers and tax and accounting advisors. Notwithstanding any other provision of this Section 8.02, and prior to and in preference over any distributions pursuant to Section 8.01, the Company, at the sole discretion of the Board of Directors, shall distribute to such Member, at least seven (7) days prior to the estimated tax payment due date for such fiscal quarter, an amount of cash equal to the amounts estimated by the Board of Directors, in consultation with the Officers and its tax and accounting advisors, to represent the assumed federal, state and local income tax liability (such liability, a “**Tax Liability**”) that would be incurred by such Member with respect to such Member’s allocable share of the Company’s taxable net income for such quarter (any such distribution, and any other distribution under this Section 8.02, a “**Tax Distribution**”). In calculating the amount of each Tax Distribution, the Company shall assume that each Member’s Tax Liability is equal to (i) the highest combined marginal federal, state and local income tax rate applicable for such period to an individual resident in the jurisdiction with the highest combined marginal federal, state and local income tax rate, as determined by the Board of Directors in consultation with its tax and accounting advisors (the “**Tax Rate**”), multiplied by (ii) such Member’s allocable share of the taxable income of the Company (as reduced, but not below zero, by any prior net loss allocated to such Member that was not previously taken into account under this sentence). The Tax Rate may be adjusted by the Board of Directors (provided that the same percentage shall apply to each Member) to account for preferential rates of income tax applicable to certain kinds of income for individuals. In addition, within ninety (90) days after the end of each Fiscal Year, the Company shall distribute to each Member an amount equal to the excess, if any, of (x) such Member’s Tax Liability with respect to such Fiscal Year minus (y) the sum of all other Tax Distributions distributed to such Member pursuant to this Section 8.02 with respect to such Fiscal Year. For purposes of calculating the Tax Liability of a Member, the Company shall take into account any allocations of income or gain to a Member with respect to any accrued dividend or other amount properly treated as a guaranteed payment for capital under Section 707(c) of the Code. Notwithstanding the foregoing, Tax Distributions shall not be available to a Member with respect to any guaranteed payment for services under Section 707(c) of the Code or any other payment for services to a Member not in his, her or its capacity as a Member under Section 707(a) of the Code. Notwithstanding anything herein to the contrary, Tax Distributions pursuant to this Section 8.02(a) shall be treated as advances of the first Distributions under Section 8.01(b)(iii)-(vi) that would otherwise be made to such Member, and shall reduce or offset amounts otherwise distributable pursuant to Section 8.01(b)(iii)-(vi) accordingly; provided, however that Tax Distributions to the Members holding Series Seed Preferred Units, Series A Preferred Units, Series B Preferred Units and/or Series C Preferred Units pursuant to this Section 8.02(a) shall not be treated as advances of Distributions under Section 8.01(b)(i) or (ii), as applicable, that would otherwise be made to such Member, and shall not reduce or offset amounts otherwise distributable pursuant to Section 8.01(b)(i) or (ii), as applicable.

(b) To the extent that (i) the sum of all Tax Distributions distributed to any Member pursuant to this Section 8.02 with respect to a Fiscal Year exceed (ii) such Member’s Tax Liability with respect to such Fiscal Year, such excess shall be considered a Tax Distribution in respect of the immediately succeeding Fiscal Year for purposes of determining the Company’s obligation to make Tax Distributions with respect to such immediately succeeding Fiscal Year. To the extent that (iii) any Member’s Tax Liability with respect to such Fiscal Year exceeds (iv) the sum of all Tax Distributions distributed to such Member pursuant to this Section 8.02 with respect to such Fiscal Year, the Company shall distribute such excess to such Member as soon as possible, and any such distributions shall be made in preference of, and in addition to, any subsequent Tax Distributions for subsequent Fiscal Years. For the avoidance of doubt, this Section 8.02(b) shall apply in the event of a redetermination of the Tax Liability of a Member after the close of a Fiscal Year, whether as a result of an audit and assessment by a taxing authority or otherwise.

8.03 Limitations on Distributions. No distribution shall be made to a Member if and to the extent that such distribution would cause the Company to be insolvent.

8.04 In-Kind Distributions; Distributions of Subsidiaries.

(a) The amount of any in-kind distribution shall be distributed on the basis of the property's then Fair Market Value and shall be distributed to the Members in proportion to their overall shares of the amounts then being distributed.

(b) Notwithstanding any provision herein to the contrary, unless otherwise determined by a unanimous vote of the Board of Directors, in the event the Board of Directors determines to distribute a subsidiary of the Company to the Members and such distribution is not being made in connection with or after a public offering of such subsidiary pursuant to which such subsidiary will or has become traded on a national securities exchange, such distribution shall be made to all the Members in a manner such that, to the extent reasonably possible, each Member receives equity interests in such subsidiary having rights, preferences, privileges and obligations substantially similar to those that exist with respect to the interests of the Member in the Company at the time of such distribution, subject to such adjustments as the Board of Directors determines fair and equitable to take into account the relative values of the Company and such subsidiary. In the event of such distribution, the rights to distributions from the Company thereafter shall be proportionately reduced in a manner determined fair and equitable by the Board of Directors. By way of illustration and not limitation, in the event the Company distributes a subsidiary pursuant to this Section 8.04(b) having a Fair Market Value equal to ten percent (10%) of the Fair Market Value of the Company, the Members holding Series Seed Preferred Units, Series A1 Preferred Units, Series B Preferred Units and Series C Preferred Units shall receive similar interests in such subsidiary provided (i) the equivalent of the Unpaid Preferred Unit Preference Amount of such similar interests shall equal ten percent (10%) of the then-remaining Unpaid Preferred Unit Preference Amount for such series of Preferred Units and (ii) the then-remaining Unpaid Preferred Unit Preference Amount for such series of Preferred Units shall be reduced by ten percent (10%).

8.05 Tax Information. The Members shall deliver to the Company, at the same time or times prescribed by applicable law and at any times reasonably requested by the Company, such information, documentation or certification as may be prescribed by law or reasonably requested by the Company to determine whether withholding may be required with respect to the Member's interest in the Company or in connection with tax filings in any jurisdiction in which or through which the Company invests, including any information or certification required for the Company (or any other entity in which the Company directly or indirectly invests) to comply with any tax return or information filing requirements or to obtain a reduced rate of, or exemptions from, any applicable tax, whether pursuant to the laws of such jurisdiction or an applicable tax treaty; provided, however, that nothing in this Agreement shall require Baupost to provide information relating to its direct or indirect members, shareholders, partners, beneficiaries, or other beneficial owners unless required by applicable law.

ARTICLE IX  
TAX MATTERS AND REPORTS; ACCOUNTING

9.01 Tax Reports to Current and Former Members. After the end of each Fiscal Year, the Company shall use reasonable best efforts to prepare and mail, or cause its accountants to prepare and mail, not later than seventy-five (75) days following the end of such Fiscal Year, to each Member and, to the extent necessary, to each former Member (or its legal representatives), a report setting forth in sufficient detail such information as is required to be furnished to members by law and as shall enable such Member or former Member (or its legal representatives) to prepare their respective U.S. federal and state income tax returns or informational returns; provided, however, that the Company shall in all events provide the tax information and documentation specified in this sentence not later than ninety (90) days following the end of such Fiscal Year.

9.02 Accounting Records. The Company shall maintain complete books and records accurately reflecting the accounts, business, transactions and Members of the Company.

9.03 Tax Accounting Method. Those documents relating to allocations of items of income, gain, loss, deduction or credit and Capital Accounts shall be kept under federal income tax accounting principles as provided herein.

9.04 Effectively-Connected Income.

The Board of Directors shall cause the Company not to engage in any activity that would cause a Member (or any direct or indirect owner thereof, as applicable) that is not a United States person within the meaning of Code Section 7701(a)(30) to recognize, solely as a result of its status as a Member (or any direct or indirect owner thereof, as applicable) of the Company, income that is “effectively connected with the conduct of a trade or business within the United States” within the meaning of Code Section 864(c) of the Code, to be treated as engaged in a “trade or business within the United States” within the meaning of Section 864(b) of the Code, to be treated as engaged in “commercial activity” within the meaning of Section 892 of the Code, or own any interest treated as a “United States real property interest” within the meaning of Code Section 897(c).

9.05 UBTI. The Board of Directors shall cause the Company not to engage in any activity that would cause a Member (or any direct or indirect owner thereof, as applicable) to have any “unrelated business taxable income” (as that term is defined in Section 512 of the Code), any “unrelated debt-financed income” (as that term is defined in Section 514 of the Code) or any item of gross income that would be included in determining the unrelated business taxable income of such Member (or any direct or indirect owner thereof, as applicable).

9.06 Tax Information Notwithstanding anything to the contrary in Section 9.01, the Board of Directors will cause the Company to use commercially reasonable efforts to prepare, or cause to be prepared, and furnish to Baupost, Rock Springs, Eventide and Foresite:

(a) An estimate of taxable income for each fiscal year not later than February 28<sup>th</sup> of the following fiscal year, reporting ordinary income items separate from items of capital gain; and

(b) (i) Schedule K-1's not later than April 30th following such fiscal year and (ii) detailed supporting schedules of Schedule K-1 to report (A) any Unrelated Business Taxable Income, if applicable, (B) any "unrecaptured section 1250 gain" within the meaning of the Code and the Treasury Regulations, recognized on the date of the sale of real estate assets, if applicable, and (C) the state sources of each item of income, gain, loss and deduction, as applicable. The Board of Directors shall cause the Company to use commercially reasonable efforts to provide any other U.S. or non-U.S. tax reporting information as may reasonably be requested by Baupost, Rock Springs, Eventide or Foresite, as applicable, provided that the information requested is in the Company's possession (or can be obtained with reasonable efforts) and can be provided without undue burden or the violation of any applicable legal or contractual restrictions, policies or confidentiality obligations relating to such information (in each case at Baupost's, Rock Springs's, Eventide's or Foresite's expense if applicable). All financial and tax statements and reports furnished pursuant to this Section 9.06 will be in a form reasonably approved by Baupost, Rock Springs, Eventide or Foresite, as applicable, in writing, provided that, for the avoidance of doubt, Baupost, Rock Springs, Eventide or Foresite, as applicable, shall not have any approval rights over the filing of the Company's tax returns. Notwithstanding the foregoing, any notice, documentation or other information provided to Baupost, Rock Springs, Eventide or Foresite pursuant to this Section 9.06 shall also be provided to Cowen.

ARTICLE X  
RESTRICTIONS ON TRANSFER; RIGHT OF FIRST REFUSAL;  
RIGHT OF CO-SALE; DRAG-ALONG RIGHTS; AND PRE-EMPTIVE RIGHTS

10.01 Transfers.

(a) Except as otherwise specifically provided herein, no Member holding Common Units and/or Non-Voting Incentive Units shall, directly or indirectly, sell, exchange, transfer (by gift or otherwise), assign, distribute, pledge, create a security interest, lien or trust with respect to, or otherwise dispose of or encumber such Units owned by such Member or any interest in or option on or based on the value of such Units (any of the foregoing being referred to as a "**Transfer**") without the prior written consent of the Board of Directors, which consent may be granted or withheld in the sole discretion of the Board of Directors. Any purported Transfer of Units in violation of the provisions of this ARTICLE X shall be void and of no force and effect whatsoever, and the Company shall not record any such event on its books or treat any such transferee as the owner of such Units for any purpose. Any Transfer permitted by this Agreement shall be termed a "**Permitted Transfer**" and the transferee of any Permitted Transfer shall be termed a "**Permitted Transferee**."

(b) Notwithstanding anything herein to the contrary, the following Transfers shall be limited only by Section 10.02 and for the purposes of clarity shall not be subject to the restrictions set forth in Sections 10.03, 10.04 or 10.08: (i) by any Member to the spouse, children (natural or adopted) or siblings (and siblings' children) of such Member or to a trust or family limited partnership for the benefit of any of them; (ii) upon the death of any Member, to such Member's heirs, executors or administrators or to a trust under such Member's will, or between such Member and such Member's guardian or conservator; or (iii) with respect to a Member that is not a natural person, to another individual or entity that is an Affiliate of such Member; provided, however, that in no event shall any unvested Non-Voting Incentive Units or unvested Common Units be transferred pursuant to this Section 10.01(b).

(c) Any Imputed Underpayment Amount that is properly allocable to a transferor of an interest, as reasonably determined by the Board of Directors, shall be treated as a Withholding Payment with respect to the applicable transferee in accordance with Section 13.01. Furthermore, as a condition to any Transfer, each transferor shall be required to agree (i) to continue to comply with the provisions of Section 7.03(d) notwithstanding such Transfer and (ii) to indemnify and hold harmless the Company and the Board of Directors from and against any and all liability with respect to the transferee's Withholding Payments resulting from Imputed Underpayment Amounts attributable to the transferor to the extent that the transferee fails to do so.

#### 10.02 Effective Date and Requirements of Transfer.

(a) Any valid Transfer of a Member's Units, or part thereof, pursuant to the provisions of this Agreement, shall be effective as of the close of business on the day in which such Transfer occurs (including fulfillment of all conditions and requirements with respect thereto). The Company shall, from the effective date of such Transfer, thereafter make all further distributions, on account of the Units (or part thereof) so assigned to the Permitted Transferee of such interest, or part thereof.

(b) Every Transfer permitted hereunder shall be subject to the following requirements (in addition to any other requirements contained in this Agreement):

(i) If not already a Member, the transferee shall execute a counterpart to this Agreement thereby agreeing to be bound by all the terms and conditions of this Agreement;

(ii) The transferee shall establish that the proposed Transfer will not cause or result in a breach of any agreement binding upon the Company or any violation of law, including without limitation, federal or state securities laws, and that the proposed Transfer would not cause or require (A) the Company to be an investment company as defined in the Investment Company Act of 1940, as amended or (B) the registration of the Company's securities under federal securities laws; and

(iii) The transferee shall establish to the satisfaction of the Board of Directors that the proposed Transfer would not adversely affect the classification of the Company as a partnership for federal or state tax purposes, cause the Company to fail to qualify for any applicable regulatory safe harbor from treatment as a publicly traded partnership treated as a corporation under Section 7704 of the Code, or have a substantial adverse effect with respect to federal income taxes payable by the Company.

(c) Any Transfer that the Board of Directors reasonably determines may have a consequence described in Section 10.02(b) shall not be permitted.

#### 10.03 Right of First Refusal.

(a) Grant. Subject to Sections 10.01 and 10.02, each holder of Common Units and vested Non-Voting Incentive Units hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all but not less than all of Transfer Units that such Member may propose to transfer in a Proposed Transfer, at the same price and on the same terms and conditions as those offered to the Proposed Transferee.

(b) Notice. Each holder of Common Units and vested Non-Voting Incentive Units proposing to make a Proposed Transfer must deliver a Transfer Notice to the Company and each Preferred Member not later than forty-five (45) days prior to the consummation of such Proposed Transfer. Such Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Transfer and the identity of the Proposed Transferee. To exercise its Right of First Refusal under this Section 10.03, the Company must deliver a Company Notice to the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, within fifteen (15) days after delivery of the Transfer Notice. In the event of a conflict between this Agreement and any other agreement that may have been entered into by a holder of Common Units or vested Non-Voting Incentive Units, as applicable, with the Company that contains a preexisting right of first refusal, the Company and the holder of Common Units or vested Non-Voting Incentive Units, as applicable, acknowledge and agree that the terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with this Section 10.03.

(c) Grant of Secondary Refusal Right to Preferred Members. Subject to Section 10.01 and 10.02, each holder of Common Units and vested Non-Voting Incentive Units hereby unconditionally and irrevocably grants to the Preferred Members a Secondary Refusal Right to purchase all or any portion of the Transfer Units not purchased by the Company pursuant to the Right of First Refusal, as provided in this Section 10.03. If the Company does not intend to exercise its Right of Refusal with respect to all Transfer Units subject to a Proposed Transfer, the Company must deliver a Secondary Notice to the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, and to each Preferred Member to that effect no later than fifteen (15) days after the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, delivers the Transfer Notice to the Company. To exercise its Secondary Refusal Right, a Preferred Member must deliver a Preferred Member Notice to the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, and the Company within ten (10) days after the Company's deadline for its delivery of the Secondary Notice as provided in the preceding sentence.

(d) Undersubscription of Transfer Units. If options to purchase have been exercised by the Company and the Preferred Members with respect to some but not all of the Transfer Units by the end of the 10-day period specified in the last sentence of Section 10.03(c) (the "**Preferred Member Notice Period**"), then the Company shall, immediately after the expiration of the Preferred Member Notice Period, send written notice (the "**Company Undersubscription Notice**") to those Preferred Members who fully exercised their Secondary Refusal Right within the Preferred Member Notice Period (the "**Exercising Preferred Members**"). Each Exercising Preferred Member shall, subject to the provisions of this Section 10.03(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed Transfer Units on the terms and conditions set forth in the Transfer Notice. To exercise such option, an Exercising Preferred Member must deliver an Undersubscription Notice to the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, and the Company within ten (10) days after the expiration of the Preferred Member Notice Period. In the event there are two or more such Exercising Preferred Members that choose to exercise the last-mentioned option for a total number of remaining Units in excess of the number available, the remaining Units available for purchase under this Section 10.03(d) shall be allocated to such Exercising Preferred Members *pro rata* based on the number of Transfer Units such Exercising Preferred Members have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any Transfer Units that any such Exercising Preferred Member has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining Units are exercised in full by the Exercising Preferred Members, the Company shall immediately notify all of the Exercising Preferred Members and the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, of that fact.

(e) Sale to Proposed Transferee. Notwithstanding the foregoing, if the total number of Transfer Units that the Company and the Exercising Preferred Members have agreed to purchase in the Company Notice, the Preferred Member Notice and Undersubscription Notices is less than the total number of Transfer Units, then the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, shall be free to sell such number of Transfer Units not subscribed for by the Company and the Exercising Preferred Members to the Proposed Transferee on terms and conditions substantially similar to (and in no event more favorable than) the terms and conditions set forth in the Transfer Notice, it being understood and agreed that (i) any such sale or transfer shall be subject to the other terms and restrictions of this Agreement, including, without limitation, the terms and restrictions set forth in Section 10.04; (ii) any future Proposed Transfer by a holder of Common Units or vested Non-Voting Incentive Units, as applicable, shall remain subject to the terms and conditions of this Agreement, including this Section 10.03; and (iii) such sale shall be consummated within sixty (60) days after receipt of the Proposed Transfer Notice by the Company, and if such sale is not consummated within such sixty (60) day period, such sale shall again be subject to the Right of First Refusal and Right of Co-Sale on the terms set forth herein.

(f) Consideration; Closing. If the consideration proposed to be paid for the Transfer Units is in property, services or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Board of Directors and as set forth in the Company Notice. If the Company or any Preferred Member cannot for any reason pay for the Transfer Units in the same form of non-cash consideration, the Company or such Preferred Member may pay the cash value equivalent thereof, as determined in good faith by the Board of Directors and as set forth in the Company Notice. The closing of the purchase of Transfer Units by the Company and the Preferred Members shall take place, and all payments from the Company and the Preferred Members shall have been delivered to the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, by the later of (i) the date specified in the Transfer Notice as the intended date of the Proposed Transfer and (ii) forty-five (45) days after delivery of the Transfer Notice.

#### 10.04 Right of Co-Sale.

(a) Exercise of Right. If any Transfer Units subject to a Proposed Transfer are not purchased pursuant to Section 10.03 above (the “**Available Units**”) and thereafter are to be sold to a Proposed Transferee (subject to Section 10.01), each respective Preferred Member may elect to exercise its Right of Co-Sale and participate for an amount of consideration in respect of each such Preferred Member’s Units equal to the Co-Sale Per Unit Liquidation Value (as defined below) (on the terms and conditions (other than consideration) set forth in the Transfer Notice described above) and in accordance with this Section 10.04. Each Preferred Member who desires to exercise its Right of Co-Sale (each, a “**Participating Preferred Member**”) must give the selling holder of Available Units, written notice to that effect within fifteen (15) days after the deadline for delivery of the Secondary Notice described above, and upon giving such notice such Preferred Member shall be deemed to have effectively exercised the Right of Co-Sale.

(b) Units Includable. Each Participating Preferred Member may include in the Proposed Transfer all or any part of such Participating Preferred Member’s Units equal to the product obtained by multiplying (i) the aggregate number of Available Units subject to the Proposed Transfer (excluding Units purchased by the Company or the Participating Preferred Members pursuant to the Right of First Refusal or the Secondary Refusal Right) by (ii) a fraction, the numerator of which is the number of outstanding Units (not including Non-Voting Incentive Units) owned by such Participating Preferred Member immediately before consummation of the Proposed Transfer and the denominator of which is the total number of Units (not including Non-Voting Incentive Units) owned, in the aggregate, by all Participating Preferred Members immediately prior to the consummation of the Proposed Transfer, plus the number of Available Units held by the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable. The “**Co-Sale Per Unit Liquidation Value**” for each Unit shall be equal to the amount that would be distributed with respect to such Unit if the Company sold its assets for their Fair Market Value (as determined in good faith by the Board of Directors, based on the Co-Sale Purchase Price, such Board determination to be final and binding), satisfied its liabilities and distributed the net proceeds to the holders of Units (including Non-Voting Incentive Units that are outstanding and vested as of the date of such determination) in liquidation of the Company. To the extent one or more of the Participating Preferred Members exercise such right of participation in accordance with the terms and conditions set forth herein, the number of Available Units that the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, may sell in the Proposed Transfer shall be correspondingly reduced and the Proposed Transferee may alter the total purchase price of all Transfer Units based on the classes of Units that the Participating Preferred Members propose to sell by exercising such right of participation (the “**Co-Sale Purchase Price**”).

(c) Purchase Covenants. The parties hereby agree that the terms and conditions of any sale pursuant to this Section 10.04 will be memorialized in, and governed by, a written purchase and sale agreement with customary terms and provisions for such a transaction and the parties further covenant and agree to enter into such an agreement as a condition precedent to any sale or other transfer pursuant to this Section 10.04. Neither the Transfer of Transfer Units by the selling holder of Common Units or vested Non-Voting Incentive Units, as applicable, nor the Transfer of Units by a Participating Preferred Member shall be effective, unless, contemporaneously with such Transfer, the Proposed Transferee executes a counterpart to this Agreement, thereby agreeing to be bound to all the terms and conditions of this Agreement. If any Proposed Transferee or Transferees refuse(s) to purchase securities subject to the Right of Co-Sale from any Participating Preferred Member exercising its Right of Co-Sale hereunder, no holder of Common Units or vested Non-Voting Incentive Units, as applicable, may sell any Transfer Units to such Proposed Transferee or Transferees unless and until, simultaneously with such sale, such holder of Common Units or vested Non-Voting Incentive Units, as applicable, purchases all securities subject to the Right of Co-Sale from such Participating Preferred Member on the same terms and conditions (including the proposed purchase price) as set forth in the Transfer Notice.



(d) Additional Compliance. If any Proposed Transfer is not consummated within sixty (60) days after receipt of the Transfer Notice by the Company, the holder of Common Units or vested Non-Voting Incentive Units, as applicable, proposing the Proposed Transfer may not sell any Transfer Units unless they first comply in full with each provision of Section 10.03 and this Section 10.04. The exercise or election not to exercise any right by any Preferred Member hereunder shall not adversely affect its right to participate in any other sales of Transfer Units subject to this Section 10.04.

10.05 Effect of Failure to Comply with Right of First Refusal and Right of Co-Sale.

(a) Transfer Void; Equitable Relief. Any Proposed Transfer not made in compliance with the requirements of this Agreement shall be null and void *ab initio*, shall not be recorded on the books of the Company or its transfer agent and shall not be recognized by the Company. Each party hereto acknowledges and agrees that any breach of this Agreement would result in substantial harm to the other parties hereto for which monetary damages alone could not adequately compensate. Therefore, the parties hereto unconditionally and irrevocably agree that any non-breaching party hereto shall be entitled to seek protective orders, injunctive relief and other remedies available at law or in equity (including, without limitation, seeking specific performance or the rescission of purchases, sales and other transfers of Transfer Units not made in strict compliance with this Agreement).

(b) Violation of First Refusal Right. If any holder of Common Units or vested Non-Voting Incentive Units, as applicable, becomes obligated to sell any Transfer Units to the Company or any Preferred Member under this Agreement and fails to deliver such Transfer Units in accordance with the terms of this Agreement, the Company and/or such Preferred Member may, at its option, in addition to all other remedies it may have, send to such holder of Common Units or vested Non-Voting Incentive Units, as applicable, the purchase price for such Transfer Units as is herein specified and transfer to the name of the Company or such Preferred Member (or request that the Company effect such transfer in the name of a Preferred Member) on the Company's books the Transfer Units to be sold.

(c) Violation of Co-Sale Right. If any holder of Common Units or vested Non-Voting Incentive Units, as applicable, purports to sell any Transfer Units in contravention of the Right of Co-Sale (a "**Prohibited Transfer**"), each Preferred Member who desires to exercise its Right of Co-Sale under Section 10.04 may, in addition to such remedies as may be available by law, in equity or hereunder, require such holder of Common Units or vested Non-Voting Incentive Units, as applicable, to purchase from such Preferred Member the type and number of Units that such Preferred Member would have been entitled to sell to the Proposed Transferee under Section 10.04 had the Prohibited Transfer been effected pursuant to and in compliance with the terms of Section 10.04. The sale will be made on the same terms and subject to the same conditions as would have applied had the holder of Common Units or vested Non-Voting Incentive Units, as applicable, not made the Prohibited Transfer, except that the sale (including, without limitation, the delivery of the purchase price) must be made within ninety (90) days after the Preferred Member learns of the Prohibited Transfer, as opposed to the timeframe proscribed in Section 10.04. Such holder of Common Units or vested Non-Voting Incentive Units, as applicable, shall also reimburse each Preferred Member for any and all reasonable and documented out-of-pocket fees and expenses, including reasonable legal fees and expenses, incurred pursuant to the exercise or the attempted exercise of the Preferred Member's rights under Section 10.04.

10.06 Drag-Along Right.

(a) Definitions. A “**Sale of the Company**” shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, that is or are not Affiliated with the Company, acquires from the Members Units representing more than fifty percent (50%) of the outstanding voting power of the Company (a “**Unit Sale**”); or (b) a transaction that qualifies as a Change of Control.

(b) Actions to be Taken. In the event that (A) the Requisite Preferred Holders (the “**Selling Investors**”), and (B) the Board of Directors approve a Sale of the Company in writing, specifying that this Section 10.06 shall apply to such transaction, then each Member hereby agrees:

(i) if such transaction requires Member approval, with respect to all Units that such Member owns or over which such Member otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Units in favor of, and adopt, such Sale of the Company (together with any related amendment to this Agreement required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company;

(ii) if such transaction is a Unit Sale, to sell the same proportion of Units beneficially held by such Member as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their Units, and, except as permitted in Section 10.06(c) below, on the same terms and conditions as the Selling Investors;

(iii) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this Section 10.06, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, and any similar or related documents;

(iv) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Units owned by such party or Affiliate in a voting trust or subject any Units to any arrangement or agreement with respect to the voting of such Units, unless specifically requested to do so by the acquirer in connection with the Sale of the Company;

(v) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company; and

(vi) if the consideration to be paid in exchange for the Units pursuant to this Section 10.06 includes any securities and due receipt thereof by any Member would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities or (y) the provision to any Member of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Member in lieu thereof, against surrender of the Units which would have otherwise been sold by such Member, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Member would otherwise receive as of the date of the issuance of such securities in exchange for the Units.

(c) Exceptions. Notwithstanding the forgoing, a Member will not be required to comply with Section 10.06(b) above in connection with any proposed Sale of the Company (the "**Proposed Sale**") unless:

(i) any representations and warranties to be made by such Member in connection with the Proposed Sale are limited to representations and warranties related to authority, ownership and the ability to convey title to such Units, including but not limited to representations and warranties that (A) the Member holds all right, title and interest in and to the Units such Member purports to hold, free and clear of all liens and encumbrances, (B) the obligations of the Member in connection with the transaction have been duly authorized, if applicable, (C) the documents to be entered into by the Member have been duly executed by the Member and delivered to the acquirer and are enforceable against the Member in accordance with their respective terms and (D) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of the Member's obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency;

(ii) the Member shall not be liable for the inaccuracy of any representation or warranty made by any other Person in connection with the Proposed Sale, other than for the inaccuracy of any representation or warranty made by the Company in connection with the Proposed Sale (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Member of any of identical representations, warranties and covenants provided by all Members);

(iii) the liability for indemnification, if any, of such Member in the Proposed Sale and for the inaccuracy of any representations and warranties made by the Company in connection with such Proposed Sale, is several and not joint with any other Person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company), and is *pro rata* in proportion to the amount of consideration paid to such Member in connection with such Proposed Sale (in accordance with the provisions of this Agreement related to the allocation of the escrow);

(iv) the liability for indemnification shall be limited to such Member's *pro rata* share (determined based on the respective proceeds payable to each Member in connection with such Proposed Sale in accordance with the provisions of this Agreement) of a negotiated aggregate indemnification amount that applies equally to all Members but that in no event exceeds the amount of consideration actually paid to such Member in connection with such Proposed Sale, except with respect to claims of fraud by such Member, the liability for which need not be limited as to such Member;

(v) upon the consummation of the Proposed Sale: (A) except as provided in Section 10.06(b)(vi), each holder of each class or series of Units will receive the same form of consideration for their Units of such class or series as is received by other holders in respect of their Units of such same class or series of Units; and (B) unless the Requisite Preferred Holders, the Series B Vote and the Series C Vote elect to receive a lesser amount by written notice given to the Company at least five (5) days prior to the effective date of any such Proposed Sale, the aggregate consideration receivable by all holders of Units shall be allocated among the holders of Preferred Units, Common Units and Non-Voting Incentive Units in accordance with Section 8.01 of this Agreement as if such consideration were distributed to the Members pursuant thereto; except as provided in Section 10.06(b)(vi), subject to clause (v) above, requiring the same form of consideration to be available to the holders of any single class or series of Units, if any holders of any Units are given an option as to the form and amount of consideration to be received as a result of the Proposed Sale, all holders of such Units will be given the same option; and

(vi) no Member who is not an employee of the Company shall be required to agree to any general release of claims or covenant not to compete with or covenant not to solicit or hire customers, employees or suppliers of any party to the Proposed Sale.

(d) Restrictions on Sales of Control of the Company. No Member shall be a party to any Unit Sale unless (i) approved by the Requisite Preferred Holders and (ii) all holders of Preferred Units are allowed to participate in such transaction and the consideration received pursuant to such transaction is allocated among the parties thereto in the manner specified in Section 8.01 (as if such transaction were a Capital Transaction and such consideration were distributed to the Members pursuant thereto), unless the Requisite Preferred Holders, the Series B Vote and the Series C Vote elect otherwise by written notice given to the Company at least five (5) days prior to the effective date of any such transaction or series of related transactions.

(e) **Irrevocable Proxy and Power of Attorney.** As security for the performance of each Member's obligations in connection with such Sale of the Company, after the approval of the Board of Directors and the holders of Preferred Units has been obtained pursuant to Section 10.06(b) above, each Member hereby grants to the Company, with full power of substitution and resubstitution, an irrevocable proxy to vote all Units at all meetings of the Members held or taken after the date of this Agreement with respect to a Sale of the Company or to execute any written consent in lieu thereof, and hereby irrevocably appoints the Company, with full power of substitution and resubstitution, as such Member's attorney-in-fact with authority to sign any documents with respect to any such vote or any actions by written consent of the Members taken after the date of this Agreement with respect to such Sale of the Company. This proxy shall be deemed to be coupled with an interest and shall be irrevocable. This proxy shall terminate upon the consummation of, or termination of, negotiations with respect to, the applicable Sale of the Company.

**10.07 Preemptive Rights.** Subject to the terms and conditions of this Section 10.07 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Preferred Member. A Preferred Member shall be entitled to apportion the right of first offer hereby granted to it among itself and its Affiliates in such proportions as it deems appropriate.

(a) The Company shall give notice (the "**Offer Notice**") to each such Preferred Member, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities, including a summary of the rights and privileges of such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each such Preferred Member may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Capital Units then held by such Preferred Member bears to the total number of Capital Units then held by all Members. At the expiration of such twenty (20) day period, the Company shall promptly notify each Preferred Member that elects to purchase or acquire all the units available to it (each, a "**Fully Exercising Preferred Member**") of any other Member's failure to do likewise. During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Preferred Member may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of units specified above, up to that portion of the New Securities for which Preferred Members were entitled to subscribe but that were not subscribed for by the participating Preferred Members which is equal to the proportion that the Capital Units then held, by such Fully Exercising Preferred Member bears to the Capital Units then held, by all Fully Exercising Preferred Members who wish to purchase such unsubscribed Capital Units. The closing of any sale pursuant to this Section 10.07(b) shall occur within the later of one hundred twenty (120) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 10.07(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 10.07(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 10.07(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Preferred Members in accordance with this Section 10.07.

(d) Notwithstanding anything to the contrary set forth in this Agreement, in the event that the application of the provisions of this Section 10.07 are waived by the Members with respect to an offering by the Company, to the extent that any Preferred Member participates in such offering, the other Preferred Members shall be entitled to also participate in such offering on a pro rata basis relative to such participating Preferred Member in accordance with the provisions of this Section 10.07.

(e) The covenants set forth in Sections 10.03, 10.04, 10.06 and 10.07 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO or (ii) upon a Change of Control, whichever event occurs first.

**10.08 Substitution of Members.** A transferee of a Unit shall have the right to become a substitute Member only with the consent of the Board of Directors. The admission of a substitute Member shall not result in the release of the Member who assigned the Unit from any liability that such Member may have to the Company.

**10.09 Conversion to Corporation and Registration Rights.**

(a) The Members acknowledge that the Company may need to convert into a corporation organized under the DGCL at some future date in connection with preparation for an IPO or in order to facilitate a financing or for tax purposes or for some other reason. Whether the Company is directly converted into a corporation or indirectly converted into a corporation pursuant to any other type of merger or reorganization, any conversion of the Company into a corporation must be approved by (i) the Board of Directors, (ii) the Requisite Preferred Holders, (iii) the Series B Vote and (iv) the Series C Vote. If the conversion into a corporation is approved in accordance with the preceding sentence or in connection with the consummation of an IPO pursuant to which the offering price per share is equal to at least (1.2) times the Series C Original Issue Price (subject to adjustments for unit splits, combinations and similar events) with gross proceeds to the Company of at least \$35,000,000 (a “**QPO**”), all Members will take appropriate steps to implement a corporate conversion of the Company, whether pursuant to conversion, merger or reorganization of the Company (“**Corporate Conversion**”) which may include, as an example, contribution of their Units to a newly formed corporation or distribution of a subsidiary of the Company that owns all material assets of the Company and its subsidiaries to the Members in liquidation of the Company (in each case, such surviving entity, “**Holdings**”) on terms that preserve and reflect the substantive economic rights of their Units; provided that, in the event that a Corporate Conversion is in connection with the consummation of a QPO, if such Units are entitled to distributions under Sections 8.01(b)(i), 8.01(b)(ii), 8.01(b)(iii), 8.01(b)(iv), 8.01(b)(v), 8.01(b)(vi) and/or 8.01(b)(vii) then, following the consummation of such IPO, such Unit (or security in Holdings) shall be converted to common equity of Holdings and only be entitled to the equivalent of economic rights under Section 8.01(b)(vii) (determined taking into account the application of any Strike Price under Section 8.01(c) in respect of Non-Voting Incentive Units); provided that, notwithstanding the foregoing, the Board of Directors shall have discretion to modify the economic rights associated with any shares issued to holders of Non-Voting Incentive Units to preserve the status of such units as “profits interests” within the meaning of IRS Revenue Procedures 93-27 and 2001-43. For the avoidance of doubt, it is the intention of the parties that any shares or the number of shares in Holdings to be received pursuant to this Section 10.09 will afford to the party receiving the same economic interest, rights, benefits and obligations as were associated with the Units held by such party immediately prior to such reorganization, both generally and relative to the holders of other shares of Holdings (but subject to the terms hereof, including the proviso in the immediately preceding sentence). In addition, the consent to any conversion transaction pursuant to the terms of this Section 10.09 shall be conclusive and binding on all Members, and the Members hereby waive any dissenters’ or appraisal rights that they may have pursuant to the Act, and agree to take any actions necessary (including voting Units) in order to facilitate and effect such conversion transaction. The Company and the Members agree to use commercially reasonable efforts to effect such Corporate Conversion in a manner intended to be tax-free for the holders of the Units to the extent permitted by any applicable law. In connection with preparation for an IPO, the Company shall have the right to take action with respect to any Option issued pursuant to the 2020 Unit Option and Grant Plan to facilitate a reorganization of the Company which may include, as examples, substitution of such Options in a newly formed corporation on terms and for securities that preserve and reflect the economic interest, rights, benefits and obligations as were associated with such Options held by such party immediately prior to such reorganization and execution of a lock-up agreement (consistent with Section 10.09 and Section 10.10 of this Agreement).

(b) Promptly following a Corporate Conversion, the Company shall enter into the Registration Rights Agreement attached hereto as Exhibit A with the Preferred Members at such time.

(c) In connection with a Corporate Conversion, each Member hereby agrees, if requested by the Company and such transaction requires Member approval, with respect to all Units that such Member owns or over which such Member otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Units in favor of, and adopt, such Corporate Conversion and any related documents (including any documents required to effect the reorganization of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Corporate Conversion.

#### 10.10 Lock-Up.

(a) Each Member hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the initial public offering by the Company (or its successor) (the “**IPO**”), and ending on the date specified by the Company (or its successor) and the managing underwriter (such period not to exceed one hundred eighty (180) days, (i) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right, or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any equity securities of the Company (or its successor) held immediately before the effective date of the registration statement for the IPO or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such equity securities of the Company (or its successor), whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of equity securities of the Company (or its successor), in cash, or otherwise. The foregoing provisions of this Section 10.10 shall only apply to the IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall be applicable to the Members only if all officers and directors are subject to the same restrictions and the Company (or its successor) obtains a similar agreement from all stockholders (individually and together with their Affiliates) owning one percent (1%) or more of the equity securities of the Company (or its successor). The underwriters in connection with the IPO are intended third party beneficiaries of this Section 10.10 and shall have the right, power, and authority to enforce the provisions hereof as though they were a party hereto. Each Member further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with the IPO that are consistent with this Section 10.10 or that are necessary to give further effect thereto. If any of the obligations described in this Section 10.10 are waived or terminated with respect to any of the securities of any such Member, officer, director or greater than one-percent stockholder (in any such case, the “**Released Securities**”), the foregoing provisions shall be waived or terminated, as applicable, to the same extent and with respect to the same percentage of securities of each Member as the percentage of Released Securities represent with respect to the securities held by the applicable Member, officer, director or greater than one-percent stockholder.

(b) In order to enforce the covenant in Section 10.10(a) above, the Company may impose stop-transfer instructions with respect to the equity securities of each Member (and transferees and assignees thereof) until the end of such restricted period.

ARTICLE XI  
DISSOLUTION, LIQUIDATION, AND TERMINATION; INCORPORATION

11.01 Dissolution. The Company shall be dissolved upon (i) the entry of a decree of judicial dissolution pursuant to Section 18-802 of the Act or (ii) the decision of the Board of Directors and a Majority Interest.

11.02 Liquidating Distributions. In settling accounts upon dissolution, winding up and liquidation of the Company, the assets of the Company shall be applied and distributed as expeditiously as possible in the following order:

(a) To pay (or make reasonable provision for the payment of) all creditors of the Company, including, to the extent permitted by law, Members or other Affiliates that are creditors, in satisfaction of liabilities of the Company in the order of priority provided by law, including expenses relating to the dissolution and winding up of the Company, discharging liabilities of the Company, distributing the assets of the Company and terminating the Company as a limited liability company in accordance with this Agreement and the Act);



(b) To the Members in accordance with Section 8.02; and

(c) To the Members in accordance with Section 8.01(b), subject to the other provisions of ARTICLE VIII and Section 13.01.

#### 11.03 Allocation of Sale Proceeds.

(a) Notwithstanding anything to the contrary contained herein, net proceeds paid or deemed paid in connection with a Sale Event (which shall include the aggregate consideration payable to holders of Units of the Company or received by the Company in connection with any Change of Control), after the full payment to any creditors of the Company and the establishment of reasonable reserves for contingent liabilities of the Company, to the extent required by law or in the Board of Director's reasonable discretion, shall be allocated and distributed among the Members by treating such proceeds as distributions under Section 8.01(b) hereof, subject to the other provisions of ARTICLE VIII and Section 13.01. For purposes hereof, a "**Sale Event**" shall mean a Change of Control.

(b) To the extent that the proceeds from a Sale Event are in a form other than cash, such non-cash proceeds shall be, as determined by Board of Director and approved by the Requisite Preferred Holders, either (i) reduced to cash or some other easily divisible and reasonably liquid asset for subsequent distribution among the Members in the order provided in Section 8.01(b) or (ii) distributed in-kind among the Members in the order provided in Section 8.01(b), in each case subject to the other provisions of ARTICLE VIII and Section 13.01. To the extent that non-cash proceeds from a Sale Event are not reduced to cash or other liquid asset and are distributed in-kind to the Members, distributions under Section 8.01(b) shall be made in a manner such that all Members receive their pro rata share of the cash proceeds from such transaction and each class or type of non-cash proceeds (unless otherwise agreed to by the Members). The value of such non-cash proceeds shall be equal to the Fair Market Value of the non-cash proceeds at the time of the distribution as determined in good faith by the Board of Directors Director and approved by the Requisite Preferred Holders.

(c) To the extent any proceeds of a Sale Event are set aside as a reserve against contingent liabilities and are not used to satisfy such liabilities and are subsequently distributed, such unused proceeds shall be distributed to the Members in the order provided in Section 8.01(b), subject to the other provisions of ARTICLE VIII and Section 13.01, as if such amounts had been distributed immediately following the receipt of the proceeds of the Sale Event and no such reserves had been established, but taking into account all other distributions made prior to or contemporaneously with such distribution of unused reserves.

(d) To the extent that any portion of the consideration payable to the Members of the Company in any Sale Event is payable only upon satisfaction of contingencies (the “**Additional Consideration**”), the agreement governing such Sale Event shall provide that (i) the portion of such consideration that is not Additional Consideration (such portion, the “**Initial Consideration**”) shall be allocated among the participating Members by treating such proceeds as distributions under Section 8.01(b) hereof and shall take into account any amounts previously distributed pursuant to Section 8.01(b), as if the Initial Consideration were the only consideration payable in connection with such Sale Event; and (ii) any Additional Consideration which becomes payable to the Members upon satisfaction of such contingencies shall be allocated among the participating Members by treating such proceeds as distributions under Section 8.01(b) hereof after taking into account the previous payment of the Initial Consideration as part of the same transaction and any other amounts previously distributed pursuant to Section 8.01(b), in each case subject to the other provisions of ARTICLE VIII and Section 13.01. For the purposes of this Section 11.03(d), consideration placed into escrow or retained as holdback to be available for satisfaction of indemnification or similar obligations in connection with such Sale Event shall be deemed to be Additional Consideration.

11.04 Orderly Winding Up. Notwithstanding anything herein to the contrary, upon winding up and liquidation, if required to maximize the proceeds of liquidation, the Members may, upon approval of the Requisite Preferred Holders, transfer the assets of the Company to a liquidating trust or trustees.

## ARTICLE XII DEFINITIONS

12.01 Terms Defined Elsewhere in the Agreement. For purposes of this Agreement, the following terms have the meaning set forth in the Section indicated:

<u>Term</u>	<u>Section</u>
A&R Agreement	Recitals
Act	Recitals
Additional Consideration	11.03(d)
Additional Units	12.02
Affiliate	12.02
Agreement	Preamble
Available Units	10.04(a)
Bad Actor Disqualification Event	2.14
Baupost Director	3.02
Board of Directors	3.01
Capital Account	12.02
Capital Contribution	12.02

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Capital Transaction	12.02
Capital Transaction Proceeds	12.02
Capital Units	2.10(a)
Certificate	1.01
CEO	3.02(b)(iii)
CEO Director	3.02(b)(iii)
Change of Control	12.02
Code	12.02
Common Units	2.10(a)
Company	Preamble
Company Distributions	12.02
Company Notice	12.02
Company Undersubscription Notice	10.03(d)
Confidential Information	12.02
Control	12.02
Corporate Conversion	10.09(a)
Co-Sale Per Unit Liquidation Value	10.04(b)
Co-Sale Purchase Price	10.04(b)
Covered Persons	3.11(b)
Designated Affiliate	12.02
Designated Affiliate License Agreements	12.02
Designated Affiliate Sale	8.01(d)
DGCL	5.01
Director	12.02

Economic Capital Account	12.02
Exercising Preferred Members	10.03(d)
Expenses	5.06(b)
Fair Market Value	12.02
Fiscal Year	1.04
Fully Exercising Preferred Member	10.07(b)
F2	3.02(b)(ii)
Foresite	12.02
Holding	10.09(a)
Imputed Underpayment Amount	13.01(b)
Indemnified Person	5.06(a)
Initial Consideration	11.03(d)
IPO	10.10
Investor Business Opportunity	3.11(b)
Majority Interest	2.03(a)
Member	Preamble
New Securities	12.02
Non-Voting Incentive Units	2.10(a)
OIF	3.02(b)(i)
Offer Notice	10.07(a)
Officer	4.01
Other Indemnitors	5.02
Participating Preferred Member	10.04(a)
Partnership Representative	3.03(a)(viii)
Permitted Transfer	10.01(a)

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Permitted Transferee	10.01(a)
Person	12.02
Preferred Director	3.02(b)(iii)
Preferred Member	12.02
Preferred Member Notice	12.02
Preferred Member Notice Period	10.03(d)
Preferred Units	2.10(a)
Preferred Unit Preference Amount	12.02
President	4.01
Prior Agreement	Recitals
Proceeding	5.06(c)
Proceeds Available for Distribution	12.02
Prohibited Transfer	10.05(c)
Proposed Sale	10.06(c)
Proposed Transfer	12.02
Proposed Transfer Notice	12.02
Proposed Transferee	12.02
Purchase Agreement	12.02
QPO	10.09
Original Issue Date	12.02
Released Securities	10.10
Required Reserve	12.02
Requisite Preferred Holders	12.02
Revised Audit Procedures	12.02
Right of Co-Sale	12.02

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Right of First Refusal	12.02
Rule 506(d) Related Party	12.02
Sale Event	11.03(a)
Sale of the Company	10.06(a)
Secondary Notice	12.02
Secondary Refusal Right	12.02
Secretary	4.01
Securities Act	2.02
Selling Investors	10.06(b)
Series Seed Preferred Units	2.10(a)
Series A Preferred Units	2.10(a)
Series A Preferred Director	3.02
Series B Accrued Dividend	12.02
Series B Preferred Units	2.10(a)
Series B Original Issue Price	12.02
Series B Vote	12.02
Series C Original Issue Price	12.02
Series C Vote	12.02
Series A1 Accrued Dividend	12.02
Series Seed Accrued Dividend	12.02
Series A1 Original Issue Price	12.02
Series Seed Original Issue Price	12.02
Strike Price	2.10(e)
Target Balance	12.02
Tax Distribution	8.02

Tax Liability	8.02
Tax Rate	8.02
Transfer	10.02(a)
Transferring Member	12.02
Transfer Notice	12.02
Transfer Units	12.02
Treasurer	4.01
Treasury Regulation	12.02
Unit Certificate	2.10(g)
Unit Sale	10.06(a)
Units	2.10(a)
Units Deemed Outstanding	12.02
Unpaid Preferred Cap	12.02
Unpaid Preferred Unit Preference Amount	12.02
Withholding Payment	13.01(a)

12.02 Other Definitions. For purposes of this Agreement the following terms have the following meanings:

“**Additional Units**” shall mean all Capital Units issued, deemed to be issued by the Company after the date hereof, other than Exempted Securities.

“**Adjustment Price**” shall initially be equal to \$0.25 for the Series Seed Preferred Units, \$1.00 for the Series A1 Preferred Units, \$1.56 for the Series B Preferred Unit and \$1.97 for the Series C Preferred Unit, each subject to adjustment as provided in Section 2.11.

“**Adjustment Ratio**” shall equal the Series Seed Original Issue Price, Series A1 Original Issue Price, Series B Preferred Stock and Series C Preferred Stock as applicable, divided by the applicable Adjustment Price.

“**Affiliate**” means a Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with the Person specified, including without limitation any general partner, limited partner, member, managing member, manager, employee, officer or director of such Person and any venture capital or other investment fund now or hereafter existing that is controlled by or under common control with one or more general partners or managing members of, or shares the same management company or investment advisor with, such Person.

“**AIG**” means AIG DECO Fund I, L.P.

“**Baupost**” means Baupost Private Investments A-1, L.L.C., Baupost Private Investments B-1, L.L.C., Baupost Private Investments C-1, L.L.C., Baupost Private Investments P-1, L.L.C., Baupost Private Investments Y-1, L.L.C., Baupost Private Investments BVI-1, L.L.C., Baupost Private Investments BVII-1, L.L.C., Baupost Private Investments BVIII-1, L.L.C., and Baupost Private Investments BVIV-1, L.L.C., collectively.

“**Capital Account**” means the capital account maintained by the Company for each Member as described in Section 6.02.

“**Capital Contribution**” means, for any Member, all cash and the agreed fair market value of the property contributed by the Member to the Company.

“**Capital Transaction**” means any dissolution, winding up or liquidation of the Company or any subsidiary or any sale or other disposition of all or substantially all of the assets of the Company or any subsidiary in a single transaction or an integrated series of transactions entered into with the intent of disposing of all or substantially all of the assets of the Company or any subsidiary, including by way of merger or consolidation of the Company with or into any other entity.

“**Capital Transaction Proceeds**” means the net amounts received resulting from any Capital Transactions after deducting (a) all costs and expenses of the Company directly related to the Capital Transaction, (b) the amount (if any) to discharge all debts and obligations of the Company required to be paid as a result of the Capital Transaction, and (c) any reasonable reserves that are required for the fixed, contingent or future liabilities or obligations of the Company.

“**Change of Control**” means (i) a merger or consolidation with a Person or Persons in which (A) the Company is a constituent party or (B) a subsidiary of the Company is a constituent party and the Company issues equity ownership interests pursuant to such merger or consolidation, except any such merger or consolidation in which the equity ownership interests of the Company outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of equity securities that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the equity ownership of the surviving or resulting entity (or the ultimate parent entity of such surviving or resulting entity) or (ii) (1) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Company or any subsidiary of the Company of all or substantially all the assets of the Company and its subsidiaries taken as a whole, or (2) the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one or more subsidiaries of the Company if substantially all of the assets of the Company and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Company.



“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Company Distributions**” means Proceeds Available for Distribution and distributed Capital Transaction Proceeds.

“**Company Notice**” means written notice from the Company notifying the selling Member that the Company intends to exercise its Right of First Refusal as to some or all of the Transfer Units with respect to any Proposed Member Transfer.

“**Confidential Information**” means all documents and information, whether written or oral (including, without limitation, confidential and proprietary information with respect to customers, sales, marketing, production, costs, business operations and assets), of the Company.

“**Control**” of a Person means the possession, direct or indirect, of the power to vote in excess of 50% of the voting power of such Person, to appoint the majority of the managers, general partners or the equivalent of such Person, or to direct or cause the direction of the management and policies of such Person (e.g., as managing member or in a similar capacity but not including an advisory or management agreement (in the case of a managed account)).

“**Cowen**” means Cowen Healthcare Investments II LP, CHI EF II LP, Cowen Healthcare Investments III, LP and CHI EF III LP, collectively.

“**Director**” means a member of the Company’s Board of Directors.

“**Economic Capital Account**” means, with respect to any Member, such Member’s Capital Account balance as of the date of determination, after crediting to such Capital Account any amounts that the Member is deemed obligated to restore under Treasury Regulations Section 1.704-2.

“**Eventide**” means Mutual Fund Series Trust, On Behalf Of Eventide Healthcare & Life Sciences Fund, together with their Affiliates.

“**Exempted Securities**” shall mean: (i) Non-Voting Incentive Units or Options issued pursuant to an employee unit or option plan approved by the Board of Directors; or (ii) Units issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors (including at least two (2) Preferred Directors).

“**Fair Market Value**” means, with respect to any asset, as of the date of determination, the cash price (as determined in the reasonable discretion of the Board of Directors) at which a willing seller would sell, and a willing buyer would buy, each being apprised of all relevant facts and neither acting under compulsion, such asset in an arm’s-length negotiated transaction with an unaffiliated third party without time constraints.

“**Foresite**” means Foresite Capital Fund V, L.P., together with its Affiliates.

“**Lead Directors**” means the Series B Director, the F2 Director and the OIF Director.

“**Member**” means any holder of Units of the Company.

“**New Securities**” means any equity securities (or securities exercisable for or convertible into equity securities) of any kind or class issued by the Company after the date hereof, including Preferred Units; provided, however, that none of the following shall constitute New Securities for any purpose hereunder: (i) Non-Voting Incentive Units; (ii) Preferred Units issued pursuant to the Purchase Agreement; or (iii) Exempted Securities.

“**Options**” shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Units or convertible securities.

“**Original Issue Date**” shall mean (i) for the Series Seed Preferred Units, October 17, 2016, (ii) for the Series A1 Preferred Units, April 28, 2017, (iii) for the Series B Preferred Units, October 4, 2019 and (iv) for the Series C Preferred Units, December 16, 2020.

“**Percentage Interest**” of each Member at any time shall mean (i) the sum of (A) the number of Preferred Units held by such Member multiplied by the applicable Adjustment Ratio in effect at such time, (B) the number of Common Units held by such Member at such time (other than Common Units that are unvested at such time), and (C) the number of Non-Voting Incentive Units held by such Member at such time (other than Non-Voting Incentive Units that are unvested at such time) *divided by* (ii) the sum of (A) the number of Preferred Units then outstanding multiplied by the applicable Adjustment Ratio in effect at such time, (B) the number of Common Units then outstanding at such time (other than Common Units that are unvested at such time), and (C) the number of Non-Voting Incentive Units held by such Member at such time (other than Non-Voting Incentive Units that are unvested at such time).

“**Person**” means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, estate, unincorporated organization, governmental or regulatory body or other entity.

“**Preferred Member**” means any Member holding Preferred Units.

“**Preferred Member Notice**” means written notice from a Preferred Member notifying the Company and the selling Member that such Preferred Member intends to exercise its Secondary Refusal Right as to a portion of the Transfer Units with respect to any Proposed Transfer.

“**Preferred Unit Preference Amount**” means, (i) in respect of each Series Seed Preferred Unit, the sum of (a) the Series Seed Original Issue Price plus (b) the Series Seed Accrued Dividend plus (c) any other dividends declared but unpaid thereon, (ii) in respect of each Series A1 Preferred Unit, the sum of (a) the Series A1 Original Issue Price plus (b) the Series A1 Accrued Dividend plus (c) any other dividends declared but unpaid thereon, (iii) in respect of each Series B Preferred Unit, the sum of (a) the Series B Original Issue Price plus (b) the Series B Accrued Dividends plus (c) any other dividends declared but unpaid thereon, and (iv) in respect of each Series C Preferred Unit, the sum of (a) the Series C Original Issue Price plus (b) the Series C Accrued Dividends plus (c) any other dividends declared but unpaid thereon.

“**Proceeds Available for Distribution**” means all cash amounts received (excluding proceeds from Capital Contributions and Capital Transaction Proceeds) after deduction for payments of operating expenses, other cash expenditures, and any amounts set aside for the restoration, increase or creation of reasonable reserves.

“**Proposed Transfer**” means any assignment, sale, offer to sell, pledge, mortgage, hypothecation, encumbrance, disposition of or any other like transfer or encumbering of any Transfer Units (or any interest therein) proposed by any of the Members holding Common Units.

“**Proposed Transfer Notice**” means written notice from a Member holding Common Units setting forth the terms and conditions of a Proposed Transfer.

“**Proposed Transferee**” means the prospective purchaser or transferee of the Transfer Units.

“**Purchase Agreement**” means the Series B Preferred Unit Purchase Agreement, by and among the Company and certain Members party thereto, dated as of the date hereof, as may be amended from time to time.

“**Requisite Preferred Holders**” means the Members holding at least seventy-five (75%) of the outstanding Preferred Units, voting together as a single class.

“**Revised Audit Procedures**” means the partnership audit rules enacted under Section 1101 of the Bipartisan Budget Act of 2015 and any analogous state or local law.

“**Right of Co-Sale**” means the right, but not an obligation, of a Preferred Member to participate in a Proposed Transfer on the terms and conditions specified in the Proposed Transfer Notice.

“**Right of First Refusal**” means the right, but not an obligation, of the Company, or its permitted transferees or assigns, to purchase some or all of the Transfer Units with respect to a Proposed Transfer pursuant to Section 10.03, on the terms and conditions specified in the Transfer Notice.

“**Rock Springs**” means Rock Springs Capital Master Fund LP and Four Pines Master Fund LP, together with their Affiliates.

“**Rule 506(d) Related Party**” means a person or entity covered by the “Bad Actor disqualification” provision of Rule 506(d) of the Securities Act.

“**Secondary Notice**” means written notice from the Company notifying the Preferred Members and the selling Member that the Company does not intend to exercise its Right of First Refusal as to all Transfer Units with respect to any Proposed Transfer.

“**Secondary Refusal Right**” means the right, but not an obligation, of each Preferred Member to purchase up to its *pro rata* portion of any Transfer Units not purchased pursuant to the Right of First Refusal, on the terms and conditions specified in the Proposed Transfer Notice.

“**Series A1 Accrued Dividend**” means, from and after the Original Issue Date of the Series A1 Preferred Units, a cumulative, non-compounding dividend accruing at the rate per annum of 6% of the Unpaid Series A1 Original Issue Price per Series A1 Preferred Unit, subject to appropriate

adjustment in the event of any Unit splits, combination or other recapitalization or reclassification; provided, however, that such dividend shall only accrue until such time as the Unpaid Preferred Unit Preference Amount for such Preferred Unit has been reduced to zero. “Unpaid Series A1 Original Issue Price” shall mean the Series A1 Original Issue Price reduced by all payments made with respect to each Series A1 Preferred Unit pursuant to Section 8.01(b)(ii) other than payments of Series A1 Accrued Dividends.

“**Series A1 Original Issue Price**” means \$1.00.

“**Series B Accrued Dividend**” means, from and after the Original Issue Date of the Series B Preferred Units, a cumulative, non-compounding dividend accruing at the rate per annum of 6% of the Unpaid Series B Original Issue Price per Series B Preferred Unit, subject to appropriate adjustment in the event of any Unit splits, combination or other recapitalization or reclassification; provided, however, that such dividend shall only accrue until such time as the Unpaid Preferred Unit Preference Amount for such Preferred Unit has been reduced to zero. “Unpaid Series B Original Issue Price” shall mean the Series B Original Issue Price reduced by all payments made with respect to each Series B Preferred Unit pursuant to Section 8.01(b)(i) other than payments of Series B Accrued Dividends.

“**Series B Original Issue Price**” means \$1.56.

“**Series B Vote**” means Members holding at least a majority of the outstanding Series B Preferred Units.

“**Series C Accrued Dividend**” means, from and after the Original Issue Date of the Series C Preferred Units, a cumulative, non-compounding dividend accruing at the rate per annum of 6% of the Unpaid Series C Original Issue Price per Series C Preferred Unit, subject to appropriate adjustment in the event of any Unit splits, combination or other recapitalization or reclassification; provided, however, that such dividend shall only accrue until such time as the Unpaid Preferred Unit Preference Amount for such Preferred Unit has been reduced to zero. “Unpaid Series C Original Issue Price” shall mean the Series C Original Issue Price reduced by all payments made with respect to each Series C Preferred Unit pursuant to Section 8.01(b)(i) other than payments of Series C Accrued Dividends.

“**Series C Original Issue Price**” means \$1.97.

“**Series C Vote**” means Members holding at least a majority of the outstanding Series C Preferred Units.

“**Series Seed Accrued Dividend**” means, from and after the Original Issue Date of the Series Seed Preferred Units, a cumulative, non-compounding dividend accruing at the rate per annum of 6% of the Unpaid Series Seed Original Issue Price per Series Seed Preferred Unit, subject to appropriate adjustment in the event of any Unit splits, combination or other recapitalization or reclassification; provided, however, that such dividend shall only accrue until such time as the Unpaid Preferred Unit Preference Amount for such Preferred Unit has been reduced to zero. “Unpaid Series Seed Original Issue Price” shall mean the Series Seed Original Issue Price reduced by all payments made with respect to each Series Seed Preferred Unit pursuant to Section 8.01(b)(ii) other than payments of Series Seed Accrued Dividends.

“**Series Seed Original Issue Price**” means \$0.25.

“**Target Balance**” means, with respect to any Member as of the close of any period for which allocations are made under ARTICLE VII, the amount such Member would receive (or be required to contribute) in a hypothetical liquidation of the Company as of the close of such period, assuming for purposes of any hypothetical liquidation (i) a sale of all of the assets of the Company at prices equal to their then book values (as maintained by the Company for purposes of, and as maintained pursuant to, the capital account maintenance provisions of Treasury Regulations Sections 1.704-1(b)(2)(iv)), and (ii) the distribution of the net proceeds thereof to the Members pursuant to the provisions of Section 8.01 (after the payment of all actual Company indebtedness, and any other liabilities related to the Company’s assets, limited, in the case of non-recourse liabilities, to the collateral securing or otherwise available to satisfy such liabilities) treating all outstanding unvested Non-Voting Incentive Units and any unvested Common Units for which an election was made under Section 83(b) of the Code as vested Non-Voting Incentive Units in compliance with the requirements of Section 4.01 of IRS Revenue Procedure 2001-43.

“**Transferring Member**” means a Member that proposes to transfer units.

“**Transfer Notice**” written notice that the Transferring Member gives of a proposed Transfer.

“**Transfer Units**” means Common Units or vested Non-Voting Incentive Units, as applicable, owned by a Member, or issued to a Member after the date hereof (including, without limitation, in connection with any unit split, recapitalization, reorganization, or the like).

“**Treasury Regulation**” means a regulation issued by the United States Department of the Treasury and relating to a matter arising under the Code.

“**Units Deemed Outstanding**” shall mean, at any time, the sum of (a) the number of Series Seed Preferred Units outstanding at such time multiplied by the Adjustment Ratio applicable to the Series Seed Preferred Units then in effect, (b) the number of Series A1 Preferred Units outstanding at such time multiplied by the Adjustment Ratio applicable to the Series A1 Preferred Units then in effect, (c) the number of Series B Preferred Units outstanding at such time multiplied by the Adjustment Ratio applicable to the Series B Preferred Units then in effect, (d) the number of Series C Preferred Units outstanding at such time multiplied by the Adjustment Ratio applicable to the Series C Preferred Units then in effect, and (e) all other Units then outstanding (including Non-Voting Incentive Units, whether or not vested, and Units issuable upon exercise of Options).

“**Unpaid Preferred Unit Preference Amount**” means, with respect to a Preferred Unit at a particular time of determination, the excess of (i) the Preferred Unit Preference Amount for such Preferred Unit, reduced, but not below zero dollars (\$0), by (ii) the aggregate amount of distributions made with respect to such Preferred Unit pursuant to Section 8.01(b)(i) or 8.01(b)(ii) as applicable.

ARTICLE XIII  
GENERAL PROVISIONS

13.01 Offset and Withholding.

(a) The Company shall at all times be entitled to make payments with respect to any Member in amounts required to discharge any obligation of the Company to withhold from a distribution or make payments to any governmental authority with respect to any foreign, federal, state or local tax liability of such Member arising as a result of such Member's interest in the Company (a "**Withholding Payment**"). Any Withholding Payment made from funds withheld upon a distribution will be treated as distributed to such Member for all purposes of this Agreement to the extent that such Withholding Payment is attributable to the tax status of such Member. Any other Withholding Payment attributable to the tax status of a Member and that is not reimbursed by such Member within thirty (30) days following notice by the Company to such Member of such Withholding Payment will be deemed to be a recourse loan by the Company to the relevant Member. The amount of Withholding Payment treated as a loan, plus interest thereon from the date of each such Withholding Payment until such amount is repaid to the Company at an interest rate of six percent (6%) per annum, shall be repaid to the Company upon demand by the Company and may be repaid by the relevant Member at any time; provided, however, that in the Board of Directors' sole discretion, any such amount may be repaid by deduction from any distributions payable to such Member pursuant to this Agreement (with such deduction treated as an amount distributed to the Member) as determined by the Board of Directors in its sole discretion.

(b) Any imputed underpayment within the meaning of Code Section 6225 paid (or payable) by the Company as a result of an adjustment with respect to any Company item, including any interest or penalties with respect to any such adjustment (collectively, an "**Imputed Underpayment Amount**"), shall be treated as if it were paid by the Company as a Withholding Payment with respect to the appropriate Members. The Board of Directors shall reasonably determine the portion of an Imputed Underpayment Amount attributable to each Member or former Member. The portion of the Imputed Underpayment Amount that the Board of Directors attributes to a Member shall be treated as a Withholding Payment with respect to such Member. The portion of the Imputed Underpayment Amount that the Board of Directors attributes to a former Member of the Company shall be treated as a Withholding Payment with respect to both such former Member and such former Member's transferee(s) or assignee(s), as applicable, and the Board of Directors may in its discretion exercise the Company's rights pursuant to this Section 13.01(b) in respect of either or both of the former Member and its transferee or assignee. Imputed Underpayment Amounts treated as Withholding Payments also shall include any imputed underpayment within the meaning of Code Section 6225 paid (or payable) by any entity treated as a partnership for U.S. federal income tax purposes in which the Company holds (or has held) a direct or indirect interest other than through entities treated as corporations for U.S. federal income tax purposes to the extent that the Company bears the economic burden of such amounts, whether by law or agreement. The Company shall use commercially reasonable efforts to obtain reductions in any Imputed Underpayment Amount imposed on the Company pursuant to Section 6232 of the Code or the amounts "pushed out" to the Members pursuant to the Section 6226 of the Code (and any related interest, penalties or other additions to tax) in light of the Members' (and/or their direct and indirect members',

shareholders', partners', beneficiaries', and other beneficial owners') tax status or actions, and allocate any such reduction in an Imputed Underpayment Amount or amounts "pushed out" to the applicable Member; provided that, the Company may, but is not obligated to, make such a "push out" election pursuant to Code Section 6226. The Company shall cooperate, and cause the Partnership Representative to cooperate, as reasonably requested by any Member in connection with any tax audit or proceeding of the Company or any of its subsidiaries in obtaining any available reductions in tax liability for the requesting Member or its direct or indirect beneficial owners.

13.02 Notices. Except as expressly set forth to the contrary in this Agreement, all notices, requests, or consents required or permitted to be given under this Agreement must be in writing and shall be deemed to have been given (a) three (3) days after the date mailed by registered or certified mail, addressed to the recipient, with return receipt requested, (b) upon delivery to the recipient in person or by courier, or (c) upon receipt of a facsimile transmission by the recipient. Such notices, requests and consents shall be given (x) to the Members at the addresses set forth on the records of the Company or such other address as may be specified by notice to the Board of Directors, and (y) to the Company or the Board of Directors at the address of the principal office of Company. Whenever any notice is required to be given by law, the Certificate or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

13.03 Entire Agreement. This Agreement (together with any management rights letter by and between the Company and any Member, with respect to the applicable Member only) constitutes the entire agreement of the Members and the Company relating to the subject matter of this Agreement and supersedes all prior contracts or agreements among the Members relating to the subject matter of this Agreement, whether oral or written.

13.04 Amendment or Modification. Except as otherwise set forth herein, this Agreement and the Certificate may be modified or amended (or compliance with any provision hereof or thereof waived) by an instrument in writing signed by (a) the Company and (b) the Majority Interest; however, no such amendment may, without the consent of each affected Member, require any Member to make contributions to the Company or make the Member liable for any debts or obligations of the Company. No amendment or waiver that by its terms has an adverse effect on the rights and obligations of any Member (or any class of Members) that by its terms is disproportionate to the effect on other Members (or other classes of Members) may be made without the affirmative vote or written consent of the disproportionately affected Member or Members (taking into account any side agreements with any Member) holding at least (i) if the disproportionately affected class of Units are Common Units, a majority of the Common Units (if any are outstanding at such time), (ii) if the disproportionately affected class of Units are Preferred Units the Requisite Preferred Holders or (iii) if the disproportionately affected class of Units are any class or series of Preferred Units, at least a majority of such class or series, as applicable. For the avoidance of doubt, and without limitation of the foregoing, any amendment that alters or changes the rights of a Member or class of Members to designate or approve a director or member of a committee or a Board Observer (including the rights of the holders of the Preferred Units under Section 3.02(b)(i), Section 3.02(b)(ii), Section 3.02(b)(iii) and Section 3.02(e) or alters or changes the powers, preferences (including liquidation preferences), or special rights of the Units of such class or of such Member so as to affect them adversely shall be deemed to disproportionately affect such Member or Members, as applicable.

13.05 Binding Effect. Subject to the restrictions on transfers set forth in this Agreement, this Agreement is binding on and inures to the benefit of each of the Members and their respective heirs, legal representatives, successors and assigns.

13.06 Governing Law; Severability. This Agreement is governed by and shall be construed in accordance with the law of the State of Delaware, exclusive of its conflict-of-laws principles. In the event of a conflict between the provisions of this Agreement and any provision of the Certificate or the Act, the applicable provision of this Agreement shall control, to the extent permitted by law. If any provision of this Agreement or the application thereof to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision shall be enforced to the fullest extent permitted by law.

13.07 Waiver of Certain Rights. Each Member irrevocably waives any right it may have to maintain any action for dissolution of the Company or for partition of the property of the Company. The failure of any Member to insist upon strict performance of a covenant hereunder or of any obligation hereunder, irrespective of the length of time for which such failure continues, shall not be a waiver of such Member's right to demand strict compliance herewith in the future. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation hereunder, shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation hereunder.

13.08 Interpretation. For the purposes of this Agreement, terms not defined in this Agreement shall be defined as provided in the Act; and all nouns, pronouns and verbs used in this Agreement shall be construed as masculine, feminine, neuter, singular, or plural, whichever shall be applicable. Titles or captions of Articles and Sections contained in this Agreement are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

*[Signature Page Follows]*



IN WITNESS WHEREOF, the Company has executed this Agreement as of the date set forth above.

COMPANY:

**CULLINAN ONCOLOGY, LLC**

/s/ Owen Hughes

Name: Owen Hughes

Title: President and Chief Executive Officer

[Signature Page to Third A&R Limited Liability Company Agreement]

CULLINAN MANAGEMENT, INC.  
SENIOR EXECUTIVE CASH INCENTIVE BONUS PLAN

1. Purpose

This Senior Executive Cash Incentive Bonus Plan (the “*Incentive Plan*”) is intended to provide an incentive for superior work and to motivate eligible executives of Cullinan Management, Inc. (the “*Company*”) and its subsidiaries toward even higher achievement and business results, to tie their goals and interests to those of the Company and its stockholders and to enable the Company to attract and retain highly qualified executives. The Incentive Plan is for the benefit of Covered Executives (as defined below).

2. Covered Executives

From time to time, the Compensation Committee of the Board of Directors of the Company (the “*Compensation Committee*”) may select certain key executives (the “*Covered Executives*”) to be eligible to receive bonuses hereunder. Participation in this Plan does not change the “at will” nature of a Covered Executive’s employment with the Company.

3. Administration

The Compensation Committee shall have the sole discretion and authority to administer and interpret the Incentive Plan.

4. Bonus Determinations

(a) Corporate Performance Goals. A Covered Executive may receive a bonus payment under the Incentive Plan based upon the attainment of one or more performance objectives that are established by the Compensation Committee and relate to financial and operational metrics with respect to the Company or any of its subsidiaries (the “*Corporate Performance Goals*”), including the following: developmental, publication, clinical or regulatory milestones, cash flow (including, but not limited to, operating cash flow and free cash flow); revenue; corporate revenue; earnings before interest, taxes, depreciation and amortization; net income (loss) (either before or after interest, taxes, depreciation and/or amortization); changes in the market price of the Company’s common stock; economic value-added; acquisitions or strategic transactions; operating income (loss); return on capital, assets, equity, or investment; stockholder returns; return on sales; gross or net profit levels; productivity; expense efficiency; margins; operating efficiency; customer satisfaction; working capital; earnings (loss) per share of the Company’s common stock; bookings, new bookings or renewals; sales or market shares; number of customers, number of new customers or customer references; operating income and/or net annual recurring revenue, any of which may be (A) measured in absolute terms or compared to any incremental increase, (B) measured in terms of growth, (C) compared to another company or companies or to results of a peer group, (D) measured against the market as a whole and/or as compared to applicable market indices and/or (E) measured on a pre-tax or post-tax basis (if applicable). Further, any Corporate Performance Goals may be used to measure the performance of the Company as a whole or a business unit or other segment of the Company, or one or more product lines or specific markets. The Corporate Performance Goals may differ from Covered Executive to Covered Executive.

(b) Calculation of Corporate Performance Goals. At the beginning of each applicable performance period, the Compensation Committee will determine whether any significant element(s) will be included in or excluded from the calculation of any Corporate Performance Goal with respect to any Covered Executive. In all other respects, Corporate Performance Goals will be calculated in accordance with the Company's financial statements, generally accepted accounting principles, or under a methodology established by the Compensation Committee at the beginning of the performance period and which is consistently applied with respect to a Corporate Performance Goal in the relevant performance period.

(c) Target; Minimum; Maximum. Each Corporate Performance Goal shall have a "target" (100 percent attainment of the Corporate Performance Goal) and may also have a "minimum" hurdle and/or a "maximum" amount.

(d) Bonus Requirements; Individual Goals. Except as otherwise set forth in this Section 4(d): (i) any bonuses paid to Covered Executives under the Incentive Plan shall be based upon objectively determinable bonus formulas that tie such bonuses to one or more performance targets relating to the Corporate Performance Goals, (ii) bonus formulas for Covered Executives shall be adopted in each performance period by the Compensation Committee and communicated to each Covered Executive at the beginning of each performance period and (iii) no bonuses shall be paid to Covered Executives unless and until the Compensation Committee makes a determination with respect to the attainment of the performance targets relating to the Corporate Performance Goals. Notwithstanding the foregoing, the Compensation Committee may adjust bonuses payable under the Incentive Plan based on achievement of one or more individual performance objectives or pay bonuses (including, without limitation, discretionary bonuses) to Covered Executives under the Incentive Plan based on individual performance goals and/or upon such other terms and conditions as the Compensation Committee may in its discretion determine.

(e) Individual Target Bonuses. The Compensation Committee shall establish a target bonus opportunity for each Covered Executive for each performance period. For each Covered Executive, the Compensation Committee shall have the authority to apportion the target award so that a portion of the target award shall be tied to attainment of Corporate Performance Goals and a portion of the target award shall be tied to attainment of individual performance objectives.

(f) Employment Requirement. Subject to any additional terms contained in a written agreement between the Covered Executive and the Company, the payment of a bonus to a Covered Executive with respect to a performance period shall be conditioned upon the Covered Executive's employment by the Company on the bonus payment date. If a Covered Executive was not employed for an entire performance period, the Compensation Committee may pro rate the bonus based on the number of days employed during such period.

#### 5. Timing of Payment

(a) With respect to Corporate Performance Goals established and measured on a basis more frequently than annually (e.g., quarterly or semi-annually), the Corporate Performance

Goals will be measured at the end of each performance period after the Company's financial reports with respect to such period(s) have been published. If the Corporate Performance Goals and/or individual goals for such period are met, payments will be made as soon as practicable following the end of such period, but not later 74 days after the end of the fiscal year in which such performance period ends.

(b) With respect to Corporate Performance Goals established and measured on an annual or multi-year basis, Corporate Performance Goals will be measured as of the end of each such performance period (e.g., the end of each fiscal year) after the Company's financial reports with respect to such period(s) have been published. If the Corporate Performance Goals and/or individual goals for any such period are met, bonus payments will be made as soon as practicable, but not later than 74 days after the end of the relevant fiscal year.

(c) For the avoidance of doubt, bonuses earned at any time in a fiscal year must be paid no later than 74 days after the last day of such fiscal year.

6. Amendment and Termination

The Company reserves the right to amend or terminate the Incentive Plan at any time in its sole discretion.

**CULLINAN MANAGEMENT, INC.  
FORM OF INDEMNIFICATION AGREEMENT  
(For Directors of a Delaware Corporation)**

This Indemnification Agreement ("Agreement") is made as of [ ] by and between Cullinan Management, Inc., a Delaware corporation (together with its subsidiaries, the "Company"), and [ ] ("Indemnitee").

RECITALS

WHEREAS, the Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, to serve the Company;

WHEREAS, in order to induce Indemnitee to provide or continue to provide services to the Company, the Company wishes to provide for the indemnification of, and advancement of expenses to, Indemnitee to the maximum extent permitted by law;

WHEREAS, the Certificate of Incorporation (as amended and in effect from time to time, the "Charter") and the Bylaws (as amended and in effect from time to time, the "Bylaws") of the Company require indemnification of the officers and directors of the Company, and Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (the "DGCL");

WHEREAS, the Charter, the Bylaws and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors, officers and other persons with respect to indemnification;

WHEREAS, the Board of Directors of the Company (the "Board") has determined that the increased difficulty in attracting and retaining highly qualified persons such as Indemnitee is detrimental to the best interests of the Company's stockholders;

WHEREAS, it is reasonable and prudent for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law, regardless of any amendment or revocation of the Charter or the Bylaws, so that they will [serve or continue to serve] the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the indemnification provided in the Charter, the Bylaws and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; and

[WHEREAS, Indemnitee has certain rights to indemnification and/or insurance provided by [Name of Fund/Sponsor] which Indemnitee and [Name of Fund/Sponsor] intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided in this Agreement, with the Company's acknowledgment and agreement to the foregoing being a material condition to Indemnitee's willingness to [serve or continue to serve] on the Board.]

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to [continue to] serve as a director of the Company. Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by law), in which event the Company shall have no obligation under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnitee.

Section 2. Definitions.

As used in this Agreement:

(a) “Affiliate” and “Associate” shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, as in effect on the date of this Agreement; provided, however, that no Person who is a director or officer of the Company shall be deemed an Affiliate or an Associate of any other director or officer of the Company solely as a result of his or her position as director or officer of the Company.

(b) A Person shall be deemed the “Beneficial Owner” of, and shall be deemed to “Beneficially Own” and have “Beneficial Ownership” of, any securities:

(i) which such Person or any of such Person’s Affiliates or Associates, directly or indirectly, Beneficially Owns (as determined pursuant to Rule 13d-3 of the Rules under the Exchange Act, as in effect on the date of this Agreement);

(ii) which such Person or any of such Person’s Affiliates or Associates, directly or indirectly, has: (A) the legal, equitable or contractual right or obligation to acquire (whether directly or indirectly and whether exercisable immediately or only after the passage of time, compliance with regulatory requirements, satisfaction of one or more conditions (whether or not within the control of such Person) or otherwise) upon the exercise of any conversion rights, exchange rights, rights, warrants or options, or otherwise; (B) the right to vote pursuant to any agreement, arrangement or understanding (whether or not in writing); or (C) the right to dispose of pursuant to any agreement, arrangement or understanding (whether or not in writing) (other than customary arrangements with and between underwriters and selling group members with respect to a *bona fide* public offering of securities); or

(iii) which are Beneficially Owned, directly or indirectly, by any other Person (or any Affiliate or Associate thereof) with which such Person or any of such Person’s Affiliates or Associates has any agreement, arrangement or understanding (whether or not in

writing) (other than customary agreements with and between underwriters and selling group members with respect to a *bona fide* public offering of securities) for the purpose of acquiring, holding, voting or disposing of any securities of the Company; or

(iv) that are the subject of a derivative transaction entered into by such Person or any of such Person's Affiliates or Associates, including, for these purposes, any derivative security acquired by such Person or any of such Person's Affiliates or Associates that gives such Person or any of such Person's Affiliates or Associates the economic equivalent of ownership of an amount of securities due to the fact that the value of the derivative security is explicitly determined by reference to the price or value of such securities, or that provides such Person or any of such Person's Affiliates or Associates an opportunity, directly or indirectly, to profit or to share in any profit derived from any change in the value of such securities, in any case without regard to whether (A) such derivative security conveys any voting rights in such securities to such Person or any of such Person's Affiliates or Associates; (B) the derivative security is required to be, or capable of being, settled through delivery of such securities; or (C) such Person or any of such Person's Affiliates or Associates may have entered into other transactions that hedge the economic effect of such derivative security;

Notwithstanding the foregoing, no Person engaged in business as an underwriter of securities shall be deemed the Beneficial Owner of any securities acquired through such Person's participation as an underwriter in good faith in a firm commitment underwriting.

(c) A "Change in Control" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person is or becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company's then outstanding securities unless the change in relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors, provided that a Change of Control shall be deemed to have occurred if subsequent to such reduction such Person becomes the Beneficial Owner, directly or indirectly, of any additional securities of the Company conferring upon such Person any additional voting power;

(ii) Change in Board of Directors. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 2(a)(i), 2(a)(iii) or 2(b)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which

would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or successor entity) more than 50% of the combined voting power of the voting securities of the surviving or successor entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving or successor entity;

(iv) Liquidation. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale, lease, exchange or other transfer by the Company, in one or a series of related transactions, of all or substantially all of the Company's assets; and

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended, whether or not the Company is then subject to such reporting requirement.

(d) Corporate Status describes the status of a person as a current or former director of the Company or current or former director, manager, partner, officer, employee, agent or trustee of any other Enterprise which such person is or was serving at the request of the Company.

(e) Enforcement Expenses shall include all reasonable attorneys' fees, court costs, transcript costs, fees of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other out-of-pocket disbursements or expenses of the types customarily incurred in connection with an action to enforce indemnification or advancement rights, or an appeal from such action. Expenses, however, shall not include fees, salaries, wages or benefits owed to Indemnitee.

(f) Enterprise shall mean any corporation (other than the Company), partnership, joint venture, trust, employee benefit plan, limited liability company, or other legal entity of which Indemnitee is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee.

(g) Expenses shall include all reasonable attorneys' fees, court costs, transcript costs, fees of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other out-of-pocket disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding or an appeal resulting from a Proceeding. Expenses, however, shall not include amounts paid in settlement by Indemnitee, the amount of judgments or fines against Indemnitee or fees, salaries, wages or benefits owed to Indemnitee.

(h) Independent Counsel means a law firm, or a partner (or, if applicable, member or shareholder) of such a law firm, that is experienced in matters of Delaware corporation law and neither presently is, nor in the past five (5) years has been, retained to



represent: (i) the Company, any subsidiary of the Company, any Enterprise or Indemnitee in any matter material to any such party; or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) “Person” shall mean (i) an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, a business trust, a government or political subdivision, any unincorporated organization, or any other association or entity including any successor (by merger or otherwise) thereof or thereto, and (ii) a “group” as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended.

(j) The term “Proceeding” shall include any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative, regulatory or investigative nature, and whether formal or informal, in which Indemnitee was, is or will be involved as a party or otherwise by reason of the fact that Indemnitee is or was a director of the Company or is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any Enterprise or by reason of any action taken by Indemnitee or of any action taken on his or her part while acting as a director of the Company or while serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any Enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement; provided, however, that the term “Proceeding” shall not include any action, suit or arbitration, or part thereof, initiated by Indemnitee to enforce Indemnitee’s rights under this Agreement as provided for in Section 12(a) of this Agreement.

Section 3. Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnitee to the extent set forth in this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnitee shall be indemnified against all Expenses, judgments, fines, penalties, excise taxes, and amounts paid in settlement actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnitee to the extent set forth in this Section 4 if Indemnitee is, or

is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 4 in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court to be liable to the Company, unless and only to the extent that the Delaware Court of Chancery (the "Delaware Court") shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification for such expenses as the Delaware Court shall deem proper.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement and except as provided in Section 7, to the extent that Indemnitee is a party to or a participant in any Proceeding and is successful in such Proceeding or in defense of any claim, issue or matter therein, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Reimbursement for Expenses of a Witness or in Response to a Subpoena. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee, by reason of his or her Corporate Status, (i) is a witness in any Proceeding to which Indemnitee is not a party and is not threatened to be made a party or (ii) receives a subpoena with respect to any Proceeding to which Indemnitee is not a party and is not threatened to be made a party, the Company shall reimburse Indemnitee for all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

Section 7. Exclusions. Notwithstanding any provision in this Agreement to the contrary, the Company shall not be obligated under this Agreement:

(a) to indemnify for amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such amounts under any insurance policy, contract, agreement or otherwise; provided that the foregoing shall not affect the rights of Indemnitee or the Secondary Indemnitors as set forth in Section 13(c);

(b) to indemnify for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of state statutory law or common law, or from the purchase or sale by Indemnitee of such securities in violation of Section 306 of the Sarbanes-Oxley Act of 2002 ("SOX");

(c) to indemnify with respect to any Proceeding, or part thereof, brought by Indemnitee against the Company, any legal entity which it controls, any director or officer thereof or any third party, unless (i) the Board has consented to the initiation of such Proceeding or part thereof and (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; provided, however, that this Section 7(d) shall not apply to (A) counterclaims or affirmative defenses asserted by Indemnitee in an action brought against Indemnitee or (B) any action brought by Indemnitee for indemnification or advancement from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company in the suit for which indemnification or advancement is being sought as described in Section 12; or

(d) to provide any indemnification or advancement of expenses that is prohibited by applicable law (as such law exists at the time payment would otherwise be required pursuant to this Agreement).

Section 8. Advancement of Expenses. Subject to Section 9(b), the Company shall advance, the Expenses incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances (including any invoices received by Indemnitee, which such invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's (i) ability to repay the expenses, (ii) ultimate entitlement to indemnification under the other provisions of this Agreement, and (iii) entitlement to and availability of insurance coverage, including advancement, payment or reimbursement of defense costs, expenses or covered loss under the provisions of any applicable insurance policy (including, without limitation, whether such advancement, payment or reimbursement is withheld, conditioned or delayed by the insurer(s)). Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement which shall constitute an undertaking providing that Indemnitee undertakes to the fullest extent required by law to repay the advance if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company. No other form of undertaking shall be required. The right to advances under this paragraph shall in all events continue until final disposition of any Proceeding, including any appeal therein. Nothing in this Section 8 shall limit Indemnitee's right to advancement pursuant to Section 12(e) of this Agreement.

Section 9. Procedure for Notification and Defense of Claim.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request therefor specifying the basis for the claim, the amounts for which Indemnitee is seeking payment under this Agreement, and all documentation related thereto as reasonably requested by the Company.

(b) In the event that the Company shall be obligated hereunder to provide indemnification for or make any advancement of Expenses with respect to any Proceeding, the Company shall be entitled to assume the defense of such Proceeding, or any claim, issue or matter therein, with counsel approved by Indemnitee (which approval shall not be unreasonably withheld or delayed) upon the delivery to Indemnitee of written notice of the Company's election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees or expenses of separate counsel subsequently employed by or on behalf of Indemnitee with respect to the same Proceeding; provided that (i) Indemnitee shall have the right to employ separate counsel in any such Proceeding at Indemnitee's expense and (ii) if (A) the employment of separate counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of such defense, (C) the Company shall not continue to retain such counsel to defend such Proceeding, or (D) a Change in Control shall have occurred, then the fees and expenses actually and reasonably incurred by Indemnitee with respect to his or her separate counsel shall be Expenses hereunder.

(c) In the event that the Company does not assume the defense in a Proceeding pursuant to paragraph (b) above, then the Company will be entitled to participate in the Proceeding at its own expense.

(d) The Company shall not be liable to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without its prior written consent (which consent shall not be unreasonably withheld or delayed). Without limiting the generality of the foregoing, the fact that an insurer under an applicable insurance policy delays or is unwilling to consent to such settlement or is or may be in breach of its obligations under such policy, or the fact that directors' and officers' liability insurance is otherwise unavailable or not maintained by the Company, may not be taken into account by the Company in determining whether to provide its consent. The Company shall not, without the prior written consent of Indemnitee (which consent shall not be unreasonably withheld or delayed), enter into any settlement which (i) includes an admission of fault of Indemnitee, any non-monetary remedy imposed on Indemnitee or any monetary damages for which Indemnitee is not wholly and actually indemnified hereunder or (ii) with respect to any Proceeding with respect to which Indemnitee may be or is made a party or may be otherwise entitled to seek indemnification hereunder, does not include the full release of Indemnitee from all liability in respect of such Proceeding.

#### Section 10. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 9(a), a determination, if such determination is required by applicable law, with respect to Indemnitee's entitlement to indemnification hereunder shall be made in the specific case by one of the following methods: (x) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Board; or (y) if a Change in Control shall not have occurred: (i) by a majority vote of the disinterested directors, even though less than a quorum; (ii) by a committee of disinterested directors designated by a majority vote of the disinterested directors, even though less than a quorum; or (iii) if there are no disinterested directors or if the

disinterested directors so direct, by Independent Counsel in a written opinion to the Board. For purposes hereof, disinterested directors are those members of the Board who are not parties to the action, suit or proceeding in respect of which indemnification is sought. In the case that such determination is made by Independent Counsel, a copy of Independent Counsel's written opinion shall be delivered to Indemnitee and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within thirty (30) days after such determination. Indemnitee shall cooperate with the Independent Counsel or the Company, as applicable, in making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel or the Company, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. The Company shall likewise cooperate with Indemnitee and Independent Counsel, if applicable, in making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel and Indemnitee, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to the Company and reasonably necessary to such determination. Any out-of-pocket costs or expenses (including reasonable attorneys' fees and disbursements) actually and reasonably incurred by Indemnitee in so cooperating with the Independent Counsel or the Company shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(b) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(a), the Independent Counsel shall be selected by the Board if a Change in Control shall not have occurred or, if a Change in Control shall have occurred, by Indemnitee or the Company, as the case may be, may, within ten (10) days after written notice of such selection, deliver to the Company or Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court has determined that such objection is without merit. If, within twenty (20) days after the later of (i) submission by Indemnitee of a written request for indemnification pursuant to Section 9(a), and (ii) the final disposition of the Proceeding, including any appeal therein, no Independent Counsel shall have been selected without objection, either Indemnitee or the Company may petition the Delaware Court for resolution of any objection which shall have been made by Indemnitee or the Company to the selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate. The person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 10(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 12(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) Notwithstanding anything to the contrary contained in this Agreement, the determination of entitlement to indemnification under this Agreement shall be made without regard to the Indemnitee's entitlement to and availability of insurance coverage, including advancement, payment or reimbursement of defense costs, expenses or covered loss under the provisions of any applicable insurance policy (including, without limitation, whether such advancement, payment or reimbursement is withheld, conditioned or delayed by the insurer(s)).

Section 11. Presumptions and Effect of Certain Proceedings.

(a) To the extent permitted by applicable law, in making a determination with respect to entitlement to indemnification hereunder, it shall be presumed that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 9(a) of this Agreement, and the Company shall have the burden of proof and the burden of persuasion by clear and convincing evidence to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of guilty, nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(c) Indemnitee shall be deemed to have acted in good faith if Indemnitee's actions based on the records or books of account of the Company or any other Enterprise, including financial statements, or on information supplied to Indemnitee by the directors, officers, agents or employees of the Company or any other Enterprise in the course of their duties, or on the advice of legal counsel for the Company or any other Enterprise or on information or records given or reports made to the Company or any other Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or any other Enterprise. The provisions of this Section 11(c) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement. In addition, the knowledge and/or actions, or failure to act, of any director, manager, partner, officer, employee, agent or trustee of the Company, any subsidiary of the Company, or any Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 11(c) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

Section 12. Remedies of Indemnitee.

(a) Subject to Section 12(f), in the event that (i) a determination is made pursuant to Section 10 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(a) of this Agreement within sixty (60) days after receipt by the Company of the request for indemnification for which a determination is to be made other than by Independent Counsel, (iv) payment of indemnification or reimbursement of expenses is not made pursuant to Section 5 or 6 or the last sentence of Section 10(a) of this Agreement within thirty (30) days after receipt by the Company of a written request therefor (including any invoices received by Indemnitee, which such invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) or (v) payment of indemnification pursuant to Section 3 or 4 of this Agreement is not made within thirty (30) days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication by the Delaware Court of his or her entitlement to such indemnification or advancement. Alternatively, Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing time limitation shall not apply in respect of a proceeding brought by Indemnitee to enforce his or her rights under Section 5 of this Agreement. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 12 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 12, the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement, as the case may be.

(c) If a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) The Company shall indemnify Indemnitee to the fullest extent permitted by law against any and all Enforcement Expenses and, if requested by Indemnitee, shall (within thirty (30) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Enforcement Expenses to Indemnitee, which are incurred by

Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company in the suit for which indemnification or advancement is being sought. Such written request for advancement shall include invoices received by Indemnitee in connection with such Enforcement Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law need not be included with the invoice.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding, including any appeal therein.

Section 13. Non-exclusivity; Survival of Rights; Insurance; [Primacy of Indemnification;] Subrogation.

(a) The rights of indemnification and to receive advancement as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Charter, the Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement than would be afforded currently under the Charter, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, managers, partners, officers, employees, agents or trustees of the Company or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, manager, partner, officer, employee, agent or trustee under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies. The Company shall also promptly provide to Indemnitee: (i) copies of all of the Company's potentially applicable directors' and officers' liability insurance policies, (ii) copies of such notices delivered to the applicable insurers, and (iii) copies of all subsequent communications and correspondence between the Company and such insurers regarding the Proceeding, in each case substantially concurrently with the delivery or receipt thereof by the Company.



(c) [The Company hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by [Name of Fund/Sponsor] and certain of [its][their] affiliates (collectively, the “Secondary Indemnitors”). The Company hereby agrees (i) that it is the indemnitor of first resort (*i.e.*, its obligations to Indemnitee are primary and any obligation of the Secondary Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the Charter and/or Bylaws (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Secondary Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases the Secondary Indemnitors from any and all claims against the Secondary Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Secondary Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Secondary Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Secondary Indemnitors are express third party beneficiaries of the terms of this Section 13(c).]

(d) [Except as provided in paragraph (c) above,] [I/i]n the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee [(other than against the Secondary Indemnitors)], who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) [Except as provided in paragraph (c) above,] [T/t]he Company’s obligation to provide indemnification or advancement hereunder to Indemnitee who is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any other Enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement from such other Enterprise.

Section 14. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as a director of the Company or (b) one (1) year after the final termination of any Proceeding, including any appeal, then pending in respect of which Indemnitee is granted rights of indemnification or advancement hereunder and of any proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement relating thereto. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his or her heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in

form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 15. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 16. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to [serve or continue to serve] as a director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Charter, the Bylaws and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 17. Modification and Waiver. No supplement, modification or amendment, or waiver of any provision, of this Agreement shall be binding unless executed in writing by the parties thereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver. No supplement, modification or amendment of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee prior to such supplement, modification or amendment.

Section 18. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification, reimbursement or advancement as provided hereunder. The failure of Indemnitee to so notify the Company or any delay in notification shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise, unless, and then only to the extent that, the Company did not otherwise learn of the Proceeding and such

delay is materially prejudicial to the Company's ability to defend such Proceeding or matter; and, provided, further, that notice will be deemed to have been given without any action on the part of Indemnitee in the event the Company is a party to the same Proceeding.

Section 19. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and received for by the party to whom said notice or other communication shall have been directed, (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (iii) mailed by reputable overnight courier and received for by the party to whom said notice or other communication shall have been directed or (iv) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(a) If to Indemnitee, at such address as Indemnitee shall provide to the Company.

(b) If to the Company to:

Cullinan Management, Inc.  
One Main Street, Suite 520  
Cambridge, MA 02142  
Attention: President

or to any other address as may have been furnished to Indemnitee by the Company.

Section 20. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any Proceeding in such proportion as is deemed fair and reasonable in light of all of the circumstances in order to reflect (i) the relative benefits received by the Company and Indemnitee in connection with the event(s) and/or transaction(s) giving rise to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transactions.

Section 21. Internal Revenue Code Section 409A. The Company intends for this Agreement to comply with the Indemnification exception under Section 1.409A-1(b)(10) of the regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Code"), which provides that indemnification of, or the purchase of an insurance policy providing for payments of, all or part of the expenses incurred or damages paid or payable by Indemnitee with respect to a bona fide claim against Indemnitee or the Company do not provide for a deferral of compensation, subject to Section 409A of the Code, where such claim is based on actions or failures to act by Indemnitee in his or her capacity as a service provider of the Company. The parties intend that this Agreement be interpreted and construed with such intent.

Section 22. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 12(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Delaware Court, and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) consent to service of process at the address set forth in Section 19 of this Agreement with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 23. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 24. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 25. Monetary Damages Insufficient/Specific Enforcement. The Company and Indemnitee agree that a monetary remedy for breach of this Agreement may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm (having agreed that actual and irreparable harm will result in not forcing the Company to specifically perform its obligations pursuant to this Agreement) and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which he may be entitled. The Company and Indemnitee further agree that Indemnitee shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnitee by the Court, and the Company hereby waives any such requirement of a bond or undertaking.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

CULLINAN MANAGEMENT, INC.

By: \_\_\_\_\_

Name:

Title:

\_\_\_\_\_  
[Name of Indemnitee]

## CULLINAN MANAGEMENT, INC.

## FORM OF OFFICER INDEMNIFICATION AGREEMENT

This Indemnification Agreement ("Agreement") is made as of [ ] by and between Cullinan Management, Inc., a Delaware corporation (together with its subsidiaries, the "Company"), and [Officer] ("Indemnitee").

## RECITALS

WHEREAS, the Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, to serve the Company;

WHEREAS, in order to induce Indemnitee to provide or continue to provide services to the Company, the Company wishes to provide for the indemnification of, and advancement of expenses to, Indemnitee to the maximum extent permitted by law;

WHEREAS, the Certificate of Incorporation (as amended and in effect from time to time, the "Charter") and the Bylaws (as amended and in effect from time to time, the "Bylaws") of the Company require indemnification of the officers and directors of the Company, and Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (the "DGCL");

WHEREAS, the Charter, the Bylaws and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors, officers and other persons with respect to indemnification;

WHEREAS, the Board of Directors of the Company (the "Board") has determined that the increased difficulty in attracting and retaining highly qualified persons such as Indemnitee is detrimental to the best interests of the Company's stockholders;

WHEREAS, it is reasonable and prudent for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law, regardless of any amendment or revocation of the Charter or the Bylaws, so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified; and

WHEREAS, this Agreement is a supplement to and in furtherance of the indemnification provided in the Charter, the Bylaws and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnitee agrees to [continue to] serve as [a director and] an officer of the Company. Indemnitee may at any time and for any reason resign

from [any] such position (subject to any other contractual obligation or any obligation imposed by law), in which event the Company shall have no obligation under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnitee.

Section 2. Definitions.

As used in this Agreement:

(a) “Affiliate” and “Associate” shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, as in effect on the date of this Agreement; provided, however, that no Person who is a director or officer of the Company shall be deemed an Affiliate or an Associate of any other director or officer of the Company solely as a result of his or her position as director or officer of the Company.

(b) A Person shall be deemed the “Beneficial Owner” of, and shall be deemed to “Beneficially Own” and have “Beneficial Ownership” of, any securities:

(i) which such Person or any of such Person’s Affiliates or Associates, directly or indirectly, Beneficially Owns (as determined pursuant to Rule 13d-3 of the Rules under the Exchange Act, as in effect on the date of this Agreement);

(ii) which such Person or any of such Person’s Affiliates or Associates, directly or indirectly, has: (A) the legal, equitable or contractual right or obligation to acquire (whether directly or indirectly and whether exercisable immediately or only after the passage of time, compliance with regulatory requirements, satisfaction of one or more conditions (whether or not within the control of such Person) or otherwise) upon the exercise of any conversion rights, exchange rights, rights, warrants or options, or otherwise; (B) the right to vote pursuant to any agreement, arrangement or understanding (whether or not in writing); or (C) the right to dispose of pursuant to any agreement, arrangement or understanding (whether or not in writing) (other than customary arrangements with and between underwriters and selling group members with respect to a bona fide public offering of securities); or

(iii) which are Beneficially Owned, directly or indirectly, by any other Person (or any Affiliate or Associate thereof) with which such Person or any of such Person’s Affiliates or Associates has any agreement, arrangement or understanding (whether or not in writing) (other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities) for the purpose of acquiring, holding, voting or disposing of any securities of the Company; or

(iv) that are the subject of a derivative transaction entered into by such Person or any of such Person’s Affiliates or Associates, including, for these purposes, any derivative security acquired by such Person or any of such Person’s Affiliates or Associates that gives such Person or any of such Person’s Affiliates or Associates the economic equivalent of ownership of an amount of securities due to the fact that the value of the derivative security is explicitly determined by reference to the price or value of such securities, or that provides such

Person or any of such Person's Affiliates or Associates an opportunity, directly or indirectly, to profit or to share in any profit derived from any change in the value of such securities, in any case without regard to whether (A) such derivative security conveys any voting rights in such securities to such Person or any of such Person's Affiliates or Associates; (B) the derivative security is required to be, or capable of being, settled through delivery of such securities; or (C) such Person or any of such Person's Affiliates or Associates may have entered into other transactions that hedge the economic effect of such derivative security;

(v) Notwithstanding the foregoing, no Person engaged in business as an underwriter of securities shall be deemed the Beneficial Owner of any securities acquired through such Person's participation as an underwriter in good faith in a firm commitment underwriting.

(c) ["Change in Control"] shall mean shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person is or becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company representing fifty percent (50%)<sup>1</sup> or more of the combined voting power of the Company's then outstanding securities [(other than acquisitions of Class B Common Stock by a Qualified Stockholder (as defined in the Charter))]<sup>2</sup> unless the change in relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors [or as a result of conversions of Class B Common Stock], provided that a Change of Control shall be deemed to have occurred if subsequent to such reduction such Person becomes the Beneficial Owner, directly or indirectly, of any additional securities of the Company conferring upon such Person any additional voting power;

(ii) Change in Board of Directors. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 2(a)(i), 2(a)(iii) or 2(b)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or successor entity) more than 50% of the

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<sup>1</sup> Some companies have gone as low as 25% for this threshold. Generally, 50% would seem to be a more reasonable threshold.

<sup>2</sup> Will need to address dual class voting structures and grandfather major stockholders, including by considering the effect of future conversions of Class B common stock.



combined voting power of the voting securities of the surviving or successor entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving or successor entity;

(iv) Liquidation. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale, lease, exchange or other transfer by the Company, in one or a series of related transactions, of all or substantially all of the Company's assets; and

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended, whether or not the Company is then subject to such reporting requirement.]<sup>3</sup>

(d) "Corporate Status" describes the status of a person as a current or former [director or] officer of the Company or current or former director, manager, partner, officer, employee, agent or trustee of any other Enterprise which such person is or was serving at the request of the Company.

(e) "Enforcement Expenses" shall include all reasonable attorneys' fees, court costs, transcript costs, fees of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other out-of-pocket disbursements or expenses of the types customarily incurred in connection with an action to enforce indemnification or advancement rights, or an appeal from such action. Expenses, however, shall not include fees, salaries, wages or benefits owed to Indemnitee.

(f) "Enterprise" shall mean any corporation (other than the Company), partnership, joint venture, trust, employee benefit plan, limited liability company, or other legal entity of which Indemnitee is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee.

(g) "Expenses" shall include all reasonable attorneys' fees, court costs, transcript costs, fees of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other out-of-pocket disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding or an appeal resulting from a Proceeding. Expenses, however, shall not include amounts paid in settlement by Indemnitee, the amount of judgments or fines against Indemnitee or fees, salaries, wages or benefits owed to Indemnitee.

(h) "Independent Counsel" means a law firm, or a partner (or, if applicable, member or shareholder) of such a law firm, that is experienced in matters of Delaware corporation law and neither presently is, nor in the past five (5) years has been, retained to represent: (i) the Company, any subsidiary of the Company, any Enterprise or Indemnitee in any

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<sup>3</sup> For CEO Director version only.

matter material to any such party; or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) “Person” shall mean (i) an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, a business trust, a government or political subdivision, any unincorporated organization, or any other association or entity including any successor (by merger or otherwise) thereof or thereto, and (ii) a “group” as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended.

(j) The term “Proceeding” shall include any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative, regulatory or investigative nature, and whether formal or informal, in which Indemnitee was, is or will be involved as a party or otherwise by reason of the fact that Indemnitee is or was [a director or] an officer of the Company or is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any Enterprise or by reason of any action taken by Indemnitee or of any action taken on his or her part while acting as [a director or] an officer of the Company or while serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any Enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement; provided, however, that the term “Proceeding” shall not include any action, suit or arbitration, or part thereof, initiated by Indemnitee to enforce Indemnitee’s rights under this Agreement as provided for in Section 12(a) of this Agreement.

Section 3. Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnitee to the extent set forth in this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnitee shall be indemnified against all Expenses, judgments, fines, penalties, excise taxes, and amounts paid in settlement actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnitee to the extent set forth in this Section 4 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the

Company to procure a judgment in its favor. Pursuant to this Section 4, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 4 in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court to be liable to the Company, unless and only to the extent that the Delaware Court of Chancery (the "Delaware Court") shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification for such expenses as the Delaware Court shall deem proper.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement and except as provided in Section 7, to the extent that Indemnitee is a party to or a participant in any Proceeding and is successful in such Proceeding or in defense of any claim, issue or matter therein, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Reimbursement for Expenses of a Witness or in Response to a Subpoena. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee, by reason of his or her Corporate Status, (i) is a witness in any Proceeding to which Indemnitee is not a party and is not threatened to be made a party or (ii) receives a subpoena with respect to any Proceeding to which Indemnitee is not a party and is not threatened to be made a party, the Company shall reimburse Indemnitee for all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

Section 7. Exclusions. Notwithstanding any provision in this Agreement to the contrary, the Company shall not be obligated under this Agreement:

(a) to indemnify for amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such amounts under any insurance policy, contract, agreement or otherwise;

(b) to indemnify for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of state statutory law or common law, or from the purchase or sale by Indemnitee of such securities in violation of Section 306 of the Sarbanes-Oxley Act of 2002 ("SOX");

(c) to indemnify for any reimbursement of, or payment to, the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company pursuant to Section 304 of SOX or any formal policy of the Company adopted by the Board (or a committee thereof), or any other remuneration paid to Indemnitee if it shall be determined by a final judgment or other final adjudication that such remuneration was in violation of law;

(d) to indemnify with respect to any Proceeding, or part thereof, brought by Indemnitee against the Company, any legal entity which it controls, any director or officer thereof or any third party, unless (i) the Board has consented to the initiation of such Proceeding or part thereof and (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; provided, however, that this Section 7(d) shall not apply to (A) counterclaims or affirmative defenses asserted by Indemnitee in an action brought against Indemnitee or (B) any action brought by Indemnitee for indemnification or advancement from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company in the suit for which indemnification or advancement is being sought as described in Section 12; or

(e) to provide any indemnification or advancement of expenses that is prohibited by applicable law (as such law exists at the time payment would otherwise be required pursuant to this Agreement).

Section 8. Advancement of Expenses. Subject to Section 9(b), the Company shall advance, the Expenses incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances (including any invoices received by Indemnitee, which such invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's (i) ability to repay the expenses, (ii) ultimate entitlement to indemnification under the other provisions of this Agreement, and (iii) entitlement to and availability of insurance coverage, including advancement, payment or reimbursement of defense costs, expenses or covered loss under the provisions of any applicable insurance policy (including, without limitation, whether such advancement, payment or reimbursement is withheld, conditioned or delayed by the insurer(s)). Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement which shall constitute an undertaking providing that Indemnitee undertakes to the fullest extent required by law to repay the advance if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company. No other form of undertaking shall be required. The right to advances under this paragraph shall in all events continue until final disposition of any Proceeding, including any appeal therein. Nothing in this Section 8 shall limit Indemnitee's right to advancement pursuant to Section 12(e) of this Agreement.

Section 9. Procedure for Notification and Defense of Claim.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request therefor specifying the basis for the claim, the amounts for which Indemnitee is seeking payment under this Agreement, and all documentation related thereto as reasonably requested by the Company.

(b) In the event that the Company shall be obligated hereunder to provide indemnification for or make any advancement of Expenses with respect to any Proceeding, the Company shall be entitled to assume the defense of such Proceeding, or any claim, issue or matter therein, with counsel approved by Indemnitee (which approval shall not be unreasonably withheld or delayed) upon the delivery to Indemnitee of written notice of the Company's election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees or expenses of separate counsel subsequently employed by or on behalf of Indemnitee with respect to the same Proceeding; provided that (i) Indemnitee shall have the right to employ separate counsel in any such Proceeding at Indemnitee's expense and (ii) if (A) the employment of separate counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of such defense, (C) the Company shall not continue to retain such counsel to defend such Proceeding, or (D) a Change in Control shall have occurred, then the fees and expenses actually and reasonably incurred by Indemnitee with respect to his or her separate counsel shall be Expenses hereunder.

(c) In the event that the Company does not assume the defense in a Proceeding pursuant to paragraph (b) above, then the Company will be entitled to participate in the Proceeding at its own expense.

(d) The Company shall not be liable to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without its prior written consent (which consent shall not be unreasonably withheld or delayed). Without limiting the generality of the foregoing, the fact that an insurer under an applicable insurance policy delays or is unwilling to consent to such settlement or is or may be in breach of its obligations under such policy, or the fact that directors' and officers' liability insurance is otherwise unavailable or not maintained by the Company, may not be taken into account by the Company in determining whether to provide its consent. The Company shall not, without the prior written consent of Indemnitee (which consent shall not be unreasonably withheld or delayed), enter into any settlement which (i) includes an admission of fault of Indemnitee, any non-monetary remedy imposed on Indemnitee or any monetary damages for which Indemnitee is not wholly and actually indemnified hereunder or (ii) with respect to any Proceeding with respect to which Indemnitee may be or is made a party or may be otherwise entitled to seek indemnification hereunder, does not include the full release of Indemnitee from all liability in respect of such Proceeding.

Section 10. Procedure Upon Application for Indemnification<sup>4</sup>

(a) Upon written request by Indemnitee for indemnification pursuant to Section 9(a), a determination, if such determination is required by applicable law, with respect to Indemnitee's entitlement to indemnification hereunder shall be made in the specific case by one of the following methods: [(x) if a Change in Control shall have occurred and indemnification is being requested by Indemnitee hereunder in his or her capacity as a director of the Company, by Independent Counsel in a written opinion to the Board; or (y) in any other case,] (i) by a majority vote of the disinterested directors, even though less than a quorum; (ii) by a committee of disinterested directors designated by a majority vote of the disinterested directors, even though less than a quorum; or (iii) if there are no disinterested directors or if the disinterested directors so direct, by Independent Counsel in a written opinion to the Board. For purposes hereof, disinterested directors are those members of the Board who are not parties to the action, suit or proceeding in respect of which indemnification is sought. In the case that such determination is made by Independent Counsel, a copy of Independent Counsel's written opinion shall be delivered to Indemnitee and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within thirty (30) days after such determination. Indemnitee shall cooperate with the Independent Counsel or the Company, as applicable, in making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel or the Company, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. The Company shall likewise cooperate with Indemnitee and Independent Counsel, if applicable, in making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel and Indemnitee, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to the Company and reasonably necessary to such determination. Any out-of-pocket costs or expenses (including reasonable attorneys' fees and disbursements) actually and reasonably incurred by Indemnitee in so cooperating with the Independent Counsel or the Company shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(b) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(a), the Independent Counsel shall be selected by the Board[; provided that, if a Change in Control shall have occurred and indemnification is being requested by Indemnitee hereunder in his or her capacity as a director of the Company, the Independent Counsel shall be selected by Indemnitee]. Indemnitee [or the Company, as the case may be,] may, within ten (10) days after written notice of such selection, deliver to the Company [or Indemnitee, as the case may be,] a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court has determined that such objection is without merit. If, within twenty (20) days after the later of (i) submission by Indemnitee of a written request for indemnification pursuant to Section 9(a), and (ii) the final disposition of the Proceeding, including any appeal therein, no

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<sup>4</sup> Bracketed portions for CEO Director version only

Independent Counsel shall have been selected without objection, either Indemnitee or the Company may petition the Delaware Court for resolution of any objection which shall have been made by Indemnitee or the Company to the selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate. The person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 10(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 12(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) Notwithstanding anything to the contrary contained in this Agreement, the determination of entitlement to indemnification under this Agreement shall be made without regard to the Indemnitee's entitlement to and availability of insurance coverage, including advancement, payment or reimbursement of defense costs, expenses or covered loss under the provisions of any applicable insurance policy (including, without limitation, whether such advancement, payment or reimbursement is withheld, conditioned or delayed by the insurer(s)).

#### Section 11. Presumptions and Effect of Certain Proceedings.

(a) To the extent permitted by applicable law, in making a determination with respect to entitlement to indemnification hereunder, it shall be presumed that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 9(a) of this Agreement, and the Company shall have the burden of proof and the burden of persuasion by clear and convincing evidence to overcome that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of guilty, nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(c) Indemnitee shall be deemed to have acted in good faith if Indemnitee's actions based on the records or books of account of the Company or any other Enterprise, including financial statements, or on information supplied to Indemnitee by the directors, officers, agents or employees of the Company or any other Enterprise in the course of their duties, or on the advice of legal counsel for the Company or any other Enterprise or on information or records given or reports made to the Company or any other Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or any other Enterprise. The provisions of this Section 11(c) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement. In addition, the knowledge and/or actions, or failure to act, of any director, manager,

partner, officer, employee, agent or trustee of the Company, any subsidiary of the Company, or any Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 11(c) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

Section 12. Remedies of Indemnitee.

(a) Subject to Section 12(f), in the event that (i) a determination is made pursuant to Section 10 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(a) of this Agreement within sixty (60) days after receipt by the Company of the request for indemnification for which a determination is to be made other than by Independent Counsel, (iv) payment of indemnification or reimbursement of expenses is not made pursuant to Section 5 or 6 or the last sentence of Section 10(a) of this Agreement within thirty (30) days after receipt by the Company of a written request therefor (including any invoices received by Indemnitee, which such invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) or (v) payment of indemnification pursuant to Section 3 or 4 of this Agreement is not made within thirty (30) days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication by the Delaware Court of his or her entitlement to such indemnification or advancement. Alternatively, Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing time limitation shall not apply in respect of a proceeding brought by Indemnitee to enforce his or her rights under Section 5 of this Agreement. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) (b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, managers, partners, officers, employees, agents or trustees of the Company or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, manager, partner, officer, employee, agent or trustee under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies. The Company shall also promptly provide to Indemnitee: (i) copies of all of the Company's potentially applicable directors' and officers' liability insurance policies, (ii) copies of such notices delivered to the applicable insurers, and (iii) copies of all subsequent communications and correspondence between the Company and such insurers regarding the Proceeding, in each case substantially concurrently with the delivery or receipt thereof by the Company.



(c) If a determination shall have been made pursuant to Section 10(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) The Company shall indemnify Indemnitee to the fullest extent permitted by law against any and all Enforcement Expenses and, if requested by Indemnitee, shall (within thirty (30) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Enforcement Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company in the suit for which indemnification or advancement is being sought. Such written request for advancement shall include invoices received by Indemnitee in connection with such Enforcement Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law need not be included with the invoice.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding, including any appeal therein.

Section 13. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Charter, the Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement than would be afforded currently under the Charter, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, managers, partners, officers, employees, agents or trustees of the Company or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, manager, partner, officer, employee, agent or trustee under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(d) The Company's obligation to provide indemnification or advancement hereunder to Indemnitee who is or was serving at the request of the Company as a director, manager, partner, officer, employee, agent or trustee of any other Enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement from such other Enterprise.

Section 14. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as [both a director and] an officer of the Company or (b) one (1) year after the final termination of any Proceeding, including any appeal, then pending in respect of which Indemnitee is granted rights of indemnification or advancement hereunder and of any proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement relating thereto. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his or her heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 15. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by

law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 16. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve or continue to serve as [a director and] an officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as [a director and] an officer of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Charter, the Bylaws and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 17. Modification and Waiver. No supplement, modification or amendment, or waiver of any provision, of this Agreement shall be binding unless executed in writing by the parties thereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver. No supplement, modification or amendment of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee prior to such supplement, modification or amendment.

Section 18. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification, reimbursement or advancement as provided hereunder. The failure of Indemnitee to so notify the Company or any delay in notification shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise. Unless, and then only to the extent that, the Company did not otherwise learn of the Proceeding and such delay is materially prejudicial to the Company's ability to defend such Proceeding or matter; and, provided, further, that notice will be deemed to have been given without any action on the part of Indemnitee in the event the Company is a party to the same Proceeding.

Section 19. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (iii) mailed by reputable overnight courier

and receipted for by the party to whom said notice or other communication shall have been directed or (iv) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(a) If to Indemnitee, at such address as Indemnitee shall provide to the Company.

(b) If to the Company to:

Cullinan Management, Inc.  
One Main Street, Suite 520  
Cambridge, MA 02142  
Attention: President

or to any other address as may have been furnished to Indemnitee by the Company.

Section 20. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any Proceeding in such proportion as is deemed fair and reasonable in light of all of the circumstances in order to reflect (i) the relative benefits received by the Company and Indemnitee in connection with the event(s) and/or transaction(s) giving rise to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transactions.

Section 21. Internal Revenue Code Section 409A. The Company intends for this Agreement to comply with the Indemnification exception under Section 1.409A-1(b)(10) of the regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Code"), which provides that indemnification of, or the purchase of an insurance policy providing for payments of, all or part of the expenses incurred or damages paid or payable by Indemnitee with respect to a bona fide claim against Indemnitee or the Company do not provide for a deferral of compensation, subject to Section 409A of the Code, where such claim is based on actions or failures to act by Indemnitee in his or her capacity as a service provider of the Company. The parties intend that this Agreement be interpreted and construed with such intent.

Section 22. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 12(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Delaware Court, and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) consent to service of process at the address set forth in Section 19 of this Agreement with the same legal force and validity as if served upon such party personally within

the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 23. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 24. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 25. Monetary Damages Insufficient/Specific Enforcement. The Company and Indemnitee agree that a monetary remedy for breach of this Agreement may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm (having agreed that actual and irreparable harm will result in not forcing the Company to specifically perform its obligations pursuant to this Agreement) and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which he may be entitled. The Company and Indemnitee further agree that Indemnitee shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnitee by the Court, and the Company hereby waives any such requirement of a bond or undertaking.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

CULLINAN MANAGEMENT, INC.

By: \_\_\_\_\_

Name:

Title:

\_\_\_\_\_  
[Name of Indemnitee]

Portions of this Exhibit have been redacted because they are both (i) not material and (ii) would be competitively harmful if publicly disclosed. Information that was omitted has been noted in this document with a placeholder identified by the mark “[\*\*\*]”.

**MASSACHUSETTS INSTITUTE OF TECHNOLOGY**

**AND**

**CULLINAN AMBER CORP.**

**EXCLUSIVE PATENT LICENSE AGREEMENT**

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

EXCLUSIVE PATENT LICENSE AGREEMENT

This Agreement, effective as of December 20, 2019 (the "Effective Date"), is between the Massachusetts Institute of Technology ("MIT"), a Massachusetts non-profit corporation and educational institution, with a principal office at 77 Massachusetts Avenue, Cambridge, MA 02139-4307 and Cullinan Amber Corp. ("Company"), a Delaware corporation, with a principal place of business at One Main Street, Cambridge, MA 02142.

RECITALS

WHEREAS, the Patent Rights (as defined herein) relating to [\*\*\*], were developed by MIT researcher Karl Dane Wittrup and others; and

WHEREAS, MIT has the right to grant licenses under the Patent Rights; and

WHEREAS, MIT desires to have the Patent Rights developed and commercialized to benefit the public and is willing to grant a license thereunder; and

WHEREAS, Company has represented to MIT, to induce MIT to enter into this Agreement, that Company shall commit itself to a diligent program of exploiting the Patent Rights so that public utilization shall result therefrom; and

WHEREAS, Company desires to obtain a license under the Patent Rights upon the terms and conditions hereinafter set forth;



NOW, THEREFORE, MIT and Company hereby agree as follows:

1. DEFINITIONS

1.1 “**Affiliate**” shall mean, with respect to any organization or entity, any person, organization or entity controlling, controlled by or under common control with, such organization or entity. For purposes of this definition only, “control” of another person, organization or entity shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the activities, management or policies of such person, organization or entity, whether through the ownership of voting securities, by contract or otherwise. Without limiting the foregoing, control shall be presumed to exist when a person, organization or entity (a) owns or directly controls fifty percent (50%) or more of the outstanding voting stock or other ownership interest of the other organization or entity or (b) possesses, directly or indirectly, the power to elect or appoint fifty percent (50%) or more of the members of the governing body of the organization or other entity. The parties acknowledge that in the case of certain entities organized under the laws of certain countries outside of the United States, the maximum percentage ownership permitted by law for a foreign investor may be less than fifty percent (50%), and that in such cases such lower percentage shall be substituted in the preceding sentence.

1.2 “**Affiliated Sublicensee**” shall mean any Sublicensee that is an Affiliate at the time such Sublicense is granted, for as long as it remains an Affiliate.

1.3 “**Change of Control of Company**” shall mean (a) a merger, share exchange or other reorganization concerning the direct or indirect ownership of Company, (b) the acquisition of ownership, directly or indirectly, beneficially or of record, by any person or group of the capital stock of Company representing a majority of the aggregate ordinary voting power, or aggregate equity value represented by the issued and outstanding capital stock, of Company, or (c) a sale of all or substantially all of the assets of Company or that portion of Company’s business to which the license granted under this Agreement relates in one transaction or a series of related transactions, in which for each of (a), (b) and (c) the persons or entities that own capital stock of Company representing a majority of the voting power of Company prior to such transaction do not own a majority of the voting power of the acquiring, surviving or successor entity, as the case may be; and (d) the first sale of Company’s common stock in a firm commitment underwritten public offering registered under the Securities Act of 1933, as amended, pursuant to an effective registration statement, provided however, that a transaction in which working capital is raised through the non-public issuance of equity in Company to investors shall not constitute a Change of Control.

1.4 **“Change of Control of an Affiliated Sublicensee”** shall mean (a) a merger, share exchange or other reorganization in which an Affiliated Sublicensee is a constituent party, (b) the acquisition, in a single transaction or series of related transactions, by a person or entity or a group of related persons or entities, of a majority of the voting power of the Affiliated Sublicensee from the direct or indirect equity holders of such Affiliated Sublicensee, or (c) the sale, lease transfer, exclusive license or other disposition, in a single transaction or series of related transactions of all or substantially all of the assets of the Affiliated Sublicensee (or that portion of its assets related to the subject matter of the Sublicense), in which for each of (a), (b) and (c) the direct or indirect equity holders of the Affiliated Sublicensee that own a majority of the voting power of the Affiliated Sublicensee prior to such transaction do not own a majority of the voting power of the acquiring, surviving or successor entity, as the case may be; and (d) the first sale of the Affiliated Sublicensee’s common stock in a firm commitment underwritten public offering registered under the Securities Act of 1933, as amended, pursuant to an effective registration statement.

1.5 **“Combination Product”** shall mean any product incorporating both (a) [\*\*\*] and (b) [\*\*\*].

1.6 **“Diligence Requirements”** shall mean those activities and/or events that constitute Company’s specific development and commercialization milestones, more specifically described in Appendix C.

1.7 **“Distributor”** shall mean a third party engaged in the distribution of pharmaceutical products that is not an Affiliate of Company or a Sublicensee and to which Company or a Sublicensee has sold Licensed Products in an arms’ length transaction and from which Company or a Sublicensee will not receive any additional benefit separate from the payment for such Licensed Products.

1.8 **“Expansion Fields”** shall mean a protein collagen binding domain fused to either or both: 1) [\*\*\*]; and/or 2) [\*\*\*].

1.9 **“Field”** shall mean a protein collagen binding domain fused to either or both: [\*\*\*], for the diagnosis, prognosis, prophylaxis or treatment of cancer in humans or other animals.

1.10 **“First Commercial Sale”** shall mean, with respect to a Licensed Product, the date of the first sale (in exchange for cash or other consideration to which value can reasonably be assigned for the purpose of determining Net Sales) by Company, its agents or Sublicensees of such Licensed Product in a given country to a Distributor or to an independent third party for end use or consumption of such Licensed Product in such country.

1.11 “**Fully Funded Project**” shall mean a development project for a specific Licensed Product at a level of funding no less than [\*\*\*] for [\*\*\*] of the project, [\*\*\*] for [\*\*\*] of the project and [\*\*\*] thereafter, ending upon First Commercial Sale of such Licensed Product.

1.12 “**Improvement**” shall mean a patentable invention which is:

(i) Arising [\*\*\*] from research performed in the laboratory of Karl Dane Wittrup at the Koch Institute for Integrative Cancer Research at MIT and directed to use in the Field;

(ii) Disclosed to the MIT Technology Licensing Office and conceived and reduced to practice within [\*\*\*] after the Effective Date;

(iii) Includes Karl Dane Wittrup as an inventor;

(iv) Dominated by a Valid Claim of the Patent Rights exclusively licensed in the Field under this Agreement and listed on Appendix A as of the Effective Date; and

(v) Available for licensing after satisfaction of any obligations to third parties, including without limitation sponsors of the research leading to such invention.

1.13 “**Licensed Product**” shall mean, on a country-by-country basis, any product in the Field, the making, using, selling, offering for sale, importing or exporting in the country in question would (without the license granted hereunder) infringe at least [\*\*\*] Valid Claim (were it to have issued) or issued Valid Claim in that country.

1.14 “**Net Sales**” shall mean the gross amount billed by Company and its Sublicensees or agents, for Licensed Products, less the following:

(a) [\*\*\*];

(b) [\*\*\*];

(c) [\*\*\*];

(d) [\*\*\*]; and

(e) [\*\*\*].

[\*\*\*]

[\*\*\*].

1.15 “**Patent Challenge**” shall mean a legal or administrative challenge to the validity, patentability, scope or enforceability of any of the Patent Rights (as defined below) or otherwise opposing any of the Patent Rights; provided, however, that a Patent Challenge shall not include: (a) arguments made by Company in the ordinary course of patent office prosecution for the purpose of distinguishing the inventions claimed in patents or patent applications owned or controlled by Company (“**Company Patents**”) from those claimed in the Patent Rights to the extent such arguments do not disparage, criticize or otherwise undermine the Patent Rights or raise any issue of the Patent Rights’ compliance with or sufficiency under applicable patent laws, regulations or administrative rules, or disrupt prosecution of any of the Patent Rights in the ordinary course of patent office prosecution, or (b) arguments or assertions as to whether the Patent Rights cover a given product that arise in a claim of breach of contract concerning Company’s royalty obligations brought by MIT.

1.16 “**Patent Rights**” shall mean:

(a) the United States and international patents listed on Appendix A;

(b) the United States and international patent applications and/or provisional applications listed on Appendix A and the resulting patents;

(c) any patent applications resulting from the provisional applications listed on Appendix A, and any divisionals, continuations, continuation-in-part applications, and continued prosecution applications (and their relevant international equivalents) of the patent applications listed on Appendix A and of such patent applications that result from the provisional applications listed on Appendix A, to the extent the claims are directed to subject matter specifically described in the patent applications listed on Appendix A, and the resulting patents;

(d) any patents resulting from reissues, reexaminations, or extensions (and their relevant international equivalents) of the patents described in (a), (b), and (c) above; and

(e) international (non-United States) patent applications and provisional applications filed after the Effective Date and the relevant international equivalents to divisionals, continuations, continuation-in-part applications and continued prosecution applications of the patent applications to the extent the claims are directed to subject matter specifically described in the patents or patent applications referred to in (a), (b), (c), and (d) above, and the resulting patents.

1.17 **“Phase 1 Study”** shall mean a human clinical trial to evaluate the safety, toxicity, tolerance, pharmacokinetic properties, pharmacodynamic properties, dosing interval, maximum tolerated dose, dose ranging, and/or absorption, distribution, metabolism, excretion (ADME) of a Licensed Product.

1.18 **“Phase 2 Study”** shall mean a human clinical trial to evaluate proof of concept, proof of mechanism, and/or efficacy in the targeted patient population and/or to define the dosing range or safety profile of a Licensed Product.

1.19 **“Phase 3 Study”** shall mean a human clinical trial to confirm the efficacy, safety and/or further define targeted dose of a Licensed Product, which clinical trial is prospectively designed to be a pivotal trial for obtaining regulatory approval to market such Licensed Product, to patients with the disease or clinical condition under such trial.

1.20 **“Reporting Period”** shall begin on [\*\*\*].

1.21 **“Research Support Payments”** shall mean payments from a Sublicensee for the purpose of [\*\*\*].

1.22 **“Sublicense Income”** shall mean payments (which shall include [\*\*\*]) received as consideration for any Sublicense granted pursuant to this Agreement, including without limitation [\*\*\*], but specifically excluding: [\*\*\*]. For clarity, for purposes of calculating the amount of Sublicense Income owed [\*\*\*], Sublicense Income shall mean [\*\*\*].

1.23 **“Sublicense”** shall mean (i) any right granted, license given or agreement entered into by Company or a Sublicensee to or with another person or entity, under or with respect to, in connection with or permitting any use of the Patent Rights or otherwise granting rights to such person or entity pursuant to this Agreement (e.g., an agreement created for the purpose of developing a Licensed Product, such as a strategic partnership); (ii) any option or other right granted by Company or a Sublicensee to any other person or entity to negotiate for or receive any of the rights described under clause (i); or (iii) any standstill or similar obligation undertaken by Company or a Sublicensee toward another person or entity not to grant any of the rights described in clause (i) or (ii) to any third party, in each case regardless of whether such grant of rights, license given or agreement entered into is referred to or is described as a sublicense. For avoidance of doubt, each sublicense tier shall be a Sublicense. Notwithstanding anything in the foregoing,

a Change of Control of Company, a Change of Control of an Affiliated Sublicensee or the assignment or transfer of this Agreement in its entirety in accordance with Section 10 shall not be deemed a "Sublicense".

1.24 "**Sublicensee**" shall mean any person or entity that has been granted a Sublicense under this Agreement.

1.25 "**Term**" shall mean the term of this Agreement, which shall commence on the Effective Date and, unless earlier terminated as provided herein, shall remain in effect until the expiration or abandonment of all issued patents and filed patent applications within the Patent Rights.

1.26 "**Territory**" shall mean worldwide.

1.27 "**Valid Claim**" shall mean (a) a claim of an issued and unexpired patent within the Patent Rights that has not been (i) held permanently revoked, unenforceable, unpatentable or invalid by a decision of a court or governmental body of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, (ii) rendered unenforceable through disclaimer or otherwise, (iii) abandoned or (iv) permanently lost through an interference or opposition proceeding without any right of appeal or review; or (b) a pending claim of a pending patent application within the Patent Rights that (i) has been asserted and continues to be prosecuted in good faith and (ii) has not been abandoned or finally rejected without the possibility of appeal or refiling, and (iii) has not been pending for more than [\*\*\*] after the date of first substantive examination of such claim, as evidenced by the receipt of an office action on the merits from the United States Patent and Trademark Office (or an equivalent examination report from a foreign patent office); provided, however, that in the event such claim issues as a claim of an issued patent, then such claim shall be a Valid Claim hereunder, and Company shall pay to MIT any amounts that would otherwise have been due as if such claim had remained a Valid Claim. Notwithstanding the foregoing, if the prosecution of a given application is interrupted and/or delayed by a patent office and/or due to a Patent Challenge and/or a patent office proceeding such as an interference, appeal or opposition, then the pendency of such Patent Challenge and/or proceeding(s) shall not be included in the [\*\*\*] time period set forth above following such issuance. The invalidity of a particular claim in one or more countries shall not invalidate such claim in the remaining countries of the Territory, or otherwise affect whether such claim is a Valid Claim in the remaining countries of the Territory.

## 2. GRANT OF RIGHTS

2.1 License Grants. Subject to the terms of this Agreement, MIT hereby grants to Company for the Term in the Field: an exclusive (subject to the reserved rights described below) equity and royalty-bearing license under the Patent Rights to develop, make, have made, use, sell, have sold, offer to sell, lease, and import Licensed Products in the Field in the Territory.

### 2.2 Option Rights.

#### (a) Limited-Term Option to Expansion Fields.

(i) MIT hereby grants Company an exclusive option to amend the Field to include Expansion Fields (the “**Option Right**”), provided however, that the Company’s exercise of such Option Right is contingent on Company providing MIT with a research and development plan, including specific mutually acceptable diligence requirements, such diligence requirements to be added by amendment to this Agreement for the commercial development of Licensed Products in the Expansion Fields. Such Option Right shall be exercisable by Company on an Expansion Field-by-Expansion Field basis.

(ii) Company may exercise the Option Right upon written notice to MIT on or before the [\*\*\*] of the Effective Date (the “**Option Period**”). Company and MIT will enter into a written amendment to this Agreement with respect to any mutually agreed upon change(s) in accordance with this Section 2.2. Company will pay MIT an Amendment Fee of [\*\*\*] for addition of each Expansion Field so added to this Agreement and, as agreed to by the Parties through good faith negotiations, Company’s financial obligations under Sections 4.1(c) and (f) shall be amended with respect to Licensed Products in the applicable Expansion Field to reflect the additional rights and value being added. If Company does not elect to exercise the Option Right or fails to exercise the Option Right during the Option Period with respect to an Expansion Field(s), or if MIT and Company are unable to reach agreement on acceptable diligence milestones and/or financials for such Expansion Field(s) within [\*\*\*] after Company has exercised the Option Right, Company’s rights under this Section 2.2 shall expire with respect to such Expansion Field.

#### (b) Limited-Term Option to Improvements.

(i) Promptly after the MIT Technology Licensing Office receives disclosure of an Improvement, the MIT Technology Licensing Office (“**TLO**”) shall notify Company in writing of the Improvement and provide Company a copy of the invention disclosure, and, if applicable, any

related patent application(s) (collectively, the “**Improvement Information Package**”). Such Improvement Information Package shall be kept confidential by Company in accordance with the terms in Article 14 as if MIT were the disclosing party and Company the receiving party). Notwithstanding the foregoing, MIT shall be under no obligation to file patent applications for any Improvement unless and until Company exercises its option, pursuant to this Section 2.2(b), with respect to such Improvement.

(ii) Company shall have the right to request, in writing and delivered to the TLO by Company within [\*\*\*] following Company’s receipt of the Improvement Information Package, the commencement of good faith negotiations for a license to MIT’s interest in any patent application MIT controls to the extent that it claims an Improvement (the “**Improvement Patent Rights**”).

(iii) If Company notifies MIT in accordance with Section 2.2(b)(ii) above, Company shall provide to MIT, within [\*\*\*] following MIT’s receipt of Company’s notice, a business and development plan for Licensed Products covered by the Improvement Patent Rights (which shall include specific development milestones ), for MIT’s review and approval, not to be unreasonably withheld.

(iv) Upon MIT’s written approval of Company’s business and development plan, and subject to: (A) Company’s compliance with the terms of this Agreement; (B) any legal or contractual obligations MIT may have to third parties and (C) consent of the TLO, not to be unreasonably withheld, the Parties shall enter into good faith negotiations for a period of up to [\*\*\*] following MIT’s approval of Company’s business and development plan for Licensed Products covered by the Improvement Patent Rights (the “**Amendment Negotiation Period**”) to amend this Agreement to include a grant of rights to MIT’s interest in the Improvement Patent Rights upon commercially reasonable financial terms (including, for example, an upfront fee, maintenance fees, milestone payments, etc.) and updated diligence requirements, as applicable. If MIT and Company fail to reach agreement on terms within such Amendment Negotiation Period, then Company shall have no further rights with respect to the Improvement Patent Rights and MIT will be entitled to grant licenses to third parties to such Improvement Patent Rights without any further obligation to Company.



(v) Notwithstanding the new and/or revised diligence and financial terms included in the Amendment, as set forth in Section 2.2(b)(iv) above, and in addition thereto, for each Improvement option exercised, Company will pay MIT an Improvement Addition Fee of [\*\*\*], and Company shall be responsible for [\*\*\*] in accordance with Section 4.1(a)(ii) and Section 6.4. Upon Company's exercise of such Improvement option right and payment of the relevant fee(s): (A) Appendix A shall be amended to add the patent application(s) covering such Improvement, and such Improvement and any resulting patent applications and patents shall thereafter be included in the Patent Rights for all purposes of this Agreement and (B) the parties shall amend this Agreement to include any terms and/or conditions associated with or in connection to the Improvement, as applicable.

2.3 Sublicense Rights. So long as Company remains the exclusive licensee of the Patent Rights in the Field in the Territory, Company shall have the right to grant Sublicenses through [\*\*\*] tiers without consent of MIT, including some or all of its rights under Section 2.1 (License Grants). Company shall not have the right to grant Sublicenses beyond [\*\*\*] tiers. Company, and Sublicensees, as applicable, shall incorporate terms and conditions into Sublicense agreements sufficient to enable Company to comply with this Agreement, and specifically must include the following:

- (a) all provisions necessary to ensure Company's ability to perform its obligations under this Agreement;
- (b) a section substantially the same as Article 8 of this Agreement, which also will state that the Indemnitees (as defined in Section 8.1 (Indemnification)) are intended third party beneficiaries of such Sublicense agreement for the purpose of enforcing such indemnification;
- (c) a provision clarifying that, in the event of termination of the license set forth in Section 2.1 (License Grants) (in whole or in part (e.g., termination in a particular country)), any existing Sublicense agreement shall terminate to the extent of such terminated license and subject to Section 12.5;
- (d) a provision prohibiting the Sublicensee from assigning the Sublicense agreement without the prior written consent of MIT; provided, however, that such written consent shall not be required in the event Sublicensee assigns the Sublicense agreement to an Affiliate or to any third party in connection with a change of control, merger, consolidation, stock sale or sale or transfer of all or substantially all of its assets to which the Sublicense agreement relates, provided that: (i) Company is in full compliance with this Agreement and Company certifies in writing to MIT that Sublicensee is in

full compliance with the terms of the Sublicense, such certification signed by a Company executive, (ii) MIT is promptly notified of the assignment and the assignee, and (iii) the assignee agrees in writing to be bound by the terms of the applicable Sublicense. Nothing in this Section 2.3(d) shall be construed to modify or eliminate any obligation of Company to pay MIT a fee in connection with a Change of Control of an Affiliated Sublicensee in accordance with Section 4.1(i); and

(e) with respect to Sublicenses with Affiliated Sublicensees, a provision enabling Company to pay MIT a fee upon the Change of Control of such Affiliated Sublicensee as described in Section 4.1(i). For clarity, the assignment or transfer of this Agreement from one Affiliated Sublicensee to another Affiliated Sublicensee shall not be deemed to be Change of Control of an Affiliated Sublicensee.

[\*\*\*]

Non-monetary consideration shall not be accepted by Company, or any Sublicensee, as applicable, for any Sublicense agreement, without the prior written consent of MIT, which consent shall not be unreasonably conditioned, withheld or delayed. If MIT approves such non-monetary consideration in connection with a Sublicense, Sublicense Income will be calculated based on [\*\*\*]. Company, and any Sublicensee, as applicable, shall promptly furnish MIT with a copy of each executed Sublicense agreement and any amendments thereto and, also, shall report each executed Sublicense agreement and relevant amendment(s) to MIT as required under Section 5.1 (Progress Reports). Company shall be responsible for any breach of a Sublicense agreement by any Sublicensee that results in a material breach of this Agreement. Company shall either (a) cure such breach in accordance with Section 12.3(b) (Other Material Breach) of this Agreement or (b) enforce its rights by terminating such Sublicense agreement in accordance with the terms thereof.

2.4 U.S. Manufacturing. Company agrees to comply with the applicable requirements of 35 U.S.C. § 204 “Preference for United States Industry”, as amended, or any successor statutes or regulations.

#### 2.5 Retained Rights.

(a) Research and Educational Use. MIT retains the right on behalf of itself and all other non-profit research institutions to practice under the Patent Rights for research, teaching, and educational purposes.

(b) Federal Government. Company acknowledges that the U.S. federal government retains a royalty-free, non-exclusive, non-transferable license to practice any government-funded invention claimed in any Patent Rights as set forth in 35 U.S.C. §§ 201-211, and the regulations promulgated thereunder, as amended, or any successor statutes or regulations.

(c) No Additional Rights. Nothing in this Agreement shall be construed to confer any rights upon Company by implication, estoppel, or otherwise as to any technology, patent, or other rights of MIT or any other entity other than as expressly provided in Article 2, regardless of whether such technology or patent rights shall be dominant or subordinate to any Patent Rights.

### 3. COMPANY DILIGENCE OBLIGATIONS

3.1 Diligence Requirements. Company shall use diligent efforts to develop, seek regulatory approval for and commercialize Licensed Products and to make Licensed Products that have gained any regulatory approval in a jurisdiction reasonably available to the public in such jurisdiction. In addition, Company shall achieve the Diligence Milestones in accordance with the schedule set forth on Appendix C hereto.

#### 3.2 Failure to Achieve Diligence Milestone; Right to Cure.

(a) If Company believes that it will not achieve a Diligence Milestone, it shall notify MIT in writing no less than [\*\*\*] in advance of the relevant deadline and include with such notice (i) a reasonable explanation of the reasons for such failure (“**Explanation**”) and (ii) a reasonable, detailed, written plan for promptly achieving a reasonable extended and/or amended milestone (“**Amended Plan**”). If both Company’s Explanation and Amended Plan are acceptable to MIT in its reasonable discretion, then the Diligence Milestones will be amended automatically (through written amendment in accordance with Section 15.4 (Amendment and Waiver)) to incorporate the extended and/or amended milestone set forth in the Amended Plan. If Company so notifies MIT, but fails to provide MIT with both an Explanation and Amended Plan, then Company will have an additional [\*\*\*] after the original deadline to meet such Diligence Requirement. Company’s failure to notify MIT of a delay in achieving a Diligence Requirement shall constitute a material breach of this Agreement for which MIT shall have the right to terminate this Agreement in accordance with Section 12.3(b).

(b) If Company notifies MIT and provides MIT with an Explanation and Amended Plan, but the Explanation is not acceptable to MIT in its reasonable discretion, then Company will have an additional [\*\*\*] or until the original deadline of the relevant Diligence Requirement,

whichever is later, to meet such Diligence Requirement. Company's failure to do so shall constitute a material breach of this Agreement for which MIT shall have the right to terminate this Agreement in accordance with Section 12.3(b). If Company so notifies MIT and provides MIT with an Explanation and Amended Plan, but the Amended Plan is not acceptable to MIT in its reasonable discretion, then MIT will explain to Company why the Amended Plan is not acceptable and provide Company with suggestions for an acceptable Amended Plan. Company will have one opportunity to provide MIT with an acceptable Amended Plan within [\*\*\*] after receipt of such suggestions from MIT, during which time MIT agrees to work with Company in its effort to develop an acceptable Amended Plan. If, within such [\*\*\*], Company provides MIT with an acceptable Amended Plan, then the Diligence Requirement will be amended automatically (through written amendment in accordance with Section 15.4 (Amendment and Waiver)) to incorporate the extended and/or amended milestone set forth in the Amended Plan. If, within such [\*\*\*], Company fails to provide an acceptable Amended Plan, then Company will have an additional [\*\*\*] or until the original deadline of the relevant Diligence Requirement, whichever is later, to meet such Diligence Requirement. Company's failure to do so shall constitute a material breach of this Agreement for which MIT shall have the right to terminate this Agreement in accordance with Section 12.3(b). For clarity, if Company fails to achieve a Diligence Requirement and does not avail itself of the procedure set forth in this Section, then MIT shall have the right to terminate this Agreement in accordance with Section 12.3(b).

#### 4. REVENUE AND PAYMENT TERMS

##### 4.1 Consideration for Grant of Rights.

(a) License Issue Fee and Past Patent Cost Reimbursement. Company shall pay to MIT, within [\*\*\*] following the date of its receipt of an invoice from MIT, the following amounts:

(i) a license issue fee of fifty-thousand dollars (\$50,000); and

(ii) reimbursement of all documented, out-of-pocket expenses incurred by MIT prior to (and including) the Effective Date in connection with the preparation, filing, prosecution, maintenance and defense of the Patent Rights.

These payments are nonrefundable.

(b) Equity.

(i) Definitions.

(A) “**Fully Diluted Basis**” shall mean the number of shares of common stock of Company then-outstanding (assuming conversion of all outstanding stock other than common stock into common stock) plus the number of shares of common stock of Company issuable upon exercise or conversion of then-outstanding convertible securities, options, rights or warrants of Company (which shall be determined without regard to whether such securities are then vested, exercisable or convertible).

(B) “**Additional Securities**” shall mean shares of capital stock, convertible securities, warrants, options or other rights to subscribe for, or purchase or acquire from Company any capital stock of Company.

(C) “**Funding Threshold**” shall mean an aggregate total investment of [\*\*\*] in cash, in one or a series of related transactions, in each case, in exchange for the Company’s capital stock.

(D) “**Assignee**” means (a) [\*\*\*], or (b) any entity that is an Affiliate of MIT.

(ii) Initial Grant. Company shall issue to MIT a total of Eight Hundred Thousand sixty-six (800,066) shares of Company’s common stock, subject to a mutually-agreeable stock purchase or subscription agreement, not later than [\*\*\*] following the Effective Date (the “**Shares**”). Company represents to MIT that, as of the Effective Date, the Shares represent five percent (5%) of Company’s issued and outstanding capital stock on a Fully Diluted Basis, as calculated after giving effect to this issuance.

(iii) Anti-Dilution Protection through Funding Threshold. If, prior to the achievement of the Funding Threshold, Company issues Additional Securities that would cause the Shares to represent less than five percent (5%) on a Fully-Diluted Basis, Company shall immediately issue to MIT for no additional consideration such additional number of shares of common stock of Company (the “**Anti-Dilution Shares**”) such that the Shares plus the Anti-Dilution Shares would then represent, in the aggregate, five percent (5%) of the issued and outstanding shares of Company on a Fully-Diluted Basis, as calculated immediately following the achievement of the Funding Threshold. Such issuances shall continue only until and through Company’s achievement of the Funding Threshold; thereafter, the Shares and Anti-Dilution Shares, if any, shall be subject to ordinary dilution.

(iv) Company Representations and Warranties. Company hereby represents and warrants the following:

(A) the capitalization table provided by Company upon issuance of the Shares, and the Anti-Dilution Shares, if applicable (the “**Cap Table**”), sets forth all of the capital stock of Company as of the Effective Date;

(B) other than as set forth in the Cap Table, as of the date of issuance of the Shares, and Anti-Dilution Shares, if applicable, there are no outstanding shares of capital stock, convertible securities, outstanding warrants, options or other rights to subscribe for, or purchase or acquire from Company any capital stock of Company, and there are no contracts or binding commitments providing for the issuance of, or the granting of rights to acquire, any capital stock of Company or under which Company is, or may become, obligated to issue any of its securities; and

(C) the Shares or the Anti-Dilution Shares, as the case may be, when issued pursuant to the terms hereof, shall, upon such issuance, be duly authorized, validly issued, fully paid and nonassessable.

(v) Participation Rights. If Company proposes to sell for financing purposes any equity securities or securities that are convertible into equity securities of Company, then MIT and/or its Assignee will have the right to purchase up to [\*\*\*] of the securities issued in each such financing on the same terms and conditions as are offered to the other purchasers in each such financing. Company shall provide advance written notice of each such financing, including reasonable detail regarding the terms of the financing, and MIT shall not be required to participate in any closing of such financing earlier than [\*\*\*] after such notice.

(c) License Maintenance Fees. Company shall pay to MIT the following license maintenance fees on the dates set forth below:

<u>Anniversary of the Effective Date</u>	<u>Amount of Fee</u>
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

This annual license maintenance fee is nonrefundable; however [\*\*\*].

(d) Running Royalties. During the Term Company shall pay to MIT a running royalty of [\*\*\*] of Net Sales on all Licensed Products. Running royalties shall be payable for each Reporting Period and shall be due to MIT within [\*\*\*] of the end of each Reporting Period.

(e) Third Party IP. If, after the Effective Date, Company reasonably determines that it is necessary to acquire rights under a third party's patent rights in order for Company to exploit the Patent Rights under this Agreement, Company shall have the right to negotiate and acquire such rights, through a license or otherwise, and then Company may deduct an amount equal to [\*\*\*] of any amounts actually paid to such third party for the sale of a Licensed Product from any running royalties due to MIT hereunder provided that: (i) the third party is not an Affiliate; (ii) if the royalty rate for calculating royalty payments due to such third party licensor is greater than [\*\*\*], the percentage deduction that Company is entitled to make against royalty payments due to MIT must not be greater than any percentage deduction that Company is entitled to make against royalty payments due to such third party licensor on account of royalty payments made to MIT with respect to such Licensed Product; and (iii) in no event shall the royalty payments due MIT with respect to such Licensed Product be reduced by more than fifty percent (50%) of the amount otherwise due.

(f) Milestone Payments. For each Distinct Licensed Product (as defined herein), Company shall pay to MIT the amounts set forth in Table A (Distinct Licensed Product Milestone Payments in first indication) upon the achievement by Company or its Sublicensees of the Milestone Events set forth in Table A with respect to [\*\*\*]. For each of [\*\*\*] that differs from [\*\*\*] for each Distinct Licensed Product, Company shall pay to MIT the amounts set forth in Table B (Distinct Licensed Milestone Payments in subsequent Indications) upon the achievement by Company or its Sublicensees of the Milestone Events set forth in Table B with respect to such [\*\*\*]. No amounts shall be due for the achievement by Company or its Sublicensees of a Milestone Event with respect to [\*\*\*] by a Distinct Licensed Product.

For purposes of the foregoing paragraph, an "indication" shall mean a sign, symptom, disease or condition that leads to the recommendation of a treatment, test or procedure. Notwithstanding the foregoing, with respect to a treatment with a specific Licensed Product [\*\*\*].

A Licensed Product is Distinct if it contains: (i) [\*\*\*] or (ii) [\*\*\*]. For clarity, a Licensed Product is not Distinct if it contains [\*\*\*].

The Milestone Payments set forth in the tables below shall not be payable with respect to a [\*\*\*]. “Replacement” shall mean a Licensed Product that has [\*\*\*]. For purposes of this paragraph, [\*\*\*]. For purposes hereof, [\*\*\*].

Company shall also pay to MIT the amounts set forth in Table C (Commercial Milestone Payments) a single time only, and such Milestone Payments shall be calculated on a cumulative basis (i.e., the applicable Milestone Payment shall become due as soon as the cumulative Net Sales target has been reached, which shall be based upon the additive calculation of Net Sales across all Licensed Products in all indications).

**Table A: Distinct Licensed Product Milestone Payments in [\*\*\*]**

<u>Milestone Event</u>	<u>Milestone Payment</u>
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

**Table B: Distinct Licensed Product Milestone Payments in [\*\*\*]**

<u>Milestone Event</u>	<u>Milestone Payment</u>
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

**Table C: Commercial Milestone Payments**

<u>Milestone Event</u>	<u>Milestone Payment</u>
[***]	[***]
[***]	[***]

\* “EU Approval” means (a) regulatory approval in the EU through the central procedure plus regulatory approval (including receipt of pricing approval) in any [\*\*\*] EU Major Market Country



(as defined below) OR (b) regulatory approvals (including receipt of pricing approvals) in any [\*\*\*] EU Major Market Countries or any [\*\*\*] European Major Market Countries (as defined below). “EU Major Market Country” means each of [\*\*\*], for so long as such country is a member of the European Union. “European Major Market Country” means each of [\*\*\*].

\*\* “Approval in Japan or China” means the first to occur of approval in Japan or China. For clarity, this milestone payment is payable only once, and no additional payment shall be due for a subsequent approval in the other of Japan or China, as applicable.

Company shall notify MIT within [\*\*\*] following the date of the achievement of any of the above milestones by Company or its Sublicensee, such notice to specifically identify the applicable milestone event and payment obligation. Such amounts shall be both non-creditable and non-refundable, shall be payable for each Reporting Period, and shall be due to MIT within [\*\*\*] following the last day of the Reporting Period.

The milestone events set forth above are intended to be [\*\*\*].

If the Milestone Events set forth in Table A (Distinct Licensed Product Milestone Payments in first indication) and Table C (Commercial Milestone Payments) are not all achieved at least [\*\*\*] prior to the expiration of the Term of this Agreement, then Company’s obligation to pay MIT the Milestone Payments set forth in Table A (Distinct Licensed Product Milestone Payments in first indication) and Table C (Commercial Milestone Payments) shall [\*\*\*]. Upon the [\*\*\*] achievement of each Milestone Event set forth in Table A (Distinct Licensed Product Milestone Payments in first indication), and Table C (Commercial Milestone Payments) (which need not be in the Milestone Event order set forth above) and subsequent payment to MIT of the corresponding Milestone Payment(s), [\*\*\*].

Upon a Change of Control of Company, a Change of Control of an Affiliated Sublicensee, or an otherwise MIT approved assignment of this Agreement, the Milestone Payments set forth in Table A and Table B (i.e., not including Table C) shall be increased by [\*\*\*] for any subsequent Milestone Events (e.g., [\*\*\*]).

(g) Sharing of Sublicense Income. Company shall pay to MIT the percentages of Sublicense Income received by Company or an Affiliated Sublicensee, as applicable, in connection with any Sublicense regardless of tier, as set forth below in Sections 4.1(g)(i)-(ii). If, in any Sublicense of the Patent Rights, Company or an Affiliated Sublicensee also grants rights to other [\*\*\*] (hereinafter a “**Bundled Sublicense**”), Company or an Affiliated Sublicensee, as applicable,

[\*\*\*]. For clarity, [\*\*\*]. Any allocation of value ascribed to the Patent Rights shall be determined by Company or its Affiliated Sublicensee, as applicable, in good faith, without discrimination among and between Company or its Affiliated Sublicensee, as applicable, Sublicensee, MIT and/or any other third parties that claim rights to such technology and/or patent rights, and shall: (1) appropriately reflect the value of the Patent Rights Sublicensed by Company or an Affiliated Sublicensee, as applicable, in the context of the entire transaction or series of related transactions of which the Sublicense is a part; and (2) be supported by a detailed written analysis and justification delivered to MIT containing information reasonably sufficient to demonstrate the appropriateness of such valuation. Company shall provide MIT with any additional information reasonably requested by MIT to demonstrate the appropriateness of such valuation. In the event that MIT disputes the appropriateness of such allocation, MIT shall have the right to request that an independent third party, mutually agreed to by the Parties, conduct and certify an allocation of the value ascribed to the Patent Rights at Company's expense (the "Independent Valuation"). The Independent Valuation, or such other allocation to which the Parties may mutually agree, shall then be used as the basis for calculating Sublicense Income sharing, in accordance with this Section 4.1(g)(ii)(A)-(C), for any such Bundled Sublicense. In the event that the Independent Valuation results in an allocation of value that differs from the allocation of value proposed by Company or its Affiliate Sublicensee, as applicable, directly prior to MIT's request for the Independent Valuation by less than [\*\*\*].

(i) Sublicense to Patent Rights. Total of [\*\*\*] of all Sublicense Income received by Company in any Sublicense to only the Patent Rights and not to any other technology and/or patent rights owned or controlled by Company.

(ii) Sublicense to Bundled Patent Rights.

(A) Prior to [\*\*\*], a total of [\*\*\*] of Sublicense Income.

(B) After the [\*\*\*], a total of [\*\*\*] of Sublicense Income.

(C) After the [\*\*\*], a total of [\*\*\*] of Sublicense Income.

All such amounts shall be payable for each Reporting Period and shall be due to MIT within [\*\*\*] following the end of each Reporting Period.

(h) Consequences of a Patent Challenge. In the event that: (i) Company or an Affiliate brings a Patent Challenge against MIT; or (ii) Company or an Affiliate assists another party in bringing a Patent Challenge against MIT (except as required under a court order or subpoena),

then all payments due under this Article 4 shall be doubled for the remainder of the Term. In the event that such a Patent Challenge is successful, Company will have no right to recoup any payments made during the period of challenge. In the event that a Patent Challenge is unsuccessful, Company shall reimburse MIT for all reasonable legal fees, costs and expenses incurred in its defense against the Patent Challenge.

(i) Change of Control Fee. Within [\*\*\*] following (a) the first Change of Control of Company and (b) the first Change of Control of each Affiliated Sublicensee, Company shall report such Change of Control to MIT in writing and Company shall pay to MIT the cash equivalent of the lesser of: (i) [\*\*\*] or (ii) [\*\*\*]. Should this calculation yield a value less than [\*\*\*], this payment shall be set to [\*\*\*]. Notwithstanding the foregoing, if the Change of Control is not the result of an arms' length transaction with an unaffiliated third party then the consideration received by Company for such Change of Control shall be calculated [\*\*\*]. Where a Change of Control of an Affiliated Sublicensee is followed by a Change of Control of Company, the fee [\*\*\*].

#### 4.2 Payments.

(a) Invoices. All invoices issued by MIT under this Agreement shall be addressed to Company as follows, or as otherwise provided by Company in writing to MIT:

Cullinan Amber Corp.  
One Main Street  
Cambridge, MA 02142  
Attention to: Chief Financial Officer

(b) Method of Payment. All payments under this Agreement shall be made payable to "Massachusetts Institute of Technology" and sent to the address identified on the invoice received. Each payment should reference this Agreement and identify the obligation under this Agreement that the payment satisfies. Unless otherwise stated on the invoice, payments sent by wire transfer shall be paid to:

[\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]

(c) Payments in U.S. Dollars. All payments due under this Agreement shall be drawn on a United States bank and shall be payable in United States dollars. Conversion of foreign

currency to U.S. dollars shall be made at the conversion rate existing in the United States (as reported by the Federal Reserve Bank of St. Louis or such other rates as MIT and Company may mutually agree from time to time) on the last working day of the calendar quarter of the applicable Reporting Period. Such payments shall be without deduction of exchange, collection, or other charges, and, specifically, without deduction of withholding or similar taxes or other government imposed fees or taxes, except as permitted in the definition of Net Sales.

(d) Taxes. In the event that any payment under this Agreement is or becomes subject to any levy or tax, including, but not limited to any form of tax withholding, income tax, service tax, sales tax or VAT, by local, regional or federal government authorities, Company shall (i) pay to the applicable tax authorities, whether on its own or MIT's behalf, such amount of levy or tax and, if applicable, penalties and interest, and (ii) promptly provide MIT with a copy of the withholding tax certificate or other tax filing documentation evidencing remittance was made. For the avoidance of doubt, any payments made by or on behalf of Company pursuant to this Section 4.2(d) shall not be deducted from any payment amounts due to MIT under this Agreement.

(e) Late Payments. Any payments by Company that are not paid on or before the date such payments are due under this Agreement shall bear interest, to the extent permitted by law, at [\*\*\*] points above the Prime Rate of interest as reported by the Federal Reserve Bank of St. Louis on the last business day of the calendar quarterly Reporting Period to which such payments relate.

## 5. REPORTS AND RECORDS

5.1 Progress Reports. Company shall deliver progress reports to MIT annually, within [\*\*\*] following the end of each calendar year, containing information sufficient to illustrate compliance with this Agreement and specifically:

(a) the progress of efforts to develop and commercialize Licensed Products, with specific reference to the Diligence Requirements set forth under Article 3 and Appendix C;

(b) the number of Sublicenses active during the applicable calendar year as well as an updated list of all Sublicenses, and amendments thereto, executed during the applicable calendar year (and copies thereof to the extent not already provided), and if none are active, so state;

(c) a summary of the milestones set forth in Section 4.1(f) that have been achieved, and if none have been achieved, so state; and

(d) Company's current Certificates of Insurance, in accordance with Section 8.2 (Insurance).

5.2 Financial Reports; Royalty Reports. Company's obligation to submit reports under this Section shall commence upon the earliest of: [\*\*\*]. Thereafter, Company shall deliver financial reports and royalty reports to MIT within [\*\*\*] following the end of each Reporting Period, containing at least the following information for the preceding Reporting Period, in substantially the forms attached hereto as Appendix D-1 and Appendix D-2 (or equivalent):

(a) the number of units of Licensed Products sold by Company and its Sublicensees in each country;

(b) a description of the Milestone Event set forth in Section 4.1(f) that has been achieved during the Reporting Period, together with the corresponding payment amount;

(c) the gross amount billed or invoiced by Company and its Sublicensees for each Distinct Licensed Product, in each country, as applicable;

(d) calculation of Net Sales for the applicable Reporting Period in each country for each Distinct Licensed Product, including a listing of applicable deductions;

(e) total royalty payable on Net Sales in U.S. dollars, together with the exchange rates used for conversion; and

(f) the amount of Sublicense Income received by Company and Affiliated Sublicensee(s), as applicable, from each Sublicensee and the amount due to MIT from such Sublicense Income, including: (i) an itemized breakdown of the sources of income comprising the Sublicense Income, which may include information concerning transactions related to the Sublicensee; and (ii) information reasonably sufficient (in MIT's reasonable judgment) to demonstrate any Research Support Payments deducted from Sublicense Income, as applicable. Company shall provide MIT with any additional information reasonably requested by MIT to support the deduction of Research Support Payments deducted from Sublicense Income.

(g) If no amounts are due to MIT for any Reporting Period, the report shall so state.

5.3 Financial Statements. On or before the [\*\*\*] day following the last day of Company's fiscal year, Company shall provide MIT with Company's financial statements for the preceding fiscal year including, at a minimum, a balance sheet and an income statement, certified by Company's treasurer or chief financial officer or by an independent auditor.

5.4 Records. Company and its agents, as applicable, shall keep, in accordance with generally accepted accounting principles, up-to-date, complete, true and accurate books of account in sufficient detail to permit calculation of all amounts due hereunder. MIT shall have the right to appoint an independent auditor, reasonably acceptable to Company, to audit, at MIT's expense, upon reasonable advance written notice to Company and during normal business hours, all existing and relevant records for any Reporting Period during the Term ending not more than [\*\*\*] prior to the date of such notice of audit, to the extent necessary to perform an audit of amounts due under this Agreement. Company may condition such auditor's access to the books and records of Company on such auditor's having executed and delivered a reasonable confidentiality agreement in favor of Company protecting disclosure and use of the information in such books and records. MIT shall instruct such auditor to complete the audit promptly. Company shall cooperate reasonably with such audit and shall permit such auditor to inspect and copy such portions of books and records that such auditor deems appropriate and necessary. Books of account and supporting records shall be retained by Company for at least [\*\*\*] following the end of the Reporting Period to which they pertain. In the event that any audit performed under this Section reveals an underpayment in excess of the lesser of: (a) [\*\*\*] during the audited period or any Reporting Period; and (b) [\*\*\*], Company shall bear the full cost of such audit, and shall also remit any amounts due to MIT as revealed by such audit within [\*\*\*] of receiving notice thereof from MIT. The parties agree that all applicable statutes of limitation and time-based defenses (including, but not limited to, estoppel and laches) shall be tolled during the pendency of an audit requested under this Section by MIT. The parties shall cooperate in taking any actions necessary to achieve this result.

## 6. PATENT PROSECUTION

6.1 Responsibility for Patent Rights. MIT shall prepare, file, prosecute, and maintain all of the Patent Rights; Company shall cooperate with MIT in such filing, prosecution and maintenance. MIT shall instruct its patent counsel to provide Company with copies of all patent prosecution documents relating to the Patent Rights, including correspondence to and from patent offices, and shall provide Company a reasonable opportunity, if time permits, to review and comment on such materials. MIT shall seriously consider in good faith any comments received from Company relating to the preparation, filing, prosecution and maintenance of the Patent Rights; however, the Parties hereby agree and acknowledge that MIT has sole authority to make all decisions relating to the preparation, filing, prosecution, and maintenance of the Patent Rights.

6.2 International (non-United States) Filings. Appendix B is a list of countries in which patent applications corresponding to the United States patent applications listed in Appendix A shall be filed, prosecuted, and maintained. Appendix B may be amended by mutual agreement of Company and MIT.

6.3 Returned Patent Rights. In the event that Company desires to discontinue its support of any patent or patent application within the Patent Rights in any particular country or countries, Company shall provide MIT with at least [\*\*\*] prior written notice of such intended discontinuance of support. In such event, on a country-by-country basis, (i) any such patent or patent application (the “Returned Rights”) shall be removed from the definition of Patent Rights under this Agreement, (ii) the licenses granted to Company as to such Returned Rights shall terminate, (iii) Company shall have no further obligation with respect to such Returned Rights pursuant to Section 6.4 commencing [\*\*\*] after Company’s notice, and (iv) MIT shall have the unrestricted right to license such Returned Rights to Third Parties. Notwithstanding the foregoing, at MIT’s election and in its sole discretion, MIT may, acting reasonably and in good faith, on a country-by-country basis, as an alternative to terminating the licenses granted to Company to such Returned Rights as set forth in clause (ii) above: (A) terminate the exclusivity of the license with respect to such Returned Rights in the applicable country and (B) continue to prosecute and maintain the Returned Rights at its own expense. If MIT makes such election, MIT shall promptly notify Company in writing of such election, and Company shall retain a non-exclusive license under the Returned Rights in the applicable country, provided that Company: (1) will be obligated to pay a royalty on Net Sales of Licensed Products at a rate that is [\*\*\*] of the rates set forth in Section 4.1(d) in the countries where it has non-exclusive rights, (2) will remain obligated to pay any other amounts otherwise due under Section 4.1, and (3) MIT shall have the unrestricted right to grant to third parties non-exclusive licenses under the Returned Rights in such countries.

6.4 Payment of Patent Expenses. Payment of all fees and costs, including attorneys’ fees, relating to the filing, prosecution and maintenance of the Patent Rights (including without limitation interferences, reexaminations and reissues) shall be the responsibility of Company (“Patent Expenses”), whether such amounts were incurred before or after the Effective Date. As of December 12, 2019, MIT has incurred approximately [\*\*\*] for such patent-related fees and costs. Without limiting Section 4.1(a)(ii) concerning Patent Expenses incurred prior to and including the Effective Date, Company shall reimburse all amounts due pursuant to this Section 6.4 within [\*\*\*] of receipt of an invoice from MIT; late payments shall accrue interest pursuant to Section 4.2(e) (Late Payments). In all instances, MIT shall pay the fees prescribed for large entities to the United States Patent and Trademark Office unless otherwise agreed by the

parties. In the event MIT grants a commercial license(s) to one or more third parties under the Patent Rights MIT shall make a reasonable allocation in good faith of the Patent Expenses incurred during the term of such commercial license(s) among Company and such third parties.

## 7 .INFRINGEMENT; ENFORCEMENT.

7.1 Notice of Infringement. In the event either party becomes aware of any possible or actual infringement of any Patent Rights with respect to Licensed Products in the Field in the Territory (an “Infringement”), that party shall promptly notify the other party and provide it with details regarding such Infringement.

7.2 Suit by Company. Company shall have the first right, but not the obligation, to take action to enforce the Patent Rights against any Infringement. Prior to commencing any enforcement action with respect to any Infringement, Company (i) shall advise MIT in writing of Company’s proposed course of action, (ii) at MIT’s request shall meet with MIT to discuss such proposed course of action, and (iii) shall consider in good faith the views of MIT and the potential effects of enforcement activities on MIT and the public interest. Should Company elect to take action to enforce the Patent Rights against any Infringement, Company shall first obtain MIT’s approval of Company’s selected counsel, which approval shall not be unreasonably withheld. Once counsel is selected and approved, Company shall keep MIT reasonably informed of the progress of the enforcement action and shall give MIT a reasonable opportunity to offer its views about major decisions affecting the enforcement action or the validity or enforceability of the Patent Rights. Company agrees to consider those views in good faith, but shall have the right to control the action; provided, however, that if Company fails to defend in good faith the validity and/or enforceability of the Patent Rights in the action or, if Company’s exclusive license to a Valid Claim in the action terminates, MIT has the right to take control of the action pursuant to Section 7.6.

7.3 Joinder. If MIT is a necessary party under applicable law to establish standing for the initiation or maintenance of an enforcement action by Company under Section 7.2 (Suit by Company), MIT agrees to join as a co-plaintiff or declaratory judgment co-defendant in the action, provided that MIT shall not be the first named plaintiff or defendant party in such action. In addition, MIT has the right to elect to participate as a co-plaintiff in an enforcement action by Company with respect to any Infringement. If MIT elects prior to the initiating pleading to participate as a co-plaintiff, Company shall obtain MIT’s approval of Company’s selection of jurisdiction and venue, which approval shall not be unreasonably withheld. If MIT joins the action as a party at any time, Company shall make reasonable efforts to minimize any disruption to MIT’s operations resulting from such joinder and participation in the action.



7.4 Costs, Expenses and Fees. The costs and expenses of any action the Company elects to bring shall be paid for entirely by Company. Company shall indemnify MIT and hold MIT free, clear and harmless from and against any and all costs, expenses, damages and liability that MIT may incur in connection with any such action, including, without limitation, attorneys' fees and other costs, expenses, damages and liability that are incurred by MIT with respect to any aspect of the prosecution, adjudication, defense, management and/or settlement of, or joinder to, any such action, including any appeals, remands or other related proceedings, or that are awarded against MIT as a party to such action (collectively, "Litigation Expenses"). Company shall reimburse MIT for all Litigation Expenses within [\*\*\*] after receiving an invoice from MIT for same.

7.5 Settlement and Recovery. Company must obtain MIT's written consent before offering or accepting any compromise or settlement, which consent shall not be unreasonably withheld, conditioned or delayed. In the event Company exercises its right to commence an enforcement action pursuant to Section 7.2 (Suit by Company), out of any sums recovered in such suit or in settlement thereof, Company shall first reimburse MIT for any unreimbursed Litigation Expenses and then may reimburse itself for all litigation costs and expenses including reasonable attorneys' fees incurred by Company in connection with the suit. If, after such reimbursement, any funds shall remain from said recovery, then MIT shall receive an amount equal to [\*\*\*] of such funds and the remaining [\*\*\*] of such funds shall be retained by Company.

7.6 Suit by MIT. If Company does not take action to enforce the Patent Rights against Infringement pursuant to Section 7.2 (Suit by Company), and has not commenced negotiations with the infringer for the discontinuance of said Infringement, then, within [\*\*\*] after notification of the existence of an Infringement has been given to MIT pursuant to Section 7.1 (Notice of Infringement), MIT may elect to enforce the Patent Rights against such Infringement. Upon written request from MIT, Company agrees to join as a co-plaintiff in the action. Should MIT elect to bring suit against an infringer and Company is joined as party plaintiff in any such suit, Company shall have the right to approve the counsel selected by MIT to represent MIT and Company, such approval not to be unreasonably withheld. Any and all expenses, including reasonable attorneys' fees, incurred by Company with respect to the prosecution, adjudication and/or settlement of such suit, including any related appeals, shall be paid for entirely by MIT and MIT shall hold Company free, clear and harmless from and against any and all such expenses. MIT shall not compromise or settle such litigation without the prior written consent of Company, which consent shall not be unreasonably withheld, conditioned or delayed. In the event MIT

exercises its right to sue pursuant to this Section 7.6 (Suit by MIT), it shall first reimburse Company for any unreimbursed Litigation Expenses and then may reimburse itself out of any sums recovered in such suit or in settlement thereof for Litigation Expenses. If, after such reimbursement, any funds shall remain from said recovery, then Company shall receive an amount equal to [\*\*\*] of such funds and the remaining [\*\*\*] of such funds shall be retained by MIT.

7.7 Own Counsel. Each party shall always have the right to be represented by counsel of its own selection and at its own expense in any suit for Infringement instituted under this Article 7 by the other party.

7.8 Cooperation. Each party agrees to cooperate fully in any action under this Article 7 that is controlled by the other party, provided that the controlling party reimburses the cooperating party promptly for any costs and expenses incurred by the cooperating party in connection with providing such assistance.

7.9 Declaratory Judgment. If a declaratory judgment action is brought naming Company and Sublicensees as a defendant and alleging invalidity or unenforceability of any claims within the Patent Rights, Company shall promptly notify MIT in writing and MIT may elect, upon written notice to Company, to take over the sole defense of the invalidity and/or unenforceability aspect of the action at its own expense.

## 8. INDEMNIFICATION AND INSURANCE

### 8.1 Indemnification.

(a) Indemnity. Company shall indemnify, defend, and hold harmless MIT and its trustees, directors, officers, faculty, students, employees, agents, affiliates and their respective successors, heirs and assigns (the “**Indemnitees**”), against any liability, damage, loss, or expense (including reasonable attorneys’ fees and expenses) (collectively, “**Losses**”) incurred by or imposed upon any of the Indemnitees in connection with any third-party claims, suits, investigations, actions, demands or judgments (i) arising out of, or in connection with, any theory of liability concerning any Licensed Product that is made, used, sold or imported by Company, its agents, Distributors or Sublicensees, (ii) arising out of, or in connection with, the exercise of rights granted to Company and Sublicensees under this Agreement, or (iii) arising out of, or in connection with, a breach of this Agreement by Company or a breach of a Sublicense by a Sublicensee; provided, however, that Company shall have no obligation pursuant to the foregoing to the extent such Losses directly result from the gross negligence or willful misconduct of any Indemnitee.

(b) Procedures. The Indemnitees agree to provide Company with prompt written notice of any claim, suit, action, demand, or judgment for which indemnification is sought under this Agreement. Company agrees, at its own expense, to provide attorneys reasonably acceptable to MIT to defend against any such claim. The Indemnitees shall reasonably cooperate with Company in such defense and will permit Company to conduct and control such defense and the disposition of such claim, suit, or action (including all decisions relative to litigation, appeal, and settlement); provided, however, that any Indemnitee shall have the right to retain its own counsel, at the expense of Company, if representation of such Indemnitee by the counsel retained by Company would be inappropriate because of actual or potential differences in the interests of such Indemnitee and any other party represented by such counsel. Company agrees to keep MIT informed of the progress in the defense and disposition of such claim and to consult with MIT with regard to any proposed settlement. Company shall not enter into any settlement, consent judgment, or other voluntary final disposition of any claim that would have a material, adverse effect on any Indemnitee(s) (including reputational harm) or admits any wrongdoing or fault by any Indemnitee or imposes on any Indemnitee any payment obligation or other material liability, without the prior written consent of MIT.

8.2 Insurance. Company shall obtain and carry commercial general liability (“CGL”) insurance as set forth in this Section. Such CGL insurance, pursuant to its terms, shall (i) list MIT as an additional insured thereunder but only with respect to claims made against MIT arising from Company’s own actual or alleged acts, errors or omissions, (ii) include products/completed operations coverage or Company shall obtain and maintain product liability coverage under a separate policy, and (iii) require [\*\*\*] written notice to be given to MIT prior to any cancellation or material reduction thereof. The minimum limits of the CGL insurance shall be [\*\*\*] per occurrence, with an aggregate limit of [\*\*\*]. Beginning with the earlier of (1) commencement of human clinical trials of a Licensed Product or (2) commercial distribution, sale, lease, transfer or use of a Licensed Product, and for so long as a Licensed Product is under development or being commercialized by Company or its Affiliates or Sublicensees, the minimum limits of the CGL insurance, or of a separate policy of insurance covering product liability, shall be not less than [\*\*\*] per occurrence, with an aggregate limit of [\*\*\*]. With respect to any insurance required hereunder that is underwritten on a per-claims basis, the Company shall either (a) maintain such insurance for at least [\*\*\*] following the termination of this Agreement, or (b) alternatively, purchase a [\*\*\*] extended reporting period with respect to such insurance, which shall satisfy in full the obligation set forth in sub-part (a) of this sentence. Company shall provide MIT with certificates of insurance evidencing compliance with this Section for as long as the coverage must

be maintained. Notwithstanding the foregoing, the products/completed operations coverage and errors and omissions coverage, as described above, shall be in place at least [\*\*\*] prior to: (1) the use, operation, demonstration, or testing of any Licensed Product by Company or a third party at the premises of any third party that is not subject to a contractual indemnity extending protection to MIT or (2) the first distribution, sale, lease, or transfer of a Licensed Product to a third party.

9. REPRESENTATIONS AND WARRANTIES; DISCLAIMER OF WARRANTIES; LIMITATION OF LIABILITY

9.1 MIT represents and warrants that as of the Effective Date, and to the knowledge of the TLO: (a) MIT has received assignments from the inventors named on the MIT disclosure form that the TLO received on September 17, 2018, which assigns each inventor's rights, title and interests in and to the Patent Rights to MIT and (b) MIT has the right and authority to grant the rights and licenses set forth in this Agreement.

9.2 DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, MIT MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND CONCERNING THE PATENT RIGHTS, (INCLUDING, WITHOUT LIMITATION, ANY WARRANTY BY MIT THAT IT CAN OR WILL BE ABLE TO OBTAIN PATENTS ON PATENT APPLICATIONS INCLUDED IN THE PATENT RIGHTS AND ANY WARRANTY AS TO THE COMMERCIAL OR SCIENTIFIC VALUE OF THE PATENT RIGHTS AND HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF MIT OR THIRD PARTIES, VALIDITY, ENFORCEABILITY AND SCOPE OF PATENT RIGHTS, WHETHER ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, COMPANY MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND CONCERNING ANY MATTER WHATSOEVER, AND HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF THIRD PARTIES OR THAT ANY LICENSED PRODUCT CAN BE SUCCESSFULLY DEVELOPED OR COMMERCIALIZED.

9.3 LIMITATION OF LIABILITY. EXCEPT FOR COMPANY'S INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 8, IN NO EVENT SHALL A PARTY, ITS TRUSTEES, DIRECTORS, OFFICERS, FACULTY, STUDENTS, EMPLOYEES, AGENTS AND AFFILIATES BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGES OR INJURY TO PROPERTY AND LOST PROFITS (REGARDLESS AS TO WHETHER LOST PROFITS ARE CHARACTERIZED AS INDIRECT OR DIRECT DAMAGES), REGARDLESS OF WHETHER SUCH PARTY SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY OF THE FOREGOING.

10. ASSIGNMENT

This Agreement is personal to Company, and any assignment or transfer of this Agreement by Company to a third party may be made only with the prior written consent of MIT, except Company may assign this Agreement without the prior written consent of MIT to an Affiliate or as part of a merger or acquisition of the Company, so long as (i) Company is in compliance with this Agreement, (ii) the assignee agrees in writing to be bound by the terms of this Agreement, (iii) and MIT is notified of the assignment and the assignee. Nothing in this Section 10 shall be construed to modify or eliminate any obligation of Company to pay MIT a fee in connection with a Change of Control of Company in accordance with Section 4.1(i). Any purported assignment or transfer in violation of the foregoing shall be null and void and of no force or effect.

11. GENERAL COMPLIANCE WITH LAWS

11.1 Compliance with Laws. Company shall, and shall cause its Sublicensees as necessary, to comply with all material local, state, federal, and international laws and regulations relating to the development, manufacture, use, and sale of Licensed Products.

11.2 Registration. As required by applicable law, Company shall, and shall cause its and Sublicensees as necessary to, register or record this Agreement with the relevant government authority. After the completion of the registration and recordation, Company shall provide MIT with documentation of registration and recordation issued by the government authorities with respect to this Agreement. The costs of the registration and filing shall be borne by Company.

11.3 Export Control. Company shall, and shall cause its Sublicensees as necessary to, comply with all United States laws and regulations controlling the export of certain commodities and technical data, including without limitation all Export Administration Regulations of the

United States Department of Commerce. Among other things, these laws and regulations prohibit or require a license for the export of certain types of commodities and technical data to specified countries. Company hereby gives written assurance that it will comply with, and will cause its Sublicensees to comply with, all United States export control laws and regulations, that it bears sole responsibility for any violation of such laws and regulations by itself or its Sublicensees, and that it will indemnify, defend, and hold MIT harmless (in accordance with Section 8.1 (Indemnification)) for the consequences of any such violation.

11.4 Use of MIT Name. During the Term, Company may make certain factual statements that it has entered into this Agreement with MIT to license the Patent Rights. Such statements may be made in connection with general company information (e.g., statements regarding company history or technology background) or in annual shareholder reports or investor presentations; however, no such statement may be used in advertising or other promotional material or activities or in any manner to suggest or imply MIT's endorsement of Company, its Sublicensees, or Company's or Sublicensees' products or services. Except as specifically permitted herein, Company shall, and shall cause its Sublicensees to, not otherwise use or allow the use of the name of "Massachusetts Institute of Technology," "Lincoln Laboratory" or any variation, adaptation, or abbreviation thereof, or of any of its trustees, officers, faculty, students, employees, or agents, or any trademark owned by MIT, or any terms of this Agreement in any other public announcement or disclosure without the prior written consent of MIT (via [\*\*\*]), which consent MIT may withhold in its sole discretion. If Company or Sublicensee seeks to use the name of an individual trustee, officer, faculty, student, employee or agent, Company must receive the written consent of such individual.

11.5 Marking of Licensed Products. To the extent commercially feasible and consistent with prevailing business practices, Company shall, and shall cause its Sublicensees as necessary to, mark all Licensed Products that are manufactured or sold under this Agreement to notify the public and competitors that such products are patented.

## 12. TERMINATION

12.1 Voluntary Termination by Company. Company shall have the right to terminate this Agreement, for any reason, upon at least [\*\*\*] prior written notice to MIT, provided that all amounts due to MIT have been paid by Company up to and including such termination effective date.

12.2 Cessation of Business. If Company ceases to carry on its business related to this Agreement, MIT shall have the right to terminate this Agreement immediately upon written notice to Company.

### 12.3 Termination for Default.

(a) Nonpayment. In the event Company fails to pay any amounts due and payable to MIT hereunder, and fails to make such payments within [\*\*\*] after receiving written notice of such failure, MIT may terminate this Agreement immediately upon written notice to Company.

(b) Other Material Breach. In the event Company commits a material breach of its obligations under this Agreement, except as described in Section 12.3(a) (Nonpayment) and Section 3.2 (Failure to Achieve Diligence Milestone; Right to Cure), and fails to cure that breach within [\*\*\*] after receiving written notice thereof, MIT may terminate this Agreement immediately upon written notice to Company.

12.4 Disputes Regarding Termination. If Company disputes any termination by MIT under this Section, it must notify MIT of the nature of such dispute and the proposed manner in which to resolve the dispute within [\*\*\*] following its receipt of notification of breach or notification of termination by MIT, whichever is sooner. If the parties do not resolve such dispute within [\*\*\*] of such notification, then Company shall be required to initiate the dispute resolution procedures outlined in Section 13.3 (Dispute Resolution Procedure, as applicable) immediately. If it does not do so, Company shall be considered to have waived its rights to dispute the termination.

12.5 Effect of Termination. Upon termination of this Agreement by either party pursuant to any of the provisions of Section 12.1 (Voluntary Termination by Company), 12.2 (Cessation of Business) or 12.3 (Termination for Default) or by MIT pursuant to Section 3.2 (Failure to Achieve Diligence Milestone; Right to Cure): (a) the rights and licenses granted to Company under Article 2 shall terminate, all rights in and to and under the Patent Rights will revert to MIT and Company may not make any further use or exploitation of the Patent Rights and (b) any existing agreements that contain a Sublicense shall terminate to the extent of such Sublicense; provided, however, that, for each Sublicensee, if the Sublicensee is not then in breach of its Sublicense agreement with Company such that Company would have the right to terminate such Sublicense, such Sublicensee shall have the right to request a direct license from MIT, such request by the Sublicensee to be made within [\*\*\*] of termination of this Agreement (the “**License Election Period**”). If such Sublicensee makes such request during the License Election Period, MIT agrees to negotiate in good faith a license with such Sublicensee, under reasonable terms and conditions, (the “**New Direct License**”) for a period of up to [\*\*\*] (the “**Negotiation Period**”). MIT is not

obligated to undertake any obligations under the New Direct License that are in addition to, or inconsistent with, the terms of this Agreement. Any New Direct License shall include payment to MIT of the license maintenance fees (Section 4.1(c)), running royalties (Section 4.1(d)) and milestone payments (Section 4.1(f)) provided for in this Agreement and an amount equal to the share of Sublicense Income that MIT would otherwise have received from Company as a result of the applicable Sublicense under the terms of Section 4.1(g) of this Agreement for the longer of: (i) the period of time under this Agreement that Company would have been obligated to pay MIT a share of Sublicense Income and (ii) the payment term of the applicable Sublicense between Company and Sublicensee. Until the earlier of: (A) the expiration of the Negotiation Period or (B) the execution and delivery of the New Direct License, the Sublicense agreement shall remain in effect, provided that MIT shall have no obligations thereunder that are in addition to, or inconsistent with, the terms of this Agreement and all financial, reporting and other obligations of such Sublicensee thereunder shall run in favor of MIT. Further, such Sublicensee shall be responsible for reimbursing MIT for any Patent Expenses related to the Patent Rights during the License Election Period, and if Sublicensee has requested such license within the License Election Period, the Sublicensee shall be responsible for reimbursing MIT for any Patent Expenses related to the Patent Rights during the Negotiation Period and up until the effective date of the such New Direct License.

12.6 Survival. Any provisions that, by their intent or meaning under the circumstances, are intended to survive, shall survive the expiration or termination of this Agreement. In addition, the following provisions shall survive the expiration or termination of this Agreement:

- Article 1 (“Definitions”);
- Section 4.1(b) (“Equity”);
- Section 4.1(f) (“Milestone Payments”), as and to the extent provided therein;
- Section 4.1(g) (“Sharing of Sublicense Income”), as and to the extent provided therein;
- Section 4.1(i) (“Change of Control Fee”)
- Section 5.2 (“Financial Reports”), as and to the extent required to report any outstanding payment obligations and the achievement of Milestone Event for which Company has a corresponding and surviving obligation to pay Milestone Payments;
- Section 5.4 (“Records”);
- Section 8.1 (“Indemnification”);
- Section 8.2 (“Insurance”), as and to the extent provided therein that requires Company to maintain insurance;



- Article 9 (“Representations and Warranties; Disclaimer of Warranties and Limitation of Liability”);
- Section 11.3 (“Export Control”);
- Section 12.4 (“Disputes regarding Termination”);
- Section 12.5 (“Effect of Termination”);
- Section 12.6 (“Survival”);
- Section 12.7 (“Accruing Obligations”);
- Article 13 (“Dispute Resolution”);
- Article 14 (“Confidentiality”), to the extent provided therein; and
- Article 15 (“Miscellaneous”).

12.7 Accruing Obligations. In no event shall termination or expiration of this Agreement release Company from the obligation to pay any amounts that became due or payable on or before the date of such termination or expiration. The parties agree that the obligations in Section 4.1(b) (Equity) will accrue immediately upon execution of this Agreement by both parties, regardless of the events, invoice and payment timing details set forth therein.

### 13. DISPUTE RESOLUTION

13.1 Mandatory Procedures. The parties agree that any dispute arising out of or relating to this Agreement (except as described in Section 12.3(a) (Nonpayment) and Section 3.2 (Failure to Achieve Diligence Milestone; Right to Cure)) shall be resolved solely by means of the procedures set forth in this Article, and that such procedures constitute legally binding obligations that are an essential provision of this Agreement. If either party fails to observe the procedures of this Article, as may be modified by their written agreement, the other party may bring an action for specific performance of these procedures in any court of competent jurisdiction.

13.2 Equitable Remedies. Although the procedures specified in this Article are the sole and exclusive procedures for the resolution of disputes arising out of or relating to this Agreement (except as described in Section 12.3(a) (Nonpayment) and Section 3.2 (Failure to Achieve Diligence Milestone; Right to Cure)), either party may seek a preliminary injunction or other provisional equitable relief if, in its reasonable judgment, such action is necessary to avoid irreparable harm to itself or to preserve its rights under this Agreement.

### 13.3 Dispute Resolution Procedures.

(a) Mediation. In the event of any dispute arising out of or relating to this Agreement (except as described in Section 12.3(a) (Nonpayment) and Section 3.2 (Failure to Achieve Diligence Milestone; Right to Cure)), either party may initiate mediation upon written notice to the other party (“Notice Date”) pursuant to Section 15.1 (Notice), whereupon both parties shall be obligated to engage in a mediation proceeding. The mediation shall commence within forty-five (45) days following the Notice Date. The mediation shall be conducted by a single mediator in Boston, Massachusetts. The party requesting mediation shall designate two (2) or more nominees for mediator in its Notice Date. The other party may accept one of the nominees or may designate its own nominees by notice addressed to the American Arbitration Association (AAA) and copied to the requesting party. If within fifteen (15) days following the Notice Date, the parties have not selected a mutually acceptable mediator, a mediator shall be appointed by the AAA according to the Commercial Mediation Rules. The mediator shall attempt to facilitate a negotiated settlement of the dispute, but shall have no authority to impose any settlement terms on the parties. The expenses of the mediation shall be borne equally by the parties, but each party shall be responsible for its own counsel fees and expenses.

(b) Trial Without Jury. If the dispute is not resolved by mediation within forty-five (45) days after commencement of mediation, each party shall have the right to pursue any other remedies legally available to resolve the dispute; provided, however, that the parties expressly waive any right to a jury trial in any legal proceeding under this Article.

13.4 Performance to Continue. Each party shall continue to perform its undisputed obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement; provided, however, that a party may suspend performance of its undisputed obligations during any period in which the other party fails or refuses to perform its undisputed obligations. Nothing in this Article is intended to relieve Company from its obligation to make undisputed payments pursuant to Articles 4 and 6 of this Agreement.

13.5 Statute of Limitations. The parties agree that all applicable statutes of limitation and time-based defenses (including, but not limited to, estoppel and laches) shall be tolled while the procedures set forth in this Article are pending. The parties shall cooperate in taking any actions necessary to achieve this result.

### 14. CONFIDENTIALITY.

14.1 Confidential Information. “Confidential Information” means any proprietary information specifically designated as confidential, which may include Progress Reports, Financial Statements, Financial Reports, or Sublicense agreements provided to MIT pursuant to this Agreement,

provided that Company shall only furnish Confidential Information to the TLO. Confidential Information shall be marked with a legend indicating its confidential status (such as “Confidential” or “Proprietary”). Confidential Information shall not include:

- (i) information which at the time of disclosure hereunder is already generally known or publicly available;
- (ii) information which after disclosure hereunder becomes generally known or publicly available other than through any act or omission of MIT in violation of this Agreement;
- (iii) information that was in possession of MIT without obligations of confidentiality to Company prior to disclosure to MIT under this Agreement; and
- (iv) information which is hereafter lawfully disclosed by a third party to MIT, which information such third party did not acquire under a still effective obligation of confidentiality to Company; or
- (v) information that was independently developed by MIT without use of, reference to or reliance upon Company’s Confidential Information as evidenced by written records.

14.2 Non-Use and Non-Disclosure. For a period of [\*\*\*] after disclosure of the Confidential Information, MIT shall treat Confidential Information as confidential and shall not use or disclose it, except for purposes of exercising its rights or fulfilling its obligations under this Agreement or as otherwise expressly permitted herein, without the prior written and express consent of the Company.

14.3 Permitted Disclosures. MIT may disclose the Confidential Information to its officers, employees, contractors and consultants (including lawyers and financial advisors), as well as joint owners and sponsors of the Patent Rights, who have a need to know for purposes of this Agreement and compliance hereunder and are subject to confidentiality obligations at least as protective of such Confidential Information as this Article 14.

14.4 Disclosure Required by Law. Notwithstanding the above, MIT may disclose Company’s Confidential Information to the extent required by law, regulation, or stock exchange requirement, provided that MIT shall (unless legally prohibited) give the other party prompt written notice in order for Company to have the opportunity to take appropriate measures to protect its Confidential Information. MIT shall disclose Company’s Confidential Information pursuant to this Section 14.4 solely to the extent so required.

15. MISCELLANEOUS

15.1 Notice. Any notices required or permitted under this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be sent by hand, recognized national overnight courier, confirmed electronic mail (e.g., by means of read receipt or specific acknowledgment by recipient of receipt through responsive email) to an email address provided by the applicable party in a written notice to the other party in the manner provided in this Section 15.1, or registered or certified mail, postage prepaid, return receipt requested, to the following addresses or facsimile numbers of the parties:

If to MIT:                     Massachusetts Institute of Technology  
                                      Technology Licensing Office, [\*\*\*]  
                                      255 Main Street, Kendall Square  
                                      Cambridge, MA 02142-1601  
                                      Attention: Director

If to Company:               Cullinan Amber Corp.  
                                      One Main Street  
                                      Cambridge, MA 02142  
                                      Attention: Chief Business Officer

All notices under this Agreement shall be deemed effective upon receipt. A party may change its contact information immediately upon written notice to the other party in the manner provided in this Section.

15.2 Governing Law/Jurisdiction. This Agreement and all disputes arising out of or related to this Agreement, or the performance, enforcement, breach or termination hereof, and any remedies relating thereto, shall be construed, governed, interpreted and applied in accordance with the laws of the Commonwealth of Massachusetts, U.S.A., without regard to conflict of laws principles, except that questions affecting the construction and effect of any patent shall be determined by the law of the country in which the patent shall have been granted. The state and federal courts having jurisdiction over Cambridge, MA, U.S.A., provide the exclusive forum for any Patent Challenge and/or any court action between the parties relating to this Agreement. Company submits to the jurisdiction of such courts and waives any claim that such court lacks jurisdiction over Company or constitutes an inconvenient or improper forum.

15.3 Force Majeure. Neither party will be responsible for delays resulting from causes beyond the reasonable control of such party, including without limitation fire, explosion, flood, war, strike, or riot, provided that the nonperforming party uses commercially reasonable efforts to avoid or remove such causes of nonperformance and continues performance under this Agreement promptly whenever such causes are removed.

15.4 Amendment and Waiver. This Agreement may be amended, supplemented, or otherwise modified only by means of a written instrument signed by both parties. Any waiver of any rights or failure to act in a specific instance shall not be construed as an agreement to waive any rights or fail to act in any other instance, whether or not similar.

15.5 Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any other provision of this Agreement.

15.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns.

15.7 Headings. All headings are for convenience only and shall not affect the meaning of any provision of this Agreement.

15.8 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to this subject matter and supersedes all prior agreements or understandings between the parties, relating to its subject matter.

*[Remainder of page intentionally left blank; signature page follows.]*

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

**MASSACHUSETTS INSTITUTE OF  
TECHNOLOGY**

By: /s/ Lesley Millar-Nicholson  
Name: Lesley Millar-Nicholson  
Title: Director, TLO

**CULLINAN AMBER CORP.**

By: /s/ Owen Hughes  
Name: Owen Hughes  
Title: Chief Executive Officer

**MASSACHUSETTS INSTITUTE OF TECHNOLOGY**

By: /s/ Maria T. Zuber  
Name: Maria T. Zuber  
Title: Vice President for Research  
E. A. Griswold Professor of Geophysics

List of Patent Applications and Patents

[\*\*]

APPENDIX B

List of Countries (excluding United States) for which  
Patent Rights Applications Will Be Filed, Prosecuted and Maintained

\*\*\*]



APPENDIX C

Diligence Milestones

Company must achieve the following diligence milestones:

1. [\*\*\*]
2. [\*\*\*]
3. [\*\*\*]

[\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]

[\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]

4. [\*\*\*]
5. [\*\*\*]
6. [\*\*\*]
7. [\*\*\*]
8. [\*\*\*]
9. [\*\*\*]
10. [\*\*\*]
11. [\*\*\*]
12. [\*\*\*]
13. [\*\*\*]
14. [\*\*\*]

- (i) [\*\*\*], or
- (ii) [\*\*\*]; or
- (iii) [\*\*\*]

\*\*\*  
\*\*\*

Form of Financial Report

Agreement #: \_\_\_\_\_  
Licensee: \_\_\_\_\_  
Sublicensee: \_\_\_\_\_

*Separate reports must be filed for payments associated with each Licensed Product.*

Licensed Product Name: \_\_\_\_\_

**Reporting Period:**

From: mm/dd/yyyy \_\_\_\_\_  
To: mm/dd/yyyy \_\_\_\_\_

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**Detailed Explanation of Payment Required**

License Maintenance Fees	\$ _____	_____
Milestone Payments	\$ _____	_____
Sublicense Income (itemize)	\$ _____	_____
Change of Control Fee	\$ _____	_____
Other payment	\$ _____	_____
	_____	_____
TOTAL	\$ _____	_____
	_____	_____

Form of Royalty Report

REPORTS SHOULD BE SUBMITTED TO: [\*\*\*]

**REQUIRED:**

Agreement #: \_\_\_\_\_  
 Licensee: \_\_\_\_\_  
 Affiliate: \_\_\_\_\_  
 Sublicensee: \_\_\_\_\_

***Separate reports must be filed for:***

1. ***Each Licensed Product sold.***
2. ***Each country of sale, if different deductions or royalty rates apply.***

Licensed Product Name: \_\_\_\_\_

***Reporting Period:***

From: mm/dd/yyyy \_\_\_\_\_  
 To: mm/dd/yyyy \_\_\_\_\_

---

Country of Sale	_____	_____
Quantity Sold	_____	_____
Gross Sales (USDS)	_____	_____
Exchange Rate	_____	_____
Deductions (Itemize)	_____	_____
<i>Please list each deduction separately. Use same definition as appears in Agreement under "Net Sales"</i>		
	_____	_____
Total Deductions	_____	_____
Net Sales	_____	_____
Royalty Percentage	_____	_____
Credits (Itemize)	_____	_____
Royalties Due (\$)	_____	_____

Date of Anticipated Payment: \_\_\_\_\_

---

Your Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_  
 Email Address: \_\_\_\_\_

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Portions of this Exhibit have been redacted because they are both (i) not material and (ii) would be competitively harmful if publicly disclosed. Information that was omitted has been noted in this document with a placeholder identified by the mark “[\*\*\*]”.

Amendment Number 1  
to  
Exclusive Patent License Agreement

This Amendment Number 1 to Exclusive Patent License Agreement (this “First Amendment”) dated as of April 3<sup>rd</sup>, 2020 (the “First Amendment Date”) is made by and between Massachusetts Institute of Technology (“MIT”), a Massachusetts non-profit corporation and educational institution, with a principal office at 77 Massachusetts Avenue, Cambridge, MA 02139-4307 and Cullinan Amber Corp. (“Company”), a Delaware corporation, with a principal place of business at One Main Street, Cambridge, MA 02142. MIT and Company are parties to that certain Exclusive Patent License Agreement dated as of December 20, 2019 (the “License Agreement”). MIT and Company may be referred to herein individually as a “Party” or, collectively as the “Parties.” All capitalized terms used herein that are not otherwise defined herein shall have their respective meanings as set forth in the License Agreement.

**BACKGROUND**

WHEREAS, the Parties wish to correct the number of shares of Company’s common stock to be issued to MIT as an initial grant pursuant to the terms of the License Agreement; and

WHEREAS, the Parties wish to provide additional time for MIT to review and approve the proposed form of stock purchase agreement governing the issuance of the Shares and other related transaction documents and for Company to issue to MIT the Shares;

NOW, THEREFORE, in consideration of the premises, the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree:

**1. Amendments to License Agreement.**

(a) The words, “Eight Hundred Thousand sixty-six (800,066) shares,” that appear in Section 4.1(b)(ii) of the License Agreement are hereby deleted and replaced in their entirety with the words, “Two Hundred Thousand sixty-six (200,066) shares.”

(b) The words, “not later than [\*\*\*] following the Effective Date,” that appear in Section 4.1(b)(ii) of the License Agreement are hereby deleted and replaced in their entirety with the words, “not later than [\*\*\*] following the Effective Date.”

CONFIDENTIAL

## 2. Miscellaneous.

(a) Effect on License Agreement; Entire Agreement. Except as expressly modified by the terms of this First Amendment, the License Agreement shall remain unchanged and in full force and effect. References in the License Agreement to “this Agreement” shall be deemed inclusive of this First Amendment. This First Amendment and the License Agreement together constitute the entire agreement between the Parties with respect to the subject matter of the License Agreement and supersede all prior agreements or understandings between the Parties, whether oral or written, relating to such subject matter.

(b) Effectiveness. This First Amendment shall be effective as of the Effective Date.

(c) Headings. The headings are for convenience only and shall not affect the meaning of any provision of this First Amendment.

(d) Counterparts. This First Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall be deemed to be one and the same instrument. A facsimile or a portable document format (PDF) copy of this First Amendment, including the signature pages, shall be deemed an original.

CONFIDENTIAL

*[Remainder of page intentionally left blank; signature page follows]*

IN WITNESS WHEREOF, the Parties have caused this First Amendment to be executed by their duly authorized representatives.

**MASSACHUSETTS INSTITUTE OF TECHNOLOGY**

**CULLINAN AMBER CORP.**

By: /s/ Lesley Millar-Nicholson

Name: Lesley Millar-Nicholson

Title: Director, TLO

By: /s/ Owen Hughes

Name: Owen Hughes

Title: Chief Executive Officer

CONFIDENTIAL

Portions of this Exhibit have been redacted because they are both (i) not material and (ii) would be competitively harmful if publicly disclosed. Information that was omitted has been noted in this document with a placeholder identified by the mark “[\*\*\*]”.

## COLLABORATION AGREEMENT

THIS COLLABORATION AGREEMENT (the “**Agreement**”) is made effective as of November 28, 2018 (the “**Effective Date**”), by and between Adimab, LLC, a Delaware limited liability company having an address at 7 Lucent Drive, Lebanon, NH 03766 (“**Adimab**”), and Cullinan Management, Inc., a Delaware Corporation having an address at 1 Main Street, Suite 520 Cambridge, MA 02142 (“**Cullinan**”).

### BACKGROUND

**WHEREAS**, Adimab is a leader in yeast-based, fully human antibody discovery and optimization using its proprietary core technology platform;

**WHEREAS**, Cullinan is a biotechnology company in the business of, among other things, developing and commercializing therapeutic products;

**WHEREAS**, Cullinan wishes to collaborate with Adimab on a variety of projects, potentially including: (i) the discovery and optimization of antibodies against Target(s) of Cullinan’s choosing, (ii) the optimization of existing Cullinan antibodies, and (iii) the generation of multispecific molecules which include proprietary Adimab CD3 antibodies together with one or more (x) antibodies discovered by Adimab, (y) optimized versions of Cullinan antibodies, and/or (z) Cullinan antibodies which have not been optimized by Adimab;

**WHEREAS**, in addition, Cullinan desires the right to take a research license to Adimab’s proprietary CD3 antibodies so that Cullinan may generate multispecific antibodies on its own; and

**NOW, THEREFORE**, in consideration of the foregoing premises and the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Adimab and Cullinan hereby agree as follows:

### ARTICLE 1

#### DEFINITIONS

The following initially capitalized terms have the following meanings (and derivative forms of them will be interpreted accordingly):

**1.1** “**AAA**” has the meaning set forth in Section 10.2(b) (*Disputes Not Resolved Between the Parties*).

**1.2** “**Adimab**” has the meaning set forth in the recitals.



- 1.3** “**Adimab CD3 Antibodies**” means antibodies against CD3 generated by Adimab, which antibodies, either in physical form or as sequences, are delivered to Cullinan (and any Program-Benefited Antibodies generated therefrom).
- 1.4** “**Adimab CD3 Antibody Know-How**” means Know-How related to Adimab CD3 Antibodies. For clarity, [\*\*\*].
- 1.5** “**Adimab CD3 IP**” means collectively Adimab CD3 Patents and Adimab CD3 Antibody Know-How.
- 1.6** “**Adimab CD3 Patents**” means [\*\*\*].
- 1.7** “**Adimab Indemnitees**” has the meaning set forth in Section 8.2 (*Indemnification by Cullinan*).
- 1.8** “**Adimab Materials**” means any of [\*\*\*].
- 1.9** “**Adimab Platform Patents**” means all Patents [\*\*\*]
- 1.10** “**Adimab Platform Technology**” means all Patents and Know-How Controlled by Adimab or its Affiliates as of the Effective Date or during the Term that relate to [\*\*\*]. For clarity, Adimab Platform Technology excludes [\*\*\*].
- 1.11** “**Adimab Platform Technology Improvement**” means all [\*\*\*].
- 1.12** “**Affiliate**” means an entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with a Party. For this purpose, “control” means the ownership of fifty percent (50%) or more of the voting securities entitled to elect the directors or management of the entity, or the actual power to elect or direct the management of the entity.
- 1.13** “**Agreement**” has the meaning set forth in the recitals.
- 1.14** “**Back-Up Candidate**” means a Product designated as a Back-Up Candidate by Cullinan in accordance with Section 4.4(d) (*Back-Up Candidates*), which Product is directed to the same Target (or, with respect to a multispecific antibody, the same set of Targets) as the designated Lead Product.
- 1.15** “**Blended Multispecific Product**” means a Multispecific Product in which exactly one of the antibodies is a Program-Benefited Antibody.
- 1.16** “**CD3 License**” means the license granted to Cullinan pursuant to Section 3.1(a)(ii) (*Antibodies Generated by Cullinan During the CD3 License Term*).
- 1.17** “**CD3 License Option**” has the meaning set forth in Section 3.2(a)(ii) (*Option Exercise Under the CD3 License*).

**1.18 “CD3 License Term”** means the date (a) beginning on the date on which Cullinan notifies Adimab that it wishes to commence the CD3 License Term and pays the first annual fee in accordance with Section 4.1(b) (*Annual Access Fee*), which notice and payment must occur within [\*\*\*] of the Effective Date, and (b) ending on the date which is [\*\*\*] after the date of such notice, unless earlier terminated by Cullinan.

**1.19 “CD3 Product”** means a [\*\*\*].

**1.20 “CD3 Research Plan”** means the Research Plan adopted pursuant to a CD3 Research Program.

**1.21 “CD3 Research Program”** means a Research Program designed to generate CD3 Products [\*\*\*].

**1.22 “CDR”** means the complementarity determining regions of an antibody as defined by the Kabat numbering scheme, or the Chothia numbering scheme, or the IMGT database.

**1.23 “Combination Product”** means [\*\*\*].

**1.24 “Commercially Reasonable Efforts”** means the level of efforts required to carry out a task in a diligent and sustained manner without undue interruption, pause or delay; which level is at least commensurate with the level of efforts that a similarly situated biotechnology company to Cullinan would devote to a product of similar potential at a similar stage in development or product life, taking into account safety and efficacy; the competitiveness of alternative products; the proprietary position of the Product; pricing and reimbursement; difficulty in and costs of developing or manufacturing the Product in the market; regulatory strategy; the potential profitability of the Product; and all other relevant scientific, legal, technical, financial and commercial factors, without taking into account the royalty, milestone and other payments due to Adimab under this Agreement. Commercially Reasonable Efforts shall be determined on a country-by-country basis, and it is anticipated that the level of effort will change over time reflecting changes in the market and/or the status of the Product.

**1.25 “Confidential Information”** has the meaning set forth in Section 6.1(a) (*Ownership of Confidential Information*).

**1.26 “Control”** means, with respect to any Know-How or Patent, possession by a Party, directly or through an Affiliate, and whether by ownership or license (other than pursuant to this Agreement), of the ability to grant a license or sublicense as provided for in this Agreement without violating the terms of any written agreement with any Third Party.

**1.27 “Cover”** means, with respect to a particular item and a particular Patent, that such Patent claims or covers, in any of the countries of manufacture, use, and/or sale, (a) the composition of such item, of any of its ingredients or formulations, or of any product containing such item or that is made using such item by virtue of such product containing or being made using such item; (b) a method of making or using any of the foregoing things referred to in (a); (c) an item used or present in the manufacture of any of the foregoing things referred to in (a) or (b) (for example, with respect to a biologic, any vector, plasmid or cell line used to manufacture such product or item or any ingredient in either of them); or (d) any method by which the foregoing things referred to in (a), (b), or (c) was discovered or identified, in the absence of a license or assignment, infringe a valid claim of such Patent.

- 1.28 “Cullinan” has the meaning set forth in the recitals.
- 1.29 “Cullinan Antibody” means a [\*\*\*].
- 1.30 “Cullinan Collaborator” has the meaning set forth in Section 2.4(b) (*Use of Third Party Contractors and Collaborators*).
- 1.31 “Cullinan Collaborator Agreement” has the meaning set forth in Section 2.4(b) (*Use of Third Party Contractors and Collaborators*).
- 1.32 “Cullinan Format” means a proprietary multispecific format Controlled by Cullinan.
- 1.33 “Cullinan Indemnitees” has the meaning set forth in Section 8.1 (*Indemnification by Adimab*).
- 1.34 “Cullinan Materials” means [\*\*\*].
- 1.35 “Cullinan Product Know-How” means Know-How related to a Product. For clarity, [\*\*\*].
- 1.36 “Cullinan Product Patent” means a Patent that Covers an [\*\*\*].
- 1.37 “Cullinan Program Inventions” has the meaning set forth in Section 5.1(a)(iv) (*Cullinan Program Inventions*).
- 1.38 “Cullinan Proprietary Antibody” means an antibody Controlled by Cullinan, [\*\*\*].
- 1.39 “Cullinan Public Antibody” means an antibody whose sequence is provided to Adimab by Cullinan, [\*\*\*].
- 1.40 “Delivery Fee” means the [\*\*\*].
- 1.41 “Dispute” has the meaning set forth in Section 10.2(a) (*Initial Dispute Resolution*).
- 1.42 “Effective Date” has the meaning set forth in the recitals.
- 1.43 “Europe” means the European Economic Area (as of the Effective Date), and Switzerland.

**1.44 “Evaluation Term”** means, with respect to a Research Program, the time period beginning upon the Final Delivery with respect to such Research Program and ending on the earlier of [\*\*\*].

**1.45 “Excluded Technology”** means technology (and the Patents that Cover and the Know-How that embodies such technology) related to:

- (a) [\*\*\*];
- (b) [\*\*\*];
- (c) [\*\*\*];
- (d) [\*\*\*];
- (e) [\*\*\*];
- (f) [\*\*\*];
- (g) [\*\*\*];
- (h) [\*\*\*]; and
- (i) [\*\*\*].

**1.46 “Field”** means [\*\*\*].

**1.47 “Final Delivery”** means, on a Research Program-by-Research Program basis, the delivery by Adimab to Cullinan of [\*\*\*] for such Research Program. For clarity, if there are multiple deliveries of sequences of Program Antibodies during the course of a Research Program (*e.g.*, one delivery with respect to the Program Antibodies generated through the initial discovery process and a subsequent delivery of sequences of Program Antibodies with respect to optimization of the initially delivered Program Antibodies into new, optimized Program Antibodies), then Final Delivery shall mean only the last of such deliveries; *provided, however*, that in the event that [\*\*\*] passes from the most recent delivery of Program Antibodies from Adimab to Cullinan under a Research Program and Cullinan has not submitted a list of Program Antibodies for additional work (*e.g.*, optimization) with respect to such Research Program, then such delivery will be deemed to be the Final Delivery under such Research Program, even if the possibility exists that Adimab will perform additional work with respect to such Research Program (and even if Adimab actually subsequently performs additional work with respect to such Research Program).

**1.48 “First Commercial Sale”** means, with respect to a Product in any country, the first sale, transfer or disposition for value or for end use or consumption of such Product in such country after Marketing Approval (and, if applicable, pricing approval) for such Product has been received in such country. For the avoidance of doubt, a first sale for compassionate use or named patient program sales shall not constitute a First Commercial Sale for purposes of this Agreement.

**1.49 “Force Majeure”** means conditions beyond a Party’s reasonable control or ability to plan for, including acts of God, war, terrorism, civil commotion, labor strike or lock-out; epidemic; failure or default of public utilities or common carriers; and destruction of facilities or materials by fire, earthquake, storm or like catastrophe; *provided, however*, the payment of invoices due and owing under this Agreement will not be excused by reason of a Force Majeure affecting the payor.

**1.50 “FTE”** means the equivalent of a full-time employee’s working days over a [\*\*\*] period (taking account of normal vacations, sick days and holidays not being considered working days), which equates to a total of [\*\*\*] per [\*\*\*] period of work performed by a fully qualified Adimab employee or consultant in a Research Program. To provide an FTE over a given period that is less than a year means to provide the proportionate share (corresponding to the proportion that such period bears to a full year) during such period of a full year’s FTE.

**1.51 “FTE Rate”** means [\*\*\*] per FTE.

**1.52 “Grant Back Exclusion”** means, with respect to any given Cullinan Product Patent, [\*\*\*].

**1.53 “Indemnify”** has the meaning set forth in Section 8.1 (*Indemnification by Adimab*).

**1.54 “Know-How”** means all technical information and know-how in any tangible or intangible form, including (a) inventions, discoveries, trade secrets, data, specifications, instructions, processes, formulae, materials (including cell lines, vectors, plasmids, nucleic acids and the like), methods, protocols, expertise and any other technology, including the applicability of any of the foregoing to formulations, compositions or products or to their manufacture, development, registration, use or marketing or to methods of assaying or testing them or processes for their manufacture, formulations containing them or compositions incorporating or comprising them, and (b) all data, instructions, processes, formulae, strategies, and expertise, whether biological, chemical, pharmacological, biochemical, toxicological, pharmaceutical, physical, analytical, or otherwise and whether related to safety, quality control, manufacturing or other disciplines. Notwithstanding the foregoing, Know-How excludes Patent claims.

**1.55 “Lead Product”** means the Product designated as a Lead Product by Cullinan in the context of identifying a Back-Up Candidate in accordance with Section 4.4(c) (*Back-Up Candidates*).

**1.56 “Licensee”** means a Third Party to whom Cullinan has granted, directly or indirectly through multiple tiers, rights to research, develop, manufacture, and/or commercialize Program-Benefited Antibodies; *provided, however*, that Licensees will exclude Third Party Contractors and any other fee-for-service contract research organizations or contract manufacturing organizations acting in such capacity for the benefit of Cullinan. For clarity, licensees of the rights assigned to Cullinan by Adimab and sublicensees of the license granted by Adimab to Cullinan pursuant to Section 3.2 (*Commercial Rights*) will be Licensees.

**1.57 “Licensee Agreement”** has the meaning set forth in Section 3.2(b)(iii) (*Licensees*).

1.58 “Losses” has the meaning set forth in Section 8.1 (*Indemnification by Adimab*).

1.59 “Major Region” means any of [\*\*\*].

1.60 “Marketing Approval” means, within any given country, approval by the relevant regulatory agency to market a Product legally as a drug or biologic, such as approval by the United States Food & Drug Administration of a Biologic License Application (as defined in the U.S. Federal Food, Drug and Cosmetics Act and the regulations promulgated thereunder (21 C.F.R. §§ 600-680) in the United States), or approval by a comparable agency of a comparable filing in any other non-U.S. jurisdiction. Pricing approval need not be obtained for Marketing Approval to be achieved.

1.61 “Milestone Event” has the meaning set forth in Section 4.4(a) (*Milestone Events*).

1.62 “Milestone Payment” has the meaning set forth in Section 4.4(a) (*Milestone Events*).

1.63 “Multispecific Antibody” means [\*\*\*].

1.64 “Multispecific Delivery Fee” has the meaning set forth in Section 4.2(b)(iii) (*Multispecific Delivery Fee*).

1.65 “Multispecific Product” means a Product that contains or is comprised of a Multispecific Antibody.

1.66 “Naïve Discovery Delivery Fee” has the meaning set forth in Section 4.2(b)(i) (*Naïve Discovery Delivery Fee*).

1.67 “Naïve Library” means an antibody library containing at least [\*\*\*].

1.68 “Net Sales” means the gross amounts invoiced for a Product by Cullinan, its Affiliates and its Licensees for sales or other disposition of such Product to a Third Party purchaser, less the following, to the extent that the following are directly incurred with respect to a Product, or allocated specifically to a Product in accordance with generally accepted accounting principles consistently applied across the books and records of Cullinan and its Licensees, as applicable:

(a) [\*\*\*]

(b) [\*\*\*]

(c) [\*\*\*]

(d) [\*\*\*]

(e) [\*\*\*]

(f) [\*\*\*]

(g) [\*\*\*]

For the avoidance of doubt, [\*\*\*].

[\*\*\*].

[\*\*\*].

[\*\*\*].

**1.69 “Non-Optioned Antibodies”** means any Program Antibody with respect to which the Evaluation Term has expired and which was not selected by Cullinan pursuant to the exercise of an Option under Section 3.2(a), and any Program-Benefited Antibody generated from such Program Antibody.

**1.70 “North America”** means the United States, including its territories and possessions, Canada, and Mexico.

**1.71 “Optimization Completion Fee”** has the meaning set forth in Section 4.2(b)(ii) (*Optimization Completion Fee*).

**1.72 “Optimized Cullinan Antibody”** means a [\*\*\*].

**1.73 “Optimized Cullinan Product”** means [\*\*\*].

**1.74 “Option”** means collectively the Program Antibody Option and the CD3 License Option.

**1.75 “Option Fee”** has the meaning set forth in Section 4.3 (*Option Fee*).

**1.76 “Optioned Antibody”** means any Program Antibody selected by Cullinan pursuant to Section 3.2(a)(i) (*Option Exercise for Research Programs*) or 3.2(a)(ii) (*Option Exercise Under the CD3 License*), and any Program-Benefited Antibody generated from such Program Antibody. For clarity, Optioned Antibodies may include Multispecific Antibodies, including CD3 Products.

**1.77 “Optioned Program Antibody Patents”** means those Program Antibody Patents that Cover Optioned Antibodies and do not disclose Non-Optioned Antibodies.

**1.78 “Original Product”** has the meaning set forth in Section 4.4(f) (*Milestone Payments for Subsequent Products*).

**1.79 “Party”** means Adimab or Cullinan.

**1.80 “Patent”** means any patent application or patent anywhere in the world, including all of the following categories of patents and patent applications, and their foreign equivalents: provisional, utility, divisional, continuation, continuation-in-part, and substitution applications; and re-issue, re-examination, renewal and extended patents; and any rights associated with extended patent terms, including Patent Term Adjustment (PTA), Patent Term Extension (PTE), Supplementary Protection Certificates (SPC); and other similar rights.

**1.81 “Phase I Trial”** means a human clinical trial (whether a Phase Ia or a Phase Ib trial) in any country of the type described in 21 C.F.R. §312.21(a), or an equivalent clinical study required by a regulatory authority outside of the United States.

**1.82 “Phase II Trial”** means a human clinical trial conducted in any country of the type described in 21 C.F.R. §312.21(b), or an equivalent clinical study required by a regulatory authority outside of the United States.

**1.83 “Phase III Trial”** means a human clinical trial in any country of the type described in 21 C.F.R. § 312.21(c), or an equivalent clinical study required by a regulatory authority outside the United States. For purposes of this Agreement, a human clinical trial that combines elements of two different phases of clinical trial will be deemed to be the more advanced type of clinical trial (*e.g.*, a Phase II /III clinical trial will be deemed a Phase III Trial).

**1.84 “Product”** means any actual or potential product that comprises or contains one or more Program-Benefited Antibodies (whether or not such product is, is intended to be, or was under evaluation for safety, efficacy, or other factors, and whether or not such Product has been formulated for delivery).

**1.85 “Program Antibody”** means [\*\*\*].

**1.86 “Program Antibody Option”** has the meaning set forth in Section 3.2(a)(i) (*Option Exercise For Research Programs*).

**1.87 “Program Antibody Patents”** means, for a Target other than CD3, Patents that (a) Cover a Program-Benefited Antibody or any Product and (b) do not Cover Adimab Platform Technology or Adimab Platform Technology Improvements.

**1.88 “Program-Benefited Antibody”** means [\*\*\*].

**1.89 “Program Inventions”** means any invention that is conceived and/or first reduced to practice in the course of or as a result of the activities conducted under this Agreement (including in exercise of a license under this Agreement). For clarity, Program Inventions include all Know-How made, developed, invented or discovered by employees, contractors or agents of either Party or of both Parties pursuant to this Agreement.

**1.90 “Program Patent”** means any Patent Covering a Program Invention.

**1.91 “Research Committee”** has the meaning set forth in Section 2.2(a) (*Scientific Research Committee*).



**1.92 “Research Plan”** means, on a Target-by-Target basis, the research plan agreed upon by the Parties with respect to a Target in accordance with Section 2.1(a) (*Research Plans*) hereof, which shall include the number of expected FTEs to be expended on the project by Adimab and the relevant deliverables and timelines.

**1.93 “Research Program”** means, on a Target-by-Target basis, a program of research conducted under this Agreement in accordance with a Research Plan for such Target. For clarity, in the event that [\*\*\*].

**1.94 “Research Term”** means the period beginning on the date on which Adimab commences work on a Research Program, as specified in the Research Program, and ending, on a Research Program-by-Research Program basis, upon Adimab’s Final Delivery under a Research Plan; *provided, however*, that in the event that Adimab is unable to deliver antibodies pursuant to a Research Plan within [\*\*\*] of commencing work on such Research Plan, then either Party may terminate the Research Term at such point.

**1.95 “Royalty Payment”** has the meaning set forth in Section 4.5 (*Royalty Payments*).

**1.96 “Royalty Term”** means, on a Product-by-Product and country-by-country basis, the term ending at the later of (a) [\*\*\*] after the First Commercial Sale of such Product in such country and (b) the expiration of the last issued and not expired, permanently revoked, or invalid claim within a Program Patent Covering such Product.

**1.97 “Senior Executive Discussions”** has the meaning set forth in Section 10.2(a) (*Initial Dispute Resolution*).

**1.98 “Sequence IP”** means Patents that Cover, and Know-How related to, the amino acid sequence of an antibody (including any Program-Benefited Antibody), including the CDRs.

**1.99 “Subsequent Product”** has the meaning set forth in Section 4.4(f) (*Milestone Payments for Subsequent Products*).

**1.100 “TAA Target”** means the Target(s) of antibodies in a CD3 Product other than CD3.

**1.101 “Target”** means a target selected by Cullinan pursuant to Section 2.1 (*Research Programs*).

**1.102 “Target Nomination Period”** means the term beginning on the Effective Date and ending [\*\*\*] after the Effective Date.

**1.103 “Target Questionnaire”** means the form of target questionnaire attached hereto as Exhibit A.

**1.104 “Term”** will have the meaning set forth in Section 9.1 (*Term*).

**1.105 “Third Party”** means an entity other than a Party.

**1.106** “Third Party Claims” has the meaning set forth in Section 8.1 (*Indemnification by Adimab*).

**1.107** “Third Party Contractors” means (a) Third Parties that provide services on a fee-for-service basis, such as contract research organizations, contract manufacturers, and the like, and (b) Third Party academic collaborators, in each case, so long as (x) any agreement between Cullinan and such Third Party service provider or Third Party academic collaborator is terminable at will upon reasonable notice by Cullinan and (y) such Third Party service provider or Third Party academic collaborator does not obtain any rights (or with respect to a Third Party academic collaborator, grants Cullinan an option to obtain rights, which option shall be described to Adimab in reasonable detail and which option Cullinan hereby agrees to exercise upon request by Adimab) to research, develop, manufacture, commercialize, or patent any Program-Benefited Antibodies, and provided, for clarity, such Third Party may be granted rights to perform the contracted services, and (z) such Third Party service provider or Third Party academic collaborator is bound to substantially similar confidentiality and non-use obligations as Cullinan is bound to under this Agreement.

**1.108** “Third Party Intellectual Property Licenses” means Patent licenses obtained by Cullinan (or its Affiliate or Licensee) after Cullinan (or such Affiliate or Licensee) determines in good faith that one or more such Patent licenses from Third Parties are reasonably required by Cullinan (or such Affiliate or Licensee) because such Patents Cover the way in which Program Antibodies were discovered or optimized using Adimab Platform Technology or Adimab Platform Technology Improvements under a Third Party Patent Covering the Adimab Platform Technology and/or Adimab Platform Technology Improvements, in order to avoid Third Party claims of patent infringement relating to the discovery or optimization of an Optioned Antibody, which claims are reasonably believed by Cullinan (or its Affiliate or Licensee) to be reasonably likely not to be dismissed or invalidated in any derivation or post-grant proceeding or at summary judgment, and are reasonably likely to succeed overall. For clarity, Third Party Patent Licenses explicitly exclude licenses to any Excluded Technology or Sequence IP.

**1.109** References in the body of this Agreement to “Sections” or “Articles” refer to the sections or articles of this Agreement. The terms “include,” “includes,” “including” and derivative forms of them will be deemed followed by the phrase “without limitation” regardless of whether such phrase appears there (and with no implication being drawn from its inconsistent inclusion or non-inclusion) and the term “or” has the inclusive meaning represented by the phrase “and/or” (regardless of whether it is actually written and drawing no implication from the actual use of the phrase “and/or” in some instances but not in others).

**1.110** To avoid doubt, the term “antibody” as used everywhere else in this Agreement includes full-length antibodies and other proteins such as peptides that constitute antibodies, fragments thereof, and chemically modified versions thereof (including pegylated versions and multispecific antibodies (*e.g.*, bispecifics and trispecifics) and regardless of whether containing amino acid substitutions), all of the foregoing whether naturally occurring, artificially produced, raised in an artificial system, or created through modification of an antibody produced in any of the foregoing ways or otherwise, and whether represented by physical material or sequences. Throughout this Agreement, the term “sequence” means both the amino acid sequence and nucleic acid sequence and a sequence may be identified either explicitly (*e.g.*, by identifying the specific sequences) or implicitly (*e.g.*, by referencing specific substitutions to the sequence of an antibody).

## ARTICLE 2

### RESEARCH PROGRAMS

#### 2.1 Research Programs.

**(a) Research Plans.** The Parties intend to collaborate on different types of Research Programs pursuant to this Agreement, including: (1) Research Programs pursuant to which Adimab will discover [\*\*\*], (2) Research Programs pursuant to which Adimab will generate Optimized Cullinan Antibodies, and (3) Research Programs pursuant to which Adimab will generate Multispecific Products based on the Target combinations identified by Cullinan, which may include CD3 Products and other Multispecific Antibodies. As set forth below, Adimab shall use Commercially Reasonable Efforts to commence Research Programs and each Research Plan hereunder promptly.

**(i) Research Plans for Targets Other Than CD3.** [\*\*\*].

**(ii) CD3 Research Plans.** [\*\*\*].

**(b) Conduct of Research.** Each Research Program shall be conducted in accordance with the applicable Research Plan. Each Party shall use its Commercially Reasonable Efforts to perform the activities assigned to such Party in a Research Plan and to achieve the timeline(s) set forth in such Research Plan. Adimab's obligation to start performance of a particular Research Program hereunder will be reasonably subject to (i) the availability of reagents of sufficient quality and quantity, and (ii) the availability of Adimab researchers to perform such Research Program, but in no event will any delay be more than two (2) months from the date of quality control of the reagents described in clause (i). Adimab will provide Cullinan with reasonable notice as to the availability of its researchers to start performance of its obligations under a Research Plan at the time of negotiation of such Research Plan. Cullinan's performance obligations under each Research Program shall be contingent upon Adimab providing the Adimab Materials set forth in the applicable Research Plan. Cullinan Materials are expected to include Target antigen of suitable quality for performance of the Research Program and such Cullinan Materials must pass Adimab's reasonably implemented and tested quality control standards prior to commencing the Research Program. Adimab's performance obligations under a Research Program shall expire at the end of the Research Term for such Research Program. Adimab will have the right to use Third Parties in the performance of its obligations under a Research Plan; *provided, however*, that: (i) Adimab first obtain Cullinan's prior written consent (ii) Adimab shall be responsible for all such Third Parties and the engagement by Adimab of any Third Party shall not relieve Adimab of its obligations under this Agreement or any applicable Research Plan; (iii) any such Third Party will have entered into a written agreement with Adimab that includes terms and conditions protecting and limiting use and disclosure of Confidential Information at least to the same extent as under this Agreement; (iv) such Third Party and its personnel have or will have executed prior to performing any such activities binding agreements to assign to Adimab all right, title and interest in and to any Patents and Know-How created, conceived or developed in connection with the performance of subcontracted activities; and (v) the written agreement between Adimab and any such Third Party pertaining to a Research Plan shall be consistent with the provisions of this Agreement.

## 2.2 Project Management.

(a) **Scientific Research Committee.** Promptly after agreement of the first Research Plan, the Parties will form a steering committee consisting of [\*\*\*] (the “**Research Committee**”) to oversee all Research Plans. The Research Committee’s role is to facilitate communication regarding progress in relation to a Research Program and the collaboration generally. Either Party may change its Research Committee members upon written notice to the other Party. The Research Committee may meet in person or by teleconference or videoconference. Each Party will designate one of its Research Committee members as co-chair. The Research Committee will meet from time to time promptly after the date of a written request by either Party. Additional members representing either Party may attend any Research Committee meeting. The co-chairs will be responsible for circulating, finalizing and agreeing upon minutes of each meeting within [\*\*\*] after the meeting date. Upon expiration of the final Research Term, the Research Committee will be disbanded.

(b) **Decision Making.** The Research Committee will operate by consensus but solely within the limits specified in this Section 2.2 (*Project Management*), it being understood that if the co-chairs cannot agree with regard to a specific matter within their decision-making authority, no decision of the Research Committee will be deemed taken by the Research Committee. The Research Committee will have the limited authority to amend the Research Plans in a manner not substantially affecting resources required to perform a Party’s obligations hereunder. Except for the limited authority set forth in this Section 2.2 (*Project Management*), the Research Committee will not have any decision-making authority and in no event will the Research Committee have the power to amend or waive compliance with this Agreement.

(c) **Alliance Managers.** Each Party will designate in writing within thirty [\*\*\*] after the Effective Date an “Alliance Manager” to be the primary contact for such Party. The Alliance Manager will be responsible for managing communications between the Parties with respect to each Research Program, including responsibility for scheduling teleconferences and coordinating Research Committee meetings. Alliance Managers may also be members of the Research Committee. In no event will the Alliance Managers have the power to amend or waive compliance with this Agreement.

## 2.3 Reports; Records.

(a) **Reports By Adimab.** At the junctures specified in a Research Plan (but no less than a quarterly basis), Adimab will provide written reports to Cullinan regarding such Research Plan and such written reports shall be treated as Confidential Information of Cullinan. Adimab will maintain records, in reasonable scientific and technical detail and in a manner appropriate for patent purposes, which will be complete and accurate and will fully and properly reflect all work done and results achieved in the performance of a Research Program. All such records shall be kept in sufficient detail to identify and report those research activities conducted by Adimab, for a period of at least [\*\*\*] following completion or termination of the Research Plan. Adimab shall provide Cullinan with at least [\*\*\*] written notice prior to destroying such records. Cullinan shall have the right to audit any such record upon reasonable written notice to Adimab, and to request and receive copies of such record.

**(b) Reports By Cullinan.** For so long as Cullinan or any of its Affiliates, Licensees or sublicensees continue to generate, test, research, develop, or commercialize any Program-Benefited Antibodies, Cullinan will provide semi-annual written reports to Adimab which provide any data Cullinan is required to provide under a Research Plan and which will disclose updated information regarding the existence and stage of development of all Program-Benefited Antibodies since the date of the last report, and any advancements in the stage of development expected in the next year (*e.g.*, from pre-clinical to Phase I Trial or from Phase III Trial to Marketing Approval) in the form attached hereto as Exhibit C. Such written report shall be Confidential Information of Cullinan. For clarity, the information reported by Cullinan after the Evaluation Term will be solely for the purpose of allowing Adimab to monitor the progress of development of Program-Benefited Antibodies and Products, and to monitor Cullinan's obligations under this Agreement and for no other purpose.

#### **2.4 Adimab Materials.**

**(a) Use of Adimab Materials.** Prior to exercise of the applicable Option, Cullinan and its Affiliates, subject to Section 3.3 (*Comparison of Program-Benefited Antibodies to Other Antibodies*), will only use Adimab Materials as is necessary to conduct research pursuant to Section 3.1(a) (*Research Licenses to Cullinan*) and to assess Program-Benefited Antibodies to determine whether to exercise the applicable Option. After exercise of the applicable Option, Cullinan, its Affiliates and Licensees will only use Adimab Materials to generate, research, develop, manufacture, and commercialize Optioned Antibodies and Products. Cullinan will not use Adimab Materials for any other purposes. Cullinan will not use physical embodiments of Adimab Materials delivered by Adimab to Cullinan in humans.

**(b) Use of Third Party Contractors and Collaborators.** During the Research Term and the Evaluation Term, Cullinan may use Third Party Contractors and provide Adimab Materials to Third Party Contractors and Third Party collaborators subject to a written agreement (a "**Cullinan Collaborator Agreement**") with Cullinan that includes rights or licenses with respect to a class of antibodies and excludes rights to specifically and identifiable Program-Benefited Antibodies (collectively, "**Cullinan Collaborators**"), in each case, to assist in assessing Program-Benefited Antibodies to determine whether to exercise an Option with respect to such Research Program; *provided, however*, that in the event that such Evaluation Term expires and Cullinan has not exercised the applicable Option, then Cullinan will terminate any rights provided to such Third Party Contractors and Cullinan Collaborators to the extent that such rights pertain to Program-Benefited Antibodies in a manner such that such Third Party Contractors and Cullinan Collaborators do not obtain any rights to research, develop, manufacture, commercialize, or patent (or an option to obtain such rights) with respect to any applicable Non-Optioned Antibodies and each such Third Party Contractor and Cullinan Collaborator is bound to substantially similar confidentiality and non-use obligations as Cullinan is bound to under this Agreement.

**(c) No Transfer to Third Parties Other than Third Party Contractors.** During the Research Term or the Evaluation Term, Cullinan will not provide Adimab Materials or Program-Benefited Antibodies to any Third Party except as permitted pursuant to Section 2.4(b) (*Use of Third Party Contractors and Collaborators*). After expiration of the Evaluation Term, Cullinan will not provide any Non-Optioned Antibodies to any Third Party.

**(d) Title to Adimab Materials.** Adimab retains title to the Adimab Materials, including all quantities of Program Antibodies that it provides under a Research Program, including during the Evaluation Term. At the expiration of the Evaluation Term for a Research Program, Cullinan will return to Adimab or destroy any Program-Benefited Antibodies in its possession on expiration of the Evaluation Term for such Research Program (at Adimab's direction). Notwithstanding the foregoing, should Cullinan exercise the Option for a given Research Program, all right, title and interest in and to those Program-Benefitted Antibodies (which upon exercise of the Option for such Target shall become Optioned Antibodies to that Target) shall belong to and vest in Cullinan.

**2.5 Cullinan Materials.** Adimab will use the Cullinan Materials, including Cullinan Proprietary Antibodies (but, for clarity, excluding Cullinan Public Antibodies), solely to perform a Research Program for the applicable Target and for no other purpose. Cullinan retains title to the Cullinan Materials, including all quantities that it provides Adimab under a Research Program. Adimab will not transfer the Cullinan Materials to any Third Party accept in accordance with an agreed-upon Research Plan. Within thirty (30) days after the Research Term for such Target ends, Adimab will return to Cullinan or destroy any remaining Cullinan Materials (at Cullinan's direction).

## **2.6 Certain Restrictions on the Use of Naïve Libraries and Antibodies.**

**(a) Funded Discovery.** Whether for a Third Party or Adimab's own account, Adimab will not: [\*\*\*].

### **(b) Adimab Libraries.**

**(i) Antibodies within Libraries.** Adimab will not be required to physically remove from its libraries, or to prevent from being included in future libraries, any Program-Benefitted Antibodies. Adimab hereby reserves the right for Adimab, and those deriving rights from Adimab, to include Program-Benefitted Antibodies in antibody library(ies) transferred or licensed by Adimab to Third Parties (including the transfer of physical possession of samples of Program-Benefitted Antibodies to a Third Party as part of the transfer of libraries in such transactions). For clarity, Third Party recipients of Adimab's Platform Technology and/or Naïve Libraries are entitled to conduct any activity with respect to Program-Benefitted Antibodies without contractual restriction from Adimab (although such activities may infringe Patents held by third parties, such as Patents covering a composition of matter held by Cullinan by virtue of the work performed by Adimab pursuant to this Agreement); *provided, however*, that Adimab and each of its Affiliates shall maintain a complete and accurate list of all Naïve Libraries used as part of the Research Programs.

**(ii) Use of Adimab Platform Technology by Platform Transferees.** Nothing herein will prevent Adimab from licensing or transferring some or all of the Adimab Platform Technology to a Third Party (including technical support in connection therewith) nor will anything herein require Adimab to in any way limit the use of the Adimab Platform Technology by Adimab or a Third Party; *provided, however*, that Adimab shall not provide any Third Party with any antibody library used in conducting any Research Program hereunder, and so long as Adimab complies with clauses (iii) and (iv) of Section 2.6(a) (*Funded Discovery*), and no such license or transfer shall in any way limit the licenses granted in Sections 3.1(a) (*Research Liense to Cullinan*) and 3.2(b)(ii) (*License*).

## ARTICLE 3

### LICENSES; OPTION; DEVELOPMENT & COMMERCIALIZATION

#### 3.1 Mutual Research Licenses.

##### (a) Research Licenses to Cullinan.

**(i) Antibodies Generated in a Research Program.** Subject to Section 3.3 (*Comparison of Program-Benefited Antibodies to Other Antibodies*), during the Research Term and Evaluation Term for a Research Program, Adimab, on behalf of itself and its Affiliates, hereby grants Cullinan and its Affiliates a worldwide, non-exclusive, license under the Adimab CD3 IP, Adimab Platform Patents, Adimab Platform Technology, Adimab Platform Technology Improvements, Adimab's and its Affiliates' interest in Program Inventions and Program Patents, and Program Antibody Patents to perform research in the Field for the purposes of performing Cullinan's responsibilities and exercising Cullinan's rights under this Agreement and a Research Plan hereunder and to evaluate Program Antibodies for purposes of determining whether to exercise an Option; *provided, however*, that (i) such license is sublicensable solely to Third Party Contractors and Cullinan Collaborators and (ii) such license excludes Excluded Technology.

**(ii) Antibodies Generated by Cullinan During the CD3 License Term.** During the CD3 License Term, Adimab hereby grants Cullinan a worldwide, non-exclusive, license under the Adimab CD3 IP to perform research in the Field for the purposes of performing Cullinan's responsibilities and exercising Cullinan's rights under this Agreement and a Research Plan hereunder and evaluating Adimab CD3 Antibodies for purposes of creating CD3 Products and determining whether to exercise an Option; *provided, however*, that (i) such license is sublicensable solely to Third Party Contractors and Cullinan Collaborators and (ii) such license excludes Excluded Technology.

**(b) Research License to Adimab.** During the Research Term and Evaluation Term for a Research Program, Cullinan hereby grants to Adimab a non-exclusive, non-sublicensable (except to permitted contractors of Adimab in accordance with Section 2.1(b) (*Conduct of Research*)), non-transferable license with respect to such Research Program under all Patents and Know-How Controlled by Cullinan which Cover or relate to the applicable Target subject to such Research Program (including any that so relate by claiming antibodies directed to such Target or a mechanism of action via the Target) or any Cullinan Materials, solely to perform Adimab's responsibilities under the applicable Research Plan and for no other purpose.

## 3.2 Commercial Rights.

### (a) Option.

(i) **Option Exercise for Research Programs.** On a Research Program-by-Research Program basis, Adimab hereby grants Cullinan the exclusive option (a “**Program Antibody Option**”) to obtain the licenses and assignments described in Section 3.2(b) (*Development and Commercialization License and Assignment*) for Optioned Antibodies (including CD3 Products) discovered during a Research Program, exercisable, in Cullinan’s sole discretion, on or before the expiry of the applicable Evaluation Term by written notice to Adimab accompanied by payment of the Option Fee for such Research Program. On a Research Program-by-Research Program basis, Cullinan will, in its written notice to exercise the Option, specify up to twenty (20) Program Antibodies as Optioned Antibodies.

(ii) **Option Exercise Under the CD3 License.** On a CD3 Product-by-CD3 Product basis, Adimab hereby grants Cullinan the exclusive option (a “**CD3 License Option**”) to obtain the licenses and assignments described in Section 3.2(b) (*Development and Commercialization License and Assignment*) for CD3 Products discovered by Cullinan pursuant to the CD3 License during the CD3 License Term. Such CD3 License Option is exercisable, in Cullinan’s sole discretion, by written notice to Adimab at any time prior to the commencement of IND-enabling toxicology studies with respect to such CD3 Product, and such exercise notice will be accompanied by payment of the Option Fee. Cullinan may, in its written notice to exercise the CD3 License Option, specify up to [\*\*\*] CD3 Products against the same Target combination as Optioned Antibodies.

(iii) **Additional Optioned Antibodies.** Notwithstanding the limitation to [\*\*\*] Program Antibodies set forth in Section 3.2(a)(i) (*Option Exercise for Research Programs*) with respect to each Research Program and/or [\*\*\*] CD3 Products under Section 3.2(a)(ii) (*Option Exercise Under the CD3 License*) with respect to the same Target, Cullinan, in its sole discretion, may elect to specify more than [\*\*\*] Program Antibodies with respect to the corresponding Research Program or CD3 Products with respect to the corresponding Target as Optioned Antibodies, and if Cullinan so elects, the Option Fee with respect to such Research Program will be increased by [\*\*\*] for each additional Program Antibody or CD3 Product selected by Cullinan.

(iv) **Option Exercise for Multispecifics other than CD3 Products.** If one or more Research Programs involve Program Antibodies against more than one Target or combination of Targets, then an Option must be exercised for each Target or combination of Targets; *provided, however*, that the aggregate Option Fee will not exceed the aggregate Option Fee that would have been paid if the Option had been exercised with respect to Research Programs for each individual Target. By way of example, in the event that Adimab delivers Program Antibodies against Target A, Program Antibodies against Target B, and bispecific Program Antibodies against both Targets A and B, then Cullinan would have the opportunity (but not the obligation), in its sole discretion, to exercise Options with respect to (i) up to [\*\*\*] (or more) Program Antibodies against Target A, (ii) up to [\*\*\*] (or more) Program Antibodies against Target B, or (iii) up to [\*\*\*] (or more) bispecific Program Antibodies against Targets A and B; *provided*,



however, that in the event that Cullinan exercised the Options for up to [\*\*\*] (or more) Program Antibodies against Target A pursuant to clause (i) and up to [\*\*\*] (or more) Program Antibodies against Target B pursuant to clause (ii), then no additional Option Fee would be due pursuant to clause (iii) with respect to exercise of the Option for bispecific antibodies combining Program Antibodies for which the Options were exercised pursuant to clauses (i) and (ii).

**(v) Disclosed Antibody Sequences.** Notwithstanding the provisions of Section 5.4(c) (*Program Antibody Patents*), in the event that Cullinan claims the sequences of one or more Program Antibodies discovered in a Research Program (e.g., through the publication of a Program Patent), then the Option will be deemed to have been exercised with respect to such Research Program, the Program Antibodies for which the sequences were disclosed will be Optioned Antibodies, and Cullinan will promptly pay the applicable Option Fee.

**(b) Development and Commercialization License and Assignment.**

**(i) Assignment.** Effective on Cullinan's exercise of the Option, Adimab and its Affiliates hereby assign to Cullinan, subject to the terms and conditions of this Agreement, all right, title and interest in and to all applicable Optioned Program Antibody Patents, the transfer of which shall occur automatically without any further action required by either Party or any of their respective Affiliates. Notwithstanding the foregoing, Adimab agrees, on behalf of itself and its Affiliates, to cooperate in executing related confirmatory assignments upon the reasonable request of Cullinan.

**(ii) License.** Subject to Section 3.3 (*Comparison of Program-Benefited Antibodies to Other Antibodies*), effective on Cullinan's exercise of the Option, Adimab and its Affiliates hereby grant to Cullinan and its Affiliates, for each Research Program, a worldwide, royalty-free, fully paid-up, non-exclusive, sublicensable through multiple tiers (solely as provided in Section 3.2(b)(iii) (*Licensees*)) license under the Adimab CD3 IP, Adimab Platform Patents, Adimab Platform Technology, Adimab Platform Technology Improvements, and Adimab's and its Affiliates' interest in Program Inventions and Program Patents, in the Field, to research, develop, have developed, make, have made, use, sell, offer to sell, import and export Optioned Antibodies and Products during the Term; *provided, however*, that such license excludes Excluded Technology.

**(iii) Licensees.** Cullinan will not license or sublicense (or grant an option to a license or sublicense to) any Non-Optioned Antibody, and any license of any Optioned Antibody and, other than with respect to any Third Party Contractor, any direct or indirect license or sublicense of the rights granted under this Section 3.2(b) (*Development and Commercialization License and Assignment*) (and any option to acquire such a license or sublicense) shall be made solely pursuant to a written agreement (a "**Licensee Agreement**") that is consistent with all relevant terms and conditions of this Agreement and to Licensees who explicitly agree in writing to comply with all applicable terms of this Agreement, including Section 9.4 (*Commitments Regarding Program-Benefited Antibodies*) hereof, and which require such Licensees to indemnify Adimab Indemnitees to the same extent that such Adimab Indemnitees are indemnified pursuant to Section 8.2 (*Indemnification by Cullinan*) hereof. Cullinan shall remain responsible for all payments and other performance obligations due under this Agreement, notwithstanding any license or sublicense that it may grant.

### 3.3 Comparison of Program-Benefited Antibodies to Other Antibodies.

**(a) Comparisons to Existing Cullinan Antibodies Are Permitted.** Under the licenses and assignments granted to Cullinan pursuant to Section 3.1(a) (*Research License to Cullinan*) and Section 3.2(b) (*Development and Commercialization License and Assignment*), comparison of Program-Benefited Antibodies to other Program-Benefited Antibodies, and Cullinan Antibodies and other antibodies (including commercial and research antibodies) against a Target, or any other agent is permitted (*e.g.*, comparing affinities, specificities, function, etc.) and such Cullinan Antibodies will not be deemed to be Program-Benefited Antibodies by virtue of having conducted such comparisons.

**(b) Use in Screening and Design of New Antibodies is Not Permitted.** This Agreement and the licenses and assignments granted to Cullinan pursuant to Section 3.1(a) (*Research License to Cullinan*) and Section 3.2(b) (*Development and Commercialization License and Assignment*), specifically exclude the right to (a) discover or optimize antibodies using the Adimab Platform Technology or Adimab Platform Technology Improvements (b) use Program-Benefited Antibodies or Adimab Materials to (i) generate or discover new antibodies, via screening or otherwise or (ii) design new antibodies, via *in silico* methods or otherwise, except, in the case of either (i) or (ii), for Program-Benefited Antibodies that will be milestone- and royalty-bearing to Adimab under this Agreement.

**3.4 License to Adimab.** Cullinan hereby grants a worldwide, perpetual, sublicensable, fully paid up, royalty-free, non-exclusive license to Cullinan's interest in all Cullinan Product Patents that disclose one or more Adimab CD3 Antibodies by sequence to the extent necessary to research, develop, have developed, make, have made, use, sell, offer to sell, import and export such Adimab CD3 Antibodies and products containing such Adimab CD3 Antibodies; *provided, however*, that (i) such license does not include such Cullinan Product Patents to the extent that they Cover the Grant Back Exclusion and (ii) such license to Cullinan Product Patents is not sublicensable to any Third Party unless such Third Party has granted a license to Adimab to Patents, if any, Controlled by such Third Party (x) which license includes Patents that disclose Adimab CD3 Antibodies, (y) which license is substantially similar in scope to the foregoing license to Cullinan Product Patents, and (z) which license is sublicensable by Adimab to Cullinan.

**3.5 Diligent Development and Commercialization.** Cullinan shall, itself or through an Affiliate or Licensee, devote Commercially Reasonable Efforts to preclinically develop and, if Cullinan exercises the Option, clinically develop, seek Marketing Approval for, and launch and actively commercialize at least [\*\*\*] Product that contains a Program-Benefited Antibody discovered in each Research Program.

**3.6 No Implied Licenses.** Other than the licenses, options and assignments explicitly set forth in this Article 3 (*Licenses; Option; Development & Commercialization*) or in Article 5 (*Intellectual Property*), neither Party grants any intellectual property licenses, options or assignments to the other Party under this Agreement. This Agreement does not create any implied licenses.

**3.7 Covenant Not to Exceed License.** Each Party hereby covenants that it will not practice any Patent or item of Know-How licensed or assigned to it under this Agreement outside the scope of the license to such Party set forth in this Agreement (or any subsequent agreement between the Parties providing for an additional license under such Patent or item of Know-How).

**3.8 Bankruptcy Code.** If this Agreement is rejected by a Party as a debtor under Section 365 of the United States Bankruptcy Code (or similar provision in the bankruptcy laws of another jurisdiction), then, notwithstanding anything else in this Agreement to the contrary, all licenses and rights to licenses granted under or pursuant to this Agreement (including those set forth in this Article 3 (*Licenses; Option; Development & Commercialization*) and those described in Article 9 (*Term*)) by the Party in bankruptcy to the other Party are, and will otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code (or similar provision in the bankruptcy laws of the jurisdiction), licenses of rights to “intellectual property” as defined under Section 101(35A) of the United States Bankruptcy Code (or similar provision in the bankruptcy laws of the jurisdiction). Notwithstanding anything herein, nothing in this Section 3.7 (*Bankruptcy Code*) will be read to entitle Cullinan to obtain disclosure of Adimab Platform Technology, whether or not as an “embodiment,” “duplicate,” “update,” or otherwise, at any time, and Cullinan will not under any circumstances notwithstanding anything express or implied in this Agreement be entitled to disclosure of Adimab Platform Technology and Adimab Platform Technology Improvements.

## ARTICLE 4

### FINANCIAL TERMS

#### 4.1 Access Fees.

(a) **Technology Access Fee.** Cullinan will pay to Adimab a one-time, non-creditable, non-refundable technology access fee of [\*\*\*] within [\*\*\*] of the Effective Date.

(b) **Annual Access Fee.** At the commencement of the CD3 License Term and on each anniversary thereof during the CD3 License Term, Cullinan will pay to Adimab a non-creditable (except pursuant to the proviso in this sentence), non-refundable technology access fee of [\*\*\*]; *provided, however,* that Cullinan may deduct up to [\*\*\*] of the fees paid pursuant to this Section 4.1(b) (*Annual Access Fee*) from fees due to Adimab under Section 4.2(a) (*Research Funding*) during the twelve (12) months following payment.

#### 4.2 Research Stage Fees.

(a) **Research Funding.** Cullinan will pay Adimab an amount equal to [\*\*\*] of the actual FTEs expended by Adimab in the performance of its obligations hereunder with respect to the generation, production, and analysis of antibodies (including CD3 Products) during such calendar quarter (at the FTE Rate). At the end of each calendar quarter, Adimab shall deliver to Cullinan a detailed invoice stating the number of FTEs that performed activities under the Research Programs during the prior calendar quarter. Cullinan shall pay all invoices within [\*\*\*] days of receipt of such invoice. Adimab shall keep adequate books and records of account for the purpose of calculating FTEs and amounts payable to Adimab with respect thereto, and

Cullinan shall have the right to audit such records pursuant to Section 4.10 (*Records; Inspection*), but reversing the roles of the Parties thereunder, *mutatis mutandis*. Each Research Plan shall include a forecast setting for the estimated FTEs for such Research Program. If Adimab, in good faith, anticipates that its FTE expenditures will be more than [\*\*\*] of the forecasted amount in any such Research Plan, Adimab shall cease work on such Research Program until receiving instruction from Cullinan to either (i) permanently cease work on such Research Program, (ii) decrease the amount of work based on a mutually agreed revised Research Plan, and (iii) proceed as planned notwithstanding the overage.

**(b) Delivery Fees.**

**(i) Naïve Discovery Delivery Fee.** On a Research Program-by-Research Program basis, Adimab will invoice Cullinan for [\*\*\*] (the “**Naïve Discovery Delivery Fee**”); *provided, however*, that in the case of transmembrane protein projects (or other projects which vary substantially in scope and difficulty), the Parties will negotiate in good faith the amount of such delivery milestone payment based on the project. Adimab will send Cullinan an invoice for the Naïve Discovery Delivery Fee at the time of Adimab’s delivery to Cullinan of sequences of an initial panel of Program Antibodies against the Target and Cullinan will pay such amount within [\*\*\*] of receipt of such invoice. The Naïve Discovery Delivery Fee will only be payable once per Research Program. For clarity, in the case of a Research Program that involves the optimization of a Cullinan Antibody, such Naïve Discovery Delivery Fee under this Section 4.2(b)(i) (*Naïve Discovery Delivery Fee*) shall not apply.

**(ii) Optimization Completion Fee.** On a Research Program-by-Research Program basis, Adimab will invoice Cullinan for [\*\*\*] (the “**Optimization Completion Fee**”) (plus an amount equal to any applicable Naïve Discovery Delivery Fee which was not previously paid with respect to such Research Program); *provided, however*, that in the case of transmembrane protein projects (or other projects which vary substantially in scope and difficulty), the Parties will negotiate in good faith the amount of such Optimization Completion Fee based on the project. Adimab will send Cullinan an invoice for the Optimization Completion Fee at the time of Adimab’s Final Delivery to Cullinan of Program Antibodies against the Target, which shall meet pre-agreed goals as set forth in the Research Plan with respect to affinity, specificity and epitopic coverage. Cullinan will pay such amount within [\*\*\*] of receipt of such invoice with Adimab’s Final Delivery to Cullinan of Program Antibodies against the Target. The Optimization Completion Fee will only be payable once per Research Program.

**(iii) Multispecific Delivery Fee.** On a Research Program-by-Research Program basis, Adimab will invoice Cullinan for an amount equal to the fees due to Adimab pursuant to Section 4.2(a)(ii) (*Research Funding for Multispecific Research Programs*) (the “**Multispecific Delivery Fee**”) (plus an amount equal to any applicable Naïve Discovery Delivery Fee and any applicable Optimization Completion Fee, in each case, which was not previously paid with respect to the antibodies contained in the multispecific projects which is the subject of such Research Program). Adimab will send Cullinan an invoice for the Multispecific Delivery Fee at the time of Adimab’s delivery to Cullinan of sequences of a panel of multispecific Program Antibodies against the Targets, and Cullinan will pay Adimab such amount within [\*\*\*] of receipt of such invoice with Adimab’s Final Delivery to Cullinan of sequences of a panel of multispecific Program Antibodies against the Target. The Multispecific Delivery Fee will only be payable once per Research Program.

**(c) Additional Services.** From time to time, Cullinan and Adimab may agree that Adimab will perform additional services which fall outside the scope of a Research Program. Such work may include (to the extent not set forth in an applicable Research Plan under a Research Program), for example, (i) preparation of antigen or other reagents for use in a Research Program in the event that Cullinan does not have such materials itself, (ii) molecular biology work such as the generation of certain constructs (*e.g.*, bispecifics or CAR-Ts) using Cullinan Materials, or (iii) non-cGMP production of antibodies in mammalian cells for use in Cullinan's research and evaluation of Program Antibodies. In the event that Cullinan and Adimab agree that Adimab will perform such additional work, then Adimab will bill Cullinan an agreed-upon amount for such work, which agreed-upon amount may be comprised of one or more of the following: (x) reimbursement for FTEs expended by Adimab at the FTE Rate, (y) a fixed payment for provision of the services, and (z) a delivery fee for completion of such work. This Agreement will govern the performance of such additional services.

**(d) Antibody Delivery Failure.** With respect to Research Programs that involve the initial discovery of Program Antibodies (as opposed to the optimization of a Cullinan Antibody), Adimab shall refund to Cullinan [\*\*\*] of the fee paid under Section 4.2(a)(i). (*Research Funding for Discovery and Optimization of Antibodies*) with respect to a Research Program, other than a Multispecific Research Program, if Adimab is unable to deliver antibodies binding to the Target for such Research Program in accordance with success criteria set forth in the applicable Research Plan within [\*\*\*] after the commencement of selection of antibodies under such Research Program. Notwithstanding the foregoing, Adimab shall not be required to refund such amounts with respect to a Research Program to the extent that Adimab's failure to deliver antibodies binding to the Target for such Research Program within such five (5) month period is a result of (A) a significant delay or failure of Cullinan to perform its activities required under the applicable Research Plan or (B) any modification of the Research Plan requested by Cullinan that increases the activities Adimab is required to perform under the applicable Research Plan or substantially increases the amount of time it takes Adimab to perform its activities under a Research Plan. Has to deliver at least certain # of antibodies.

**4.3 Option Fee.** In order to exercise the Option under Section 3.2(a)(i) (*Option Exercise for Research Programs*) or 3.2(a)(ii) (*Option Exercise Under the CD3 License*), in addition to sending the notice required under Section 3.2(a)(i) (*Option Exercise for Research Programs*) or 3.2(a)(ii) (*Option Exercise Under the CD3 License*), Cullinan will pay to Adimab a non-creditable, non-refundable option exercise fee of [\*\*\*] for such Research Program (an "**Option Fee**"), as adjusted in accordance with Section 3.2(a) (*Option*) in the event that Cullinan elects to exercise the Option with respect to more than [\*\*\*] Program Antibodies, plus an amount equal to any applicable Delivery Fee which was not previously paid with respect to such Research Program.

#### **4.4 Milestone Payments.**

**(a) Milestone Events.** On a Product-by-Product basis, Cullinan will report in writing to Adimab the achievement of each event (each, a "**Milestone Event**") and pay the corresponding milestone payment (each, a "**Milestone Payment**") to Adimab, each within [\*\*\*] (or within [\*\*\*] in the event that the relevant Milestone Event is achieved by a licensee or sublicensee of Cullinan) after the achievement of the corresponding Milestone Event in the following table:

Milestone Event	Milestone Payments
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(b) **Phase I Clinical Trial Milestone discount.** [\*\*\*].

(c) **Catch-Up Payments.** Milestone Payments are payable one time per Product, the first time each Milestone Event is achieved for such Product, regardless of whether a Product covers more than one Target or is comprised of one or more Program-Benefited Antibodies. If a later-stage clinical Milestone Event is achieved for any Product without one or more earlier-stage clinical Milestone Events having been achieved for that Product, then Cullinan will pay the Milestone Payment(s) for such previous clinical Milestone Event(s) along with the payment for the most recently achieved clinical-stage Milestone Event. If a Milestone Event related to filing for Marketing Approval is achieved without one or more of the clinical Milestone Events being achieved, then Cullinan will pay the Milestone Payment(s) for such previous clinical Milestone Event(s) along with the payment for the first Milestone Event related to filing for Marketing Approval.

(d) **Back-Up Candidates.** Cullinan may designate a Product as a Back-Up Candidate to another Product designated by Cullinan as a Lead Product, which Lead Product is further in development than the Back-Up Candidate and is directed to the same Target (or, with respect to a Multispecific Product, the same set of Targets) as the Back-Up Candidate. In the event that a Milestone Event that was already achieved with respect to a Lead Product is also achieved with respect to a Back-Up Candidate to such Lead Product prior to receipt of Marketing Approval for the Lead Product, then Cullinan's obligation to pay the corresponding Milestone Payment with respect to the achievement of the applicable Milestone Event with respect to such Back-Up Candidate will be deferred until receipt of Marketing Approval of the Lead Product. If Cullinan continues to develop such Back-Up Candidate after receipt of Marketing Approval for the Lead Product, all deferred Milestone Payments for such Back-Up Candidate will become payable within [\*\*\*] after receipt of such Marketing Approval and all subsequent Milestone Payments for such Back-Up Candidate will be payable within [\*\*\*] (or within [\*\*\*] in the event that the relevant Milestone Event is achieved by a licensee or sublicensee of Cullinan) after achievement of the corresponding Milestone Event with respect to such Back-Up Candidate. If Cullinan discontinues all development activities with respect to a Back-Up Candidate upon Marketing Approval of the Lead Product and provides Adimab with written notice thereof within [\*\*\*] after receipt of such Marketing Approval, Cullinan will not be obligated to pay the deferred Milestone Payments for such Back-Up Candidate. If Cullinan continues to develop such Back-Up Candidate after discontinuation of development of the Lead Product (but prior to Marketing Approval of such Lead Product), Cullinan will not be obligated to pay any Milestone Payments already paid with respect to such Lead Product, but all Milestone Payments for subsequent, previously unachieved Milestone Events achieved with respect to such Back-Up Candidate that were not paid to Adimab with respect to such Lead Product will be payable within [\*\*\*] after achievement of any subsequent, previously unachieved (with respect to the Lead Product) Milestone Event by the Back-Up Candidate.

(e) **Milestone Payments for Optimized Cullinan Products and Blended Multispecific Products.** Notwithstanding the foregoing, and subject to Section 4.4(f) (*Milestone Payments for Products Containing Identical Program-Benefited Antibodies*), [\*\*\*].

(f) **Milestone Payments for Subsequent Products.** Notwithstanding the foregoing, for any given Product (each, a “**Subsequent Product**”) [\*\*\*] (an “**Original Product**”) for which a given Milestone Event has been achieved and the corresponding Milestone Payment has been paid for such earlier Product, and (y) does not contain or comprise any Program-Benefited Antibodies which were not in an Original Product, then the following shall apply: [\*\*\*].

#### 4.5 Royalties.

(a) **Royalty Payments.** As to each Product sold during the applicable Royalty Term, on a Product-by-Product basis, Cullinan will pay Adimab the following royalties, based on the royalty rate applicable to the relevant portion of annual worldwide Net Sales for such Product (“**Royalty Payments**”):

<u>Portion of Worldwide Calendar Year Net Sales</u>	<u>Royalty Rate</u>
[***]	[***]
[***]	[***]

Notwithstanding the foregoing, Royalty Payments for [\*\*\*] of annual worldwide Net Sales of such Products during the applicable Royalty Term for such Products.

(b) **Adjustment for Third Party IP.** If Cullinan (or an Affiliate or Licensee of Cullinan) enters into any Third Party Intellectual Property Licenses, then [\*\*\*] of the amounts actually paid to the Third Party under the Third Party Intellectual Property License in any given calendar quarter in any given country may be offset against the Royalty Payment or Milestone Payment, if any, that would otherwise have been payable to Adimab hereunder; *provided, however*, that in no event will the royalty owed to Adimab be reduced by more than [\*\*\*] of the payment which would otherwise be due hereunder. It is understood, agreed and acknowledged that Adimab’s allowing Cullinan to claim the credit of this Section 4.5(b) (*Adjustment for Third Party IP*) as to any particular Third Party Patent License: (i) does not mean Adimab believes that the licensed Patents are valid and were infringed or Cover any aspect of the discovery or optimization work by Adimab; (ii) does not mean Adimab agrees with Cullinan’s opinion as to the likelihood of success of a claim of such infringement or Coverage; (iii) does not mean that Adimab believes Cullinan’s opinion as to any of the foregoing is reasonable; and (iv) is not and will not be under any circumstances construed as an admission of any kind. Adimab may have many reasons not to challenge any given assertion of the credit of this Section 4.5(b) (*Adjustment for Third Party IP*) by Cullinan, including: (1) maintaining good relations with a counterparty; (2) an assessment that the costs of the credit are outweighed by the benefits of Cullinan having a license in place that makes it feel comfortable to proceed with the Product (resulting in a greater likelihood of milestones and royalties being paid to Adimab); (3) resource limitations that make it impracticable to challenge Cullinan’s assertion of such credit even though Adimab may disagree whether this is proper; and (4) other reasons other than thinking that the licensed Third Party Patents Cover or were infringed by any aspect of the discovery or optimization work.

(c) **Know-How Royalty.** For clarity, the Patent licenses granted to Cullinan under this Agreement are non-royalty-bearing and the Parties have negotiated Royalty Payments based on the value of the Know-How (primarily in the form of trade secrets that Adimab represents are valid and proprietary to Adimab as of the Effective Date) used in the generation of Optioned Antibodies that are assigned to Cullinan hereunder with the expectation that Cullinan will obtain its own Patent protection for Products.

**4.6 Quarterly Payment Timings.** All Royalty Payments due under Section 4.5 (*Royalties*) will be paid [\*\*\*]within [\*\*\*] (or within [\*\*\*] in the event that Net Sales are generated by a licensee or sublicensee of Cullinan) after the end of the relevant calendar quarter for which royalties are due.

**4.7 Royalty Payment Reports.** With respect to [\*\*\*], within [\*\*\*] (or within [\*\*\*] in the event that Net Sales are generated by a licensee or sublicensee of Cullinan) after the end of the calendar quarter, Cullinan will provide to Adimab a written report stating the number and description of all Products sold during the relevant calendar quarter; the gross sales associated with such sales; and the calculation of Net Sales on such sales, including the amount of any deduction provided for in the definition of Net Sales. The report will provide all such information on a country-by-country and Product-by-Product basis; [\*\*\*].

**4.8 Payment Method.** All payments due under this Agreement to Adimab will be made by bank wire transfer in immediately available funds to an account designated by Adimab. All payments hereunder will be made in the legal currency of the United States of America, and all references to “\$” or “dollars” will refer to United States dollars (*i.e.*, the legal currency of the United States). Cullinan shall not be responsible for any delayed payment, resulting from Adimab’s failure provide appropriate and accurate account information under this Section 4.8 (*Payment Method*).

**4.9 Taxes.** All payments under this Agreement are exclusive of all taxes (such as taxes imposed on the production, sale, delivery or use of a Product, including, without limitation, sales, use, excise or value added taxes) other than income taxes owed by Adimab as a result of the payments made hereunder. Cullinan will make all payments to Adimab under this Agreement without deduction or withholding except to the extent that any such deduction or withholding is required on payments made on transactions as a result of the fact that such payments are made from different countries. The Parties agree to cooperate with one another and use reasonable efforts to minimize obligations for any taxes required by applicable law to be withheld or deducted from any royalties, milestone payments or other payments made by Cullinan to Adimab under this Agreement, including by completing all procedural steps, and taking all reasonable measures, to ensure that any withholding tax is reduced or eliminated to the extent permitted under applicable law, including income tax treaty provisions and related procedures for claiming treaty relief. To the extent that Cullinan is required to deduct and withhold taxes on any payment to Adimab, Cullinan will deduct and withhold such taxes and pay the amounts of such taxes to the proper government authority in a timely manner and promptly submit to Adimab an official tax certificate or other evidence of such withholding sufficient to enable Adimab to claim such payment of taxes. Cullinan will provide Adimab with reasonable assistance in order to allow Adimab to recover, as permitted by applicable law, withholding taxes, value added taxes or similar obligations resulting from payments made hereunder or to obtain the benefit of any present or future treaty against double taxation which may apply to such payments. Adimab will provide Cullinan with any tax forms that may be reasonably necessary in order for Cullinan not to withhold tax or to withhold tax at a reduced rate under an applicable bilateral tax income treaty. Adimab will use reasonable efforts to provide any such tax forms to Cullinan at least [\*\*\*] prior to the due date identified by Cullinan for any payment for which Adimab desires that Cullinan apply a reduced withholding rate. Cullinan will make all payments due hereunder from the United States.



#### 4.10 Records; Inspection.

(a) **Maintenance of Records.** Cullinan will keep complete and accurate records of its sales and other dispositions (including use in clinical trials, or provision on a compassionate use basis or as marketing samples) of Optioned Antibodies and Products including all records that may be necessary for the purposes of calculating all payments due under this Agreement. Cullinan will make such records available for inspection by an independent certified public accountant from a nationally recognized (in the U.S.) accounting firm selected by Adimab at Cullinan's premises in the United States on reasonable notice during regular business hours for the sole purpose of verifying the accuracy of Cullinan's Royalty Payments.

(b) **Audit Rights.** At Adimab's expense no more than once per calendar year, Adimab has the right to retain an independent certified public accountant from a nationally recognized (in the U.S.) accounting firm to perform on behalf of Adimab an audit, conducted in accordance with U.S. generally accepted accounting principles (GAAP), of such books and records of Cullinan as are deemed necessary by the independent public accountant to report on Net Sales for the period or periods requested by Adimab and the correctness of any report or payments made under this Agreement. Cullinan may require that such independent accounting firm enter into a customary confidentiality agreement reasonably satisfactory to Cullinan as a condition to obtaining access to such records. Such auditor shall not disclose Cullinan's confidential information to Adimab, except to the extent such disclosure is necessary to verify the accuracy of the financial reports furnished by Cullinan or the amount of payments due by Cullinan under this Agreement. Adimab shall not have the right to audit sublicensee(s) directly, but in connection with an audit of Cullinan under this Section 4.10(b) (Audit Rights), Adimab shall have the right to cause Cullinan to audit the applicable sublicensee(s) using the independent, certified public accountant conducting the audit under this Section 4.10(b) (Audit Rights). Any report provided by Cullinan shall be deemed final and not subject to challenge, except in the event of fraud or other willful misconduct, [\*\*\*] after the date furnished to Adimab.

(c) **Underpayment.** If the audit reveals an underpayment, Cullinan will promptly pay to Adimab the amount of such underpayment plus interest in accordance with Section 4.14 (*Late Payments*). If the audit reveals that the monies owed by Cullinan to Adimab have been understated by more than [\*\*\*] for the period audited, Cullinan will, in addition, pay the costs of such audit.

**(d) Confidentiality of Records.** Adimab shall treat all information reviewed or received from Cullinan in connection with any inspection or audit pursuant to Section 4.10 (*Records; Inspection*) as Confidential Information of Cullinan.

**4.11 Licensee Reports, Records and Audits.** Any agreements with Licensees will include an obligation for the Licensee to (a) maintain records adequate to document and verify the proper payments (including milestones and royalties) to be paid to Adimab; (b) provide quarterly reports to Adimab with sufficient information to allow such verification; and (c) allow Adimab (or Cullinan if requested by Adimab) to verify the payments due (such audit right is not required to be any stronger than that of Section 4.10(b) (*Audit Rights*)). Cullinan may require that any such audit of a Licensee or sublicensee be conducted as part of an audit by Cullinan of such Licensee or sublicensee, if Cullinan is conducting an audit of the same Licensee or sublicensee for the same reporting period(s).

**4.12 Foreign Exchange.** If any currency conversion will be required in connection with the calculation of amounts payable hereunder, such conversion will be made using the exchange rates reported on the [\*\*\*] day prior the payment due date for the purchase and sale of U.S. dollars, as reported by the Wall Street Journal. With any payment in relation to which a currency conversion is performed to calculate the amount of payment due, Cullinan will provide to Adimab a true, accurate and complete copy of the exchange rates used in such calculation.

**4.13 Non-refundable, non-creditable payments.** Each payment that is required under this Agreement is non-refundable and non-creditable except to the extent set forth in Section 4.1(b) (*Annual Access Fee*) or Section 4.5(b) (*Adjustment for Third Party IP*).

**4.14 Late Payments.** Any amount owed by Cullinan to Adimab under this Agreement that is not paid within the applicable time period set forth herein will accrue interest at the rate of [\*\*\*] above the then-applicable short-term three-month London Interbank Offered Rate (LIBOR) as quoted in the Wall Street Journal (or if it no longer exists, a similarly authoritative source) calculated on a monthly basis, or, if lower, the highest rate permitted under applicable law.

## ARTICLE 5

### INTELLECTUAL PROPERTY

#### 5.1 Ownership and Inventorship.

**(a) Program Inventions and Program Patents.**

**(i) Cullinan Product Patents and Cullinan Formats.** Cullinan shall solely own, regardless of inventorship, all Cullinan Product Patents and Cullinan Formats.

**(ii) Adimab Platform Technology Patents.** Adimab will solely own, regardless of inventorship, all Program Inventions and Program Patents that Cover Adimab Platform Technology Improvements.

**(iii) Ownership of Adimab CD3 Antibodies.** Adimab shall solely own, regardless of inventorship, any Adimab CD3 Antibodies, and any Patents Covering them (other than Cullinan Product Patents) and Know-How related thereto, and such Patents are deemed to be Adimab CD3 Patents and such Know-How is deemed to be Adimab CD3 Antibody Know-How.

**(iv) Cullinan Program Inventions.** Subject to Section 5.1(a)(iii) (*Ownership of Adimab CD3 Antibodies*), Cullinan shall solely own all Program Patents and Program Inventions that are [\*\*\*](collectively, “**Cullinan Program Inventions**”).

**(v) Program Antibody Patents Prior to Expiration of Evaluation Term.** Prior to the expiration of the Evaluation Term, Adimab will own all Program Antibody Patents although Cullinan will direct prosecution in accordance with Section 5.4(c) (*Program Antibody Patents*).

**(vi) Program Antibody Patents After Expiration of Evaluation Term.**

**(1) Optioned Program Antibody Patents.** On a Research Program-by-Research Program basis, from and after the date of Option exercise, Cullinan will own, regardless of inventorship, the Optioned Program Antibody Patents, subject to the terms and conditions of this Agreement.

**(2) Program Antibody Patents Disclosing Non-Optioned Antibodies.** On a Research Program-by-Research Program basis, from and after the date of expiration of the Evaluation Term, Adimab will continue to own, regardless of inventorship, all Patents that disclose Non-Optioned Program Antibodies. Cullinan will promptly cause such Program Antibody Patents to be abandoned prior to publication in accordance with Section 5.4(c) (*Program Antibody Patents*).

**(vii) Other Program Patents and Program Inventions.** All Program Patents and Program Inventions other than those referred in subsections (i) through (iv) of this Section 5.1(a) (*Program Inventions and Program Patents*) will be owned based on inventorship. Program Inventions which are made jointly by employees of, or others obligated to assign Program Inventions to, each of Adimab (or its Affiliates) and Cullinan (or its Affiliates) will be owned by Adimab and Cullinan, and either Party is entitled to freely practice and license them without consent of and without a duty of accounting to the other Party. The Parties will cooperate in any decision to patent such Program Invention and the prosecution of any Program Patents Covering such Program Inventions, including equally sharing the cost of Patent prosecution; *provided, however*, that in the event that one Party declines to participate in the costs of Patent prosecution in any jurisdiction, then such Party shall assign all right, title, and interest in such Patent prosecution to the other Party in such jurisdiction.

**(b) Pre-Existing Patents.** To avoid doubt, nothing in this Agreement will alter the ownership of the Parties’ pre-existing Patents.

**(c) Inventorship.** Inventorship for purposes of this Agreement, and all intellectual property-related definitions in this Agreement, will be determined in accordance with United States patent law.

**5.2 Implementation.** Each Party hereby assigns, and shall cause its Affiliates, Licensees and Sublicensees and employees, consultants and agents of any of the foregoing to assign, to the other Party Program Inventions and associated Patents and Know-How as necessary to achieve ownership as provided in Section 5.1 (*Ownership and Inventorship*). Each assigning Party will execute and deliver all documents and instruments reasonably requested by the other Party to evidence or record such assignment or to file for, perfect or enforce the assigned rights. Each assigning Party hereby appoints the other Party as attorney-in-fact solely to execute and deliver the foregoing documents and instruments if such other Party after making reasonable inquiry does not obtain them from the assigning Party. Each Party will perform its activities under this Agreement through personnel who have made a similar assignment and appointment to and of such Party or its Affiliates. Each assigning Party will make its relevant personnel (and their assignments and signatures on such documents and instruments) reasonably available to the other Party for assistance in accordance with this Article 5 (*Intellectual Property*) at no charge.

**5.3 Disclosure.** During the Term, each Party will promptly disclose to the other Party the making, conception or reduction to practice of any Program Inventions that would be Covered by Program Antibody Patents or in Cullinan's case that are Adimab Platform Technology Improvements (which, to avoid doubt, are assigned to Adimab under this Agreement). Such disclosure will occur as soon as possible, but in any case within sixty (60) days after the Party determines such Program Inventions have been invented. To avoid doubt, this Section 5.3 (*Disclosure*) will not be read to require Adimab to disclose Program Inventions constituting Adimab Platform Technology Improvements to Cullinan.

#### **5.4 Program Patent Prosecution and Maintenance.**

**(a) Adimab Platform Technology.** Adimab will have the sole right (but not the obligation) to file, prosecute, maintain, defend and enforce all Program Patents that Cover Adimab Platform Technology Improvements and Adimab CD3 Antibodies, and all Adimab Platform Patents, all at Adimab's own expense and in its sole discretion.

**(b) Cullinan Product Patents.** Cullinan will have the sole right (but not the obligation) to file, prosecute, maintain, defend and enforce all Cullinan Product Patents and all Program Patents that Cover Cullinan Program Inventions, all at Cullinan's own expense and in its sole discretion.

**(c) Program Antibody Patents.** On a Target-by-Target basis, Cullinan will have the sole right to file and prosecute all Program Antibody Patents, at Cullinan's expense, and prior to Option exercise, Cullinan will record Adimab as the sole assignee, subject to the remainder of this Section 5.4(c) (*Program Antibody Patents*). Such right will continue for the duration of the longer of the Evaluation Term and, if Cullinan exercises the Option, the Term, subject to all of the following:

**(i) No Disclosure of Sequences Prior to Option Exercise.** Prior to Option exercise, Cullinan will not disclose the sequence of any Program-Benefited Antibody in any Program Antibody Patent, or during the prosecution of any Program Antibody Patent, unless such Program Antibody Patent and prosecution history can be prevented from publishing, under applicable patent laws and/or regulations. Cullinan will request and take all reasonable steps permitted by applicable patent laws and/or regulations to prevent the publication of any Program Antibody Patent prior to Option exercise (*e.g.*, by exercising the Option prior to publication or expressly abandoning such Program Antibody Patent).

**(ii) Abandonment Prior to Publication if No Option Exercise.** If Cullinan does *not* exercise the Option during the Evaluation Term with respect to a Target, then all applications for Program Antibody Patents that were filed (if any) will be abandoned prior to public disclosure. Within [\*\*\*] after the Evaluation Term expiring, Cullinan will make any and all filings necessary to result in such abandonment without publication (at Cullinan's expense) and provide documentation thereof to Adimab, and the licenses to such Program Antibody Patents provided to Cullinan under Article 3 (*Licenses; Option; Development & Commercialization*) will expire as of the expiration of such Evaluation Term.

**(iii) No Disclosure of Non-Optioned Antibodies.** If Cullinan *does* exercise the Option, then Cullinan will ensure that the sequences of Non-Optioned Antibodies will not be published and all Program Antibody Patents that had been filed for such Target that disclose Non-Optioned Antibodies for that Target will be promptly abandoned without being published and within [\*\*\*] after Option exercise. Cullinan will make any and all filings reasonably necessary to result in such abandonment without publication (at Cullinan's expense) and provide documentation thereof to Adimab, and the licenses to such Program Antibody Patents provided to Cullinan under Article 3 (*Licenses; Option; Development & Commercialization*) will expire as of the exercise of such Option.

**(iv) Prosecution of Patents.** If Cullinan *does* exercise the Option, Cullinan will use Commercially Reasonable Efforts to prosecute at least one corresponding Optioned Program Antibody Patent in the United States, Japan, and Europe, and such other countries as, in Cullinan's reasonable judgment and sole discretion.

**(v) Costs of Prosecution.** Cullinan will be solely responsible for all costs of the activities under this Section 5.4(b) (*Program Antibody Patents*), except to the extent Adimab hires counsel to review and comment on Cullinan's prosecution, in which case Adimab will be solely responsible for the fees to such counsel.

**(vi) Right to Review.** Prior to Option exercise and if after Option exercise, with respect to the an initial filing of a Program Antibody Patent, Adimab will have the right to review and comment on prosecution of the Program Antibody Patents, including drafts of patent applications prior to filing such applications with the applicable patent offices, solely for purposes of (x) determining which Adimab employees, if any, are inventors with respect to the claimed subject matter, (y) ensuring that such Program Antibody Patents correctly describe activities undertaken by Adimab, and (z) ensuring that such Program Antibody Patents do not disclose Adimab Platform Technology or Adimab Platform Technology Improvements, and for no other purpose whatsoever. Cullinan will provide Adimab with copies of material correspondence with patent offices relating thereto (including patent applications, office actions and the like) promptly after receipt and drafts of all filings and correspondence with such offices reasonably in advance of Cullinan's proposed responses or other filings to allow Adimab to review and comment, under this Section 5.4(c)(vi) (*Right to Review*). After any Option exercise, Cullinan will keep Adimab advised of the status of the Program Antibody Patents annually or more often at Adimab's reasonable request. For clarity, nothing herein shall require Cullinan to share information with Adimab that is protected by attorney-client privileged, the work product doctrine, or other legal protections preventing disclosure.

(vii) **Responsibility.** It is understood and agreed that searching for, identification and evaluation of Third-Party Patents that may apply to any Excluded Technology or Sequence IP, including Patents that apply Program-Benefited Antibodies and Products based on sequence, Target, methods of treatment using any Program-Benefited Antibodies, or the like is the responsibility of Cullinan, and that Adimab will have no responsibility for the foregoing nor liability if any such Third-Party Patents exist.

**5.5 Infringement of Patents by Third Parties.** After Option exercise, Cullinan will have the sole right, but not the obligation, in its sole discretion, to enforce all Optioned Program Antibody Patents against infringement through activities or conduct of a Third Party. Adimab shall cooperate fully with Cullinan bringing such action including by being joined as a party plaintiff if necessary to obtain standing for such action. Any proceeds received by Cullinan from such enforcement, whether by way of damage awards, settlement, or otherwise, will be deemed to be Net Sales hereunder, in the calendar year that they are received.

**5.6 Cooperation of the Parties.** At the reasonable request of the responsible Party (as provided for in this Article 5 (*Intellectual Property*)), the other Party agrees to cooperate fully in the preparation, filing, prosecution, enforcement and maintenance (including conducting or participating in *inter partes* reviews, post grant reviews, covered business method reviews, derivation proceedings, interferences and oppositions and the like) of any Program Patents under this Agreement. Such cooperation includes executing all papers and instruments (or causing its personnel to do so) reasonably useful to enable the other Party to apply for and to prosecute patent applications in any country; and promptly informing the other Party of any matters coming to such Party's attention that may affect the preparation, filing, prosecution, enforcement or maintenance of any such Patents. Notwithstanding the foregoing, Adimab will not be required pursuant hereto to disclose Adimab Platform Technology to Cullinan or to participate in any action against another Adimab customer.

## ARTICLE 6

### CONFIDENTIALITY; PUBLICITY

#### 6.1 General Confidentiality Obligations.

(a) **Ownership of Confidential Information.** Any and all confidential or proprietary information disclosed to one Party by the other Party under this Agreement, including information regarding additional potential areas of collaboration between the Parties, is the "**Confidential Information**" of the disclosing Party; *provided, however*, that, notwithstanding the foregoing, (i) Confidential Information which constitutes Know-How will be owned by the Party which owns such Know-How as a result of the application of Article 5 (*Intellectual Property*), (ii) information related to Adimab Platform Technology and information embodied in Adimab Materials is Adimab's Confidential Information, and (iii) information embodied in the Cullinan Materials is Cullinan's Confidential Information.

**(b) No Requirement to Disclose Adimab Platform Technology or Excluded Technology.** Notwithstanding anything to the contrary in this Agreement, Adimab will not be required to disclose any Adimab Platform Technology, including Adimab Platform Technology Improvements, or Excluded Technology to Cullinan except in the case of Excluded Technology, to the extent set forth in a Research Plan. In the event that reports, records or data include disclosure of Adimab Platform Technology, Adimab Platform Technology Improvements, or Excluded Technology, Adimab may redact those portions that would disclose Adimab Platform Technology, including Adimab Platform Technology Improvements, or Excluded Technology prior to delivery to Cullinan or review or inspection by Cullinan.

**(c) Treatment of CDR Sequence Information.** To avoid doubt, prior to exercise of the Option, sequence information with respect to the CDRs of Program Antibodies will be deemed the Confidential Information of both Parties. From and after the date of expiration of the Evaluation Term, [\*\*\*] will be the Confidential Information of Adimab. Nothing herein shall prohibit Cullinan from disclosing sequence information with respect to Program Antibodies with Cullinan's Third Party Contractors or Cullinan Collaborators prior expiration of the Evaluation Term; *provided, however*, that such disclosures are in accordance with the terms of Section 6.1(d) (*Limits on Use and Disclosure of Confidential Information*).

**(d) Limits on Use and Disclosure of Confidential Information.** Each Party will receive and maintain the other Party's Confidential Information in strict confidence. Neither Party will disclose any Confidential Information of the other Party to any Third Party, except as otherwise provided in this Article 6 (*Confidentiality; Publicity*). Neither Party will use the Confidential Information of the other Party for any purpose other than as required to perform its obligations or exercise its rights hereunder. Each Party may disclose the other Party's Confidential Information to the receiving Party's employees, directors, consultants and contractors requiring access thereto for the purposes of this Agreement, *provided, however*, that prior to making any such disclosures, each such person will be bound by written agreement to maintain Confidential Information in confidence and not to use such information for any purpose other than in accordance with the terms and conditions of this Agreement. Each Party agrees to take all steps necessary to ensure that the other Party's Confidential Information will be maintained in confidence including such steps as it takes to prevent the disclosure of its own proprietary and confidential information of like character. Each Party agrees that this Agreement will be binding upon its employees and contractors involved in the activities contemplated hereby and that it will be liable for any breach by its employees or contractors. Each Party will take all steps necessary to ensure that its employees and contractors will comply with the terms and conditions of this Agreement. The foregoing obligations of confidentiality and non-use will survive, and remain in effect for a period of [\*\*\*] from, the termination or expiration of this Agreement in accordance with Article 9 (*Term*).

**6.2 Exclusions from Nondisclosure Obligation.** Information will not be considered Confidential Information and the nondisclosure and nonuse obligations in Section 6.1 (*General Confidentiality Obligations*) will not apply to the extent that the receiving Party can establish by competent written proof that it: (a) at the time of disclosure is publicly known; (b) after disclosure, becomes publicly known by publication or otherwise, except by breach of this Agreement by such Party; (c) was in such Party's possession at the time of the earlier of disclosure hereunder; (d) is received by such Party from a Third Party who has the lawful right to disclose the Confidential

Information and who will not have obtained the Confidential Information either directly or indirectly from the disclosing Party; or (e) is independently developed by such Party (*i.e.*, without reference or access to Confidential Information of the disclosing Party).

**6.3 Required Disclosures.** If either Party is required, pursuant to a governmental law, regulation or order of a court of competent jurisdiction, to disclose any Confidential Information of the other Party, the Party which is required to disclose the Confidential Information of the other Party (a) will give reasonable advance written notice to the other Party, (b) will make a reasonable effort to assist the other Party to obtain a protective order limiting or eliminating any disclosure and requiring that any Confidential Information so disclosed be used only for the purposes for which the law, regulation or order required, and (c) will use and disclose the Confidential Information solely to the extent required by the law, regulation or order of a court of competent jurisdiction.

**6.4 Terms of Agreement.** The terms of this Agreement are the Confidential Information of both Parties. However, each Party will be entitled to disclose the terms of this Agreement under legally binding obligations of confidence and limited use to: legal, financial and investment banking advisors; and potential and actual investors, acquirers and licensees or sublicensees doing diligence and counsel for the foregoing. In addition, if legally required, a copy of this Agreement may be filed by either Party with the U.S. Securities and Exchange Commission (or relevant ex-U.S. counterpart). In that case, the filing Party will if requested by the other Party diligently seek confidential treatment for terms of this Agreement for which confidential treatment is reasonably available, and will provide the non-filing Party reasonable advance notice of the terms proposed for redactions and a reasonable opportunity to request that the filing Party make additional redactions to the extent confidential treatment is reasonably available under the law. The filing Party will seek and diligently pursue such confidential treatment requested by the non-filing Party.

**6.5 Return of Confidential Information.** Promptly after the termination or expiration of this Agreement for any reason, each Party will return to the other Party all tangible manifestations of such other Party's Confidential Information at that time in the possession of the receiving Party; *provided, however*, that such receiving Party may retain one (1) copy of each document or description thereof in its files for the sole purpose of maintaining a record of what it received in confidence and to comply with its confidentiality obligations hereunder; and that the obligation of the receiving Party to return Confidential Information pursuant to this Section 6.5 (*Return of Confidential Information*) will not apply (a) to copies of electronically exchanged Confidential Information made as a matter of routine information technology backup, *provided, however, that* it is only accessible to receiving Party's permitted recipients that are responsible for maintaining the receiving Party's electronic backup services, and (b) to Confidential Information or copies thereof which must be retained pursuant to mandatory applicable law. Any Confidential Information retained will continue to be subject to the terms of this Agreement.

#### **6.6 Publicity.**

**(a) Press Releases.** Subject to Cullinan's written approval of the language, not to be unreasonably withheld or delayed, Adimab may publish a press release disclosing the existence (but not the financial terms or other terms) of this Agreement. Other than repeating information in such press release (or any subsequent mutually agreed press release), neither Party will generate or allow any further publicity regarding this Agreement or the transaction or research contemplated hereunder in which the other Party is identified, without giving the other Party the opportunity to approve such press release.



**(b) Announcement of Subsequent Events.** The Parties recognize the importance of announcing the exercise of any Option and the achievement of Milestone Events, and agree that Adimab may disclose these occurrences. At Adimab's discretion, Adimab will propose the text of an Adimab press release to announce each such event and Cullinan will have the opportunity to review and approve such text (such approval not to be unreasonably withheld). For clarity, Cullinan is free to disclose the achievement of significant development events without the prior approval of Adimab, and where not unreasonably cumbersome, Cullinan will include in such disclosure recognition of Adimab as the source of the Program Antibodies in such Products.

**(c) Bundled Press Releases.** It is understood and agreed that Adimab sometimes issues press releases that group multiple achievements of Adimab (such as expanded collaborations, option exercises, and achievement of milestones). It is understood and agreed that Adimab may choose to group text from an approved press release, or the announcement of Option exercise and/or achievement of a Milestone Event, with other accomplishments or events not relating to this Agreement and, in such event, the only portion of the press release as to which Cullinan will have a consent right (such consent not to be unreasonably withheld) will be those portions that relate to this Agreement.

**(d) Acknowledgement.** In public disclosures (*e.g.*, press releases, posters, publications) regarding Program Antibodies or Products, where reasonably appropriate, Cullinan will acknowledge that such Program Antibodies or Products were discovered or optimized, as applicable, using "the Adimab Platform", and will include Adimab co-authors, as appropriate in accordance with standard industry practice. Adimab will provide an electronic version of its logo for use in such contexts by Cullinan upon request.

**(e) Publication.** Cullinan may publish or present the results of any Research Program and/or the results of evaluation of Program Antibodies (including during the applicable Evaluation Terms), in each case solely with respect to Program Antibodies and/or their Target(s), subject to the prior review by Adimab for patentability and protection of Adimab's Confidential Information as provided in this Section 6.6(e) (*Publication*) and without disclosing Adimab Confidential Information (including sequence information that is Adimab's Confidential Information) (and subject to Section 6.2 (*Exclusions from Non-Disclosure Obligation*)) unless approved of in advance in writing by Adimab in its sole discretion. During the applicable Evaluation Terms, Cullinan will provide to Adimab the opportunity to review any proposed abstracts, manuscripts or summaries of presentations that cover such results. Adimab will respond in writing promptly and in no event later than [\*\*\*] after receipt of the proposed material with either approval of the proposed material or a specific statement of concern, based upon either the need to seek (i) patent protection or (ii) delete Adimab Confidential Information. In the event of concern, during the applicable Evaluation Terms, Cullinan agrees not to submit such publication or to make such presentation that contains such information until Adimab is given a reasonable period of time (not to exceed [\*\*\*) to seek patent protection for any material in such publication or presentation that it believes is patentable and that it has the right to patent, or to resolve any other issues, and, in any case, Cullinan will remove from such proposed publication any Confidential Information of Adimab as requested by Adimab.

**6.7 Certain Data.** The Parties recognize the need for Adimab to advance and disclose the general capabilities of the Adimab Platform Technology. In connection therewith, notwithstanding this Article 6 (*Confidentiality; Publicity*), without disclosing Cullinan's identity, the identity or class of the Target (or the sequence of any Program Antibody, Adimab will be entitled to use and disclose generally Program Antibody attributes and Program Inventions, including the following: (a) Program Antibody binding affinities, (b) expression range regarding Program Antibodies, (c) germline distribution of Program Antibodies, (d) Program Antibody format (*e.g.*, monoclonal, Morrison multispecific, etc.), (e) developability data (*e.g.*, polyspecificity, expressibility, and aggregation data), and (f) stage of development of Program-Benefited Antibodies (*e.g.*, "preclinical" or "Phase I").

## ARTICLE 7

### REPRESENTATIONS AND WARRANTIES

**7.1 Mutual Representations.** Each of Adimab and Cullinan hereby represents and warrants to the other of them that the representing and warranting Party is duly organized in its jurisdiction of incorporation; that the representing and warranting Party has the full power and authority to enter into this Agreement; that this Agreement is binding upon the representing and warranting Party; that this Agreement has been duly authorized by all requisite corporate action within the representing and warranting Party; and that the execution, delivery and performance by the representing and warranting Party of this Agreement and its compliance with the terms and conditions hereof does not and will not conflict with or result in a breach of any of the terms and conditions of or constitute a default under (a) any agreement or other instrument binding or affecting it or its property, (b) the provisions of its bylaws or other governing documents or (c) any order, writ, injunction or decree of any governmental authority entered against it or by which any of its property is bound.

**7.2 Representations of Adimab.** Adimab hereby represents and warrants to Cullinan that, as of the Effective Date:

**(a) No Complaints.** There are no complaints filed in court or, to Adimab's knowledge, otherwise threatened, in each case pending relating to Adimab Platform Patents which, if decided in a manner adverse to Adimab, would materially affect Adimab's practice of the Adimab Platform Technology or Cullinan's rights as contemplated by this Agreement.

**(b) No Judgments.** There are no judgments or settlements against Adimab or its Affiliates or to which it is a party that will materially affect Adimab's practice of the Adimab Platform Technology as contemplated in this Agreement. Adimab is not party to any settlement discussions that, if concluded as of the Effective Date, would result in a settlement which would materially affect Adimab's practice of the Adimab Platform Technology or Cullinan's rights as contemplated in this Agreement.

(c) **No Misappropriation of Trade Secrets.** To Adimab's knowledge, the conception, development and reduction to practice of the Adimab Platform Technology and the Adimab CD3 IP, as it exists on the Effective Date, have not constituted or involved the misappropriation of trade secrets, know-how or similar rights or property of any person.

(d) **No Infringement.** In Adimab's reasonable judgment, the practice of the Adimab Platform Technology and the Adimab CD3 IP, as practiced by Adimab as of the Effective Date and as Adimab intends to practice it hereunder, does not infringe a valid, issued Patent (or the claims of a pending published Patent application which Adimab, in its reasonable judgment, deems likely to issue in their current form) owned by a Third Party of which Adimab has knowledge.

(e) **Exclusion of Excluded Technology and Sequence IP.** Notwithstanding the foregoing, Adimab specifically excludes any representations with respect to any (i) Excluded Technology or (ii) Sequence IP other than with Sequence IP with respect to Adimab CD3 Antibodies.

**7.3 DISCLAIMER OF WARRANTIES.** OTHER THAN THE EXPRESS WARRANTIES OF SECTION 7.1 (*MUTUAL REPRESENTATIONS*) AND SECTION 7.2 (*REPRESENTATIONS OF ADIMAB*), EACH PARTY DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR THAT ANY PRODUCTS DEVELOPED UNDER THIS AGREEMENT ARE FREE FROM THE RIGHTFUL CLAIM OF ANY THIRD PARTY, BY WAY OF INFRINGEMENT OR THE LIKE OR THAT ANY PROGRAM PATENTS WILL ISSUE OR BE VALID OR ENFORCEABLE OR THAT THE DEVELOPMENT, MANUFACTURE OR COMMERCIALIZATION OF ANY PRODUCT HEREUNDER WILL BE SUCCESSFUL.

## ARTICLE 8

### INDEMNIFICATION

**8.1 Indemnification by Adimab.** Adimab hereby agrees to indemnify, defend and hold harmless (collectively, "**Indemnify**") Cullinan, its Affiliates, and their directors, officers, agents and employees (collectively, "**Cullinan Indemnitees**") from and against any and all liability, loss, damage or expense (including without limitation reasonable attorneys' fees) (collectively, "**Losses**") they may suffer as the result of Third-Party claims, demands and actions (collectively, "**Third-Party Claims**") arising out of or relating to (a) any breach of a representation or warranty made by Adimab under Article 7 (*Representations and Warranties*), (b) a material breach of any of Adimab's obligations under this Agreement, or (c) the negligence or willful misconduct of Adimab Indemnitees, except, in each case, to the extent of any Losses (for which Cullinan is required to Indemnify Adimab pursuant to Section 8.2 (*Indemnification by Cullinan*)).

**8.2 Indemnification by Cullinan.** Cullinan hereby agrees that it and its Licensees will Indemnify Adimab, its Affiliates, and their directors, officers, agents and employees (collectively, "**Adimab Indemnitees**") from and against any and all Losses they may suffer as the result of Third-Party Claims arising out of or relating to (a) any breach of a representation or warranty made by Cullinan under Article 7 (*Representations and Warranties*), (b) Cullinan's research, testing, development, manufacture, use, sale, distribution, licensing and/or commercialization of Program-Benefited Antibodies or Products (but, for clarity, excluding activities conducted by Adimab under this Agreement other than the use of Cullinan Materials, including the practice of the Adimab Platform Technology pursuant hereto), (c) Adimab's use of any Cullinan Materials, (d) the use by Cullinan or its Licensees of any Excluded Technology or Third Party Sequence IP, and (e) material breach of the contractual obligations of Cullinan pursuant to this Agreement, except in each case to the extent of any Losses for which Adimab is required to Indemnify Cullinan pursuant to Section 8.1 (*Indemnification by Adimab*)).

**8.3 Indemnification Procedures.** Each of the foregoing agreements to Indemnify is conditioned on the relevant Adimab Indemnitees or Cullinan Indemnitees (a) providing prompt written notice of any Third-Party Claim giving rise to an indemnification obligation hereunder, (b) permitting the indemnifying Party to assume full responsibility to investigate, prepare for and defend against any such Third-Party Claim (but only to the extent and for such period of time such Third Party Claim solely involves monetary damages and as such indemnifying Party agrees in writing with such indemnified Party that the indemnifying Party shall be solely responsible for any and all such monetary damages), (c) providing reasonable assistance in the defense of such claim at the indemnifying Party's reasonable expense, and (d) not compromising or settling such Third-Party Claim without the indemnifying Party's advance written consent. If the Parties cannot agree as to the application of the foregoing Section 8.1 (*Indemnification by Adimab*) and Section 8.2 (*Indemnification by Cullinan*), each may conduct separate defenses of the Third-Party Claim, and each Party reserves the right to claim indemnity from the other in accordance with this Article 8 (*Indemnification*) upon the resolution of the underlying Third-Party Claim.

**8.4 Limitation of Liability.** EXCEPT TO THE EXTENT SUCH PARTY MAY BE REQUIRED TO INDEMNIFY THE OTHER PARTY UNDER THIS ARTICLE 8 (INDEMNIFICATION) OR AS REGARDS A BREACH OF A PARTY'S RESPONSIBILITIES PURSUANT TO SECTION 3.7 (COVENANT NOT TO EXCEED LICENSE), SECTION 9.4 (COMMITMENTS REGARDING PROGRAM-BENEFITED ANTIBODIES), ARTICLE 5 (INTELLECTUAL PROPERTY) OR ARTICLE 6 (CONFIDENTIALITY; PUBLICITY), NEITHER PARTY NOR ITS RESPECTIVE AFFILIATES SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES HEREUNDER, WHETHER IN CONTRACT, WARRANTY, TORT, STRICT LIABILITY OR OTHERWISE. IN ADDITION, NOTHING HEREIN SHALL EXCLUDE OR LIMIT LIABILITY FOR DEATH OR PERSONAL INJURY ARISING FROM NEGLIGENT, RECKLESS OR WILLFUL MISCONDUCT OF A PARTY.

## ARTICLE 9

### TERM

**9.1 Term.** The term (the "**Term**") of this Agreement will commence on the Effective Date and will expire upon (a) in the event that no Option is exercised, the conclusion of the last-to-expire Evaluation Term; or (b) in the event that an Option is exercised, on a country-by-country and Product-by-Product basis on the expiration of the last Royalty Term for a Product in the particular country, in each case, unless earlier terminated by a Party as set forth in this Article 9 (*Term*). Upon expiration of the Term, on a Product-by-Product and country-by-country basis, all licenses granted to Cullinan hereunder with respect to such Product and country will continue on a non-exclusive, fully paid, worldwide, royalty-free, irrevocable basis, including the right to grant and authorize sublicenses (including through multiple tiers).

**9.2 Material Breach.** Either Party may terminate this Agreement for the material breach of this Agreement by the other Party, if such breach remains uncured [\*\*\*] following written notice from the non-breaching Party to the breaching Party specifying such breach; *provided, however*, that, with respect to any such material breach of Cullinan's diligence obligations under Section 3.5 (*Diligent Development and Commercialization*) that relates to one or more (but not all) of the Major Regions, if such breach remains uncured [\*\*\*] following notice from Adimab to Cullinan specifying such breach, this Agreement shall not terminate, but Cullinan's licenses hereunder shall terminate on a Major Region-by-Major Region basis; *provided, further*, that, if Cullinan's licenses hereunder terminate in all [\*\*\*] Major Regions, this Agreement shall also terminate.

**9.3 Termination for Convenience.** Cullinan may terminate this Agreement at any time, for any reason, upon [\*\*\*] written notice to Adimab.

**9.4 Commitments Regarding Program-Benefited Antibodies.**

**(a) Use of Program-Benefited Antibodies During the Evaluation Term.** During the Evaluation Term with respect to a Research Program, Cullinan will not seek to or actually research, develop or commercialize any Program-Benefited Antibody, or product containing the foregoing, other than the activities permitted hereunder during the Research Term and the Evaluation Term for the purpose of determining whether or not to exercise the Option for a given Target.

**(b) Use of Program-Benefited Antibodies After Expiration of the Evaluation Term.** After the expiration of the Evaluation Term with respect to a Research Program, Cullinan and its Licensees will not research, develop, manufacture or commercialize (i) Program-Benefited Antibodies other than Optioned Antibodies, (ii) Optioned Antibodies except as Products under this Agreement, or (iii) Non-Optioned Antibodies.

**(c) No Use of Program-Benefited Antibodies After Termination.** If this Agreement expires or terminates (other than an expiration under Section 9.1 (*Term*) following an Option exercise after all applicable Royalty Terms have expired), Cullinan covenants that unless Cullinan agrees in writing to pay Adimab the fees set forth in Article 4 (*Financial Terms*) with respect to products containing a Program-Benefited Antibody as if such products were Products, Cullinan and its Affiliates (i) will not research, develop, manufacture or commercialize any Program-Benefited Antibody or Product containing a Program-Benefited Antibody, (ii) will not license or otherwise grant rights to any entity to do the foregoing, and (iii) will not practice, license, or assign to a Third Party, option to a Third Party, or covenant not to sue a Third Party, with respect to Program Antibody Patents (regardless of inventorship), Program-Benefited Antibodies, or products containing them.

**(d) Payment Commitment for Program-Benefited Antibodies.** It is the intent of the Parties that Cullinan and its Licensees will pay the Option Fee, Milestone Payments and Royalty Payments in accordance with Article 4 (*Financial Terms*) with respect to Program-Benefited Antibodies researched, developed, manufactured and commercialized by Cullinan or its Licensees. Accordingly, the Parties agree that if Cullinan or any of its Licensees researches, develops, manufactures, or commercializes any Program-Benefited Antibody, then Cullinan will pay to Adimab the fees set forth in Article 4 (*Financial Terms*), including the Option Fee, Milestone Payments and Royalty Payments, as applicable, on the Program-Benefited Antibody as (or as if) a Product under this Agreement. In the event that Cullinan is unwilling or unable to pay such fees to Adimab (because, for example, of the dissolution of Cullinan for bankruptcy or other reasons), then each Licensee will make such payments directly to Adimab. For clarity, in the event of breach of this Agreement (including breach of the other subsections of this Section 9.4 (*Commitments Regarding Program-Benefited Antibodies*)), the payment obligations described in this Section 9.4(d) (*Payment Commitment for Program-Benefited Antibodies*) will be in addition to any other remedies available to Adimab as a result of a breach hereof.

**9.5 Survival in All Cases.** Termination of this Agreement shall be without prejudice to or limitation on any other remedies available to nor any accrued obligations of either Party. In addition, Section 2.3 (*Reports; Records*), Section 2.4 (*Adimab Materials*), Section 2.5 (*Cullinan Materials*), Section 2.6 (*Certain Restrictions on the Use of Naïve Libraries and Antibodies*), Section 3.6 (*No Implied Licenses*), Section 3.7 (*Covenant Not to Exceed License*), Section 4.6 (*Quarterly Payment Timings*) through Section 4.14 (*Late Payments*) (with respect to payment obligations outstanding or having accrued as the effective date of termination or expiration), Section 5.1 (*Ownership and Inventorship*), Section 5.2 (*Assignment*), Section 5.4 (*Program Patent Prosecution and Maintenance*), Section 5.5 (*Cooperation of the Parties*), and Section 7.3 (*Disclaimer of Warranties*), and Article 1 (*Definitions*), Article 6 (*Confidentiality; Publicity*), Article 8 (*Indemnification*), Article 9 (*Term*) and Article 10 (*Miscellaneous*) will survive any expiration or termination of this Agreement.

**9.6 Return of Adimab Materials.** Cullinan will either return to Adimab or destroy (at Adimab's reasonable request and direction) all Adimab Materials (other than Adimab Materials relating to Optioned Antibodies) upon expiration or termination of the Evaluation Term without the Option being exercised, and all Adimab Materials on expiration or termination of this Agreement.

**9.7 Survival of Licensee Agreements.** In the event that: (a) Cullinan has entered into a Licensee Agreement consistent with the terms of this Agreement (including the provisions of Section 3.2(b)(iii) (*Licensees*); (b) this Agreement is terminated; and (c) such Licensee Agreement is in effect at the time of such termination; then such Licensee Agreement will survive such termination of this Agreement; *provided, however*, that the Licensee will assume all of Cullinan's obligations hereunder with respect to the Program-Benefited Antibodies covered by such Licensee Agreement (including those obligations set forth in Section 2.3(b) (*Reports By Cullinan*) and Section 3.5 (*Diligent Development and Commercialization*)) and pays to Adimab all amounts that would have been due to Adimab from Cullinan as a result of Licensee's activities (including those obligations set forth in Article 4 (*Financial Terms*)) and otherwise accepts Cullinan's responsibilities hereunder, including those set forth in Section 9.4(*Commitments Regarding Program-Benefited Antibodies*).

## ARTICLE 10

### MISCELLANEOUS

**10.1 Independent Contractors.** The Parties will perform their obligations under this Agreement as independent contractors. Nothing contained in this Agreement will be construed to be inconsistent with such relationship or status. This Agreement and the Parties' relationship in connection with it will not constitute, create or in any way be interpreted as a joint venture, fiduciary relationship, partnership, or agency of any kind.

#### **10.2 Dispute Resolution.**

**(a) Initial Dispute Resolution.** Either Party may refer any dispute in connection with this Agreement ("**Dispute**") not resolved by discussion of the Alliance Managers to senior executives of the Parties (for Adimab, its CEO, or his or her designee and for Cullinan, its CEO, or his or her designee) for good-faith discussions over a period of not less than [\*\*\*] (the "**Senior Executives Discussions**"). Each Party will make its executives reasonably available for such discussions.

**(b) Disputes Not Resolved Between the Parties.** If the Parties are unable to resolve the Dispute through the Senior Executives Discussions within such [\*\*\*], then either Party may, as the sole and exclusive means for resolving Disputes under this Agreement, proceed to demand confidential arbitration by written notice to the other Party and making a filing with the American Arbitration Association ("**AAA**") in accordance with Section 10.2(c) (*Arbitration*). For clarity, each Party hereby acknowledges that both the fact of and nature of a Dispute is the Confidential Information of both Parties, and any disclosure of the fact of or the nature of such a Dispute would be highly damaging to the non-disclosing Party.

#### **(c) Arbitration.**

**(i) Use of AAA.** Any Dispute referred for arbitration will be finally resolved by binding arbitration in accordance with the most applicable rules of the AAA and judgment on the arbitration award may be entered in any court having jurisdiction.

**(ii) Selection of Arbitrators.** The arbitration will be conducted by a panel of three (3) people experienced in the business of biopharmaceuticals. If the issues in dispute involve scientific, technical or commercial matters, then any arbitrator chosen under this Agreement will have educational training or industry experience sufficient to demonstrate a reasonable level of relevant scientific, technical and commercial knowledge as applied to the pharmaceutical industry. If the issues in dispute involve patent matters, then at least one (1) of the arbitrators will be a licensed patent attorney or otherwise knowledgeable about patent law matters. Within thirty (30) days after a Party demands arbitration, each Party will select one person to act as arbitrator, and the two Party-selected arbitrators will select a third arbitrator within [\*\*\*] after their own appointment. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, then the third arbitrator will be appointed by the AAA. The place of arbitration will be Boston, Massachusetts. All proceedings and communications as part of the arbitration will be in English. Following selection of the third arbitrator, the arbitrators will complete the arbitration proceedings and render an award within [\*\*\*] after the third arbitrator is appointed.

**(iii) Costs.** Each Party will bear its own costs and expenses and attorneys' fees and an equal share of the arbitrators' fees and any administrative fees for arbitration, unless in each case the arbitrators agree otherwise, which they are hereby empowered, authorized and instructed to do if they determine that to be fair and appropriate.

**(iv) Confidentiality of Process and Awards.** Except to the extent necessary to confirm an award or as may be required by law, regulation, or the requirement of any exchange on which a Party's shares are traded, neither Party will disclose the existence, content or results of an arbitration under this Agreement without the prior written consent of the other Party.

**(v) Statute of Limitations.** In no event will an arbitration be initiated after the date when commencement of a legal or equitable proceeding based on the subject matter of the Dispute would be barred by the applicable statute of limitations under Massachusetts law.

**10.3 Governing Law.** This Agreement will be governed by and interpreted in accordance with the laws of the Commonwealth of Massachusetts, excluding its conflicts of laws principles.

**10.4 Entire Agreement.** This Agreement (including its Exhibits) set forth all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties with respect to the subject matter hereof and supersedes and terminates all prior agreements and understandings between the Parties with respect to such subject matter. No subsequent alteration, amendment, change or addition to this Agreement will be binding upon the Parties unless reduced to writing and signed by the respective authorized officers of the Parties.

**10.5 Assignment.** Neither Party may assign in whole or in part this Agreement without the advance written consent of the other Party, except as set forth in the following sentences. Either Party may assign this Agreement in its entirety without such consent to the successor to all or substantially all of its stock or assets to which this Agreement relates in connection with its merger with, or the sale of all or substantially all of its stock or assets to which this Agreement relates to, another entity, regardless of the form of the transaction. In addition, Cullinan may assign its rights and obligations under this Agreement in-full or in-part on a Target-by-Target and field-by-field basis, without the advance written consent of Adimab, to any Affiliate or Third Party to which Cullinan licenses or assigns all or substantially all of its material assets that are specific to antibodies directed to such Target (including any related Patents, Optioned Antibodies and Products) or field. Further, upon written request by Cullinan, the Parties shall negotiate a separate agreement to be signed between the Parties and such Affiliate or Third Party addressing solely the rights and obligations in relation to such Target or field (and its related Know-How, Patents, Optioned Antibodies and Products), and such Target or field shall no longer be subject to this Agreement with any conforming changes to be reflected in an amendment to this Agreement (*e.g.*, removing the applicable Target or field). In addition, Adimab may assign this Agreement or any of its rights under this Agreement, without Cullinan's consent, in connection with the sale of,



monetization of, transfer of, or obtaining financing on the basis of the payments due to Adimab under this Agreement or debt or project financing in connection with this Agreement. This Agreement will be binding upon and will inure to the benefit of the Parties and their respective successors and permitted assigns. Any assignment of this Agreement not made in accordance with this Agreement is prohibited hereunder and will be null and void.

**10.6 Severability.** If one or more of the provisions in this Agreement are deemed unenforceable by law, then such provision will be deemed stricken from this Agreement and the remaining provisions will continue in full force and effect, and the Parties will substitute for the unenforceable provision a mutually agreed enforceable provision that conforms as nearly as possible with the original intent of the Parties.

**10.7 Force Majeure.** Both Parties will be excused from the performance of their obligations under this Agreement to the extent that such performance is prevented by a Force Majeure and the nonperforming Party promptly provides notice of the prevention to the other Party. Such excuse will be continued so long as the condition constituting Force Majeure continues and the nonperforming Party takes reasonable efforts to remove the condition, but no longer than [\*\*\*].

**10.8 Notices.** Any notice required or permitted to be given under this Agreement will be in writing, will specifically refer to this Agreement and will be deemed to have been sufficiently given for all purposes if delivered by express delivery service or personally delivered, and such notice will be deemed to have been given upon receipt. Unless otherwise specified in writing, the addresses of the Parties will be as described below.

If to Adimab:

Adimab, LLC

[\*\*\*]

[\*\*\*]

[\*\*\*]

with a required copy to:

[\*\*\*].

In the case of Cullinan:

Cullinan Management, Inc.

[\*\*\*]

[\*\*\*]

[\*\*\*]

**10.9 Construction.** This Agreement has been prepared jointly and will not be strictly construed against either Party. Ambiguities, if any, in this Agreement will not be construed against any Party, irrespective of which Party may be deemed to have authored the ambiguous provision.

**10.10 Headings.** The headings for each Article and Section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on, nor used to be used to interpret, the meaning of the language contained in the particular Article or Section.

**10.11 No Waiver.** Any delay in enforcing a Party's rights under this Agreement or any waiver as to a particular default or other matter will not constitute a waiver of such Party's rights to the subsequent enforcement of its rights under this Agreement, excepting only as to an express written and signed waiver as to a particular matter for a particular period of time executed by an authorized officer of the waiving Party.

**10.12 Performance by Affiliates.** A Party may perform some or all of its obligations under this Agreement through Affiliate(s) or may exercise some or all of its rights under this Agreement through Affiliates. However, each Party will remain responsible and be guarantor of the performance by its Affiliates and will cause its Affiliates to comply with the provisions of this Agreement in connection with such performance as if such Party were performing such obligations itself, and references to a Party in this Agreement will be deemed to also reference such Affiliate. In particular and without limitation, all Affiliates of a Party that receive Confidential Information of the other Party pursuant to this Agreement will be governed and bound by all obligations set forth in Article 6 (*Confidentiality; Publicity*), and will (to avoid doubt) be subject to the intellectual property assignment and other intellectual property provisions of Article 5 (*Intellectual Property*) as if they were the original Party to this Agreement (and be deemed included in the actual Party to this Agreement for purposes of all intellectual property-related definitions). A Party and its Affiliates will be jointly and severally liable for their performance under this Agreement.

**10.13 Counterparts.** This Agreement may be executed in one or more identical counterparts, each of which will be deemed to be an original, and which collectively will be deemed to be one and the same instrument. In addition, signatures may be exchanged by facsimile or PDF.

*[Remainder of Page Left Intentionally Blank; Signature Page Follows]*

IN WITNESS WHEREOF, the Parties have by duly authorized persons executed this Agreement to be effective as of the Effective Date. The Parties acknowledge that the signature date below may not be the Effective Date.

**CULLINAN MANAGEMENT, INC.:**

By: /s/ Owen Hughes  
Name: Owen Hughes  
Title: Chief Executive Officer  
Date: 11/29/2018

**ADIMAB, LLC:**

By: /s/ Tillman Gerngross  
Name: Tillman Gerngross  
Title: Chief Executive Officer  
Date: 11/28/2018

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**EXHIBITS LIST**

- A – TARGET QUESTIONNAIRE**
- B – FORM OF RESEARCH PLAN**
- C – FORM OF SEMI-ANNUAL PROGRAM UPDATE**

**EXHIBIT A – TARGET QUESTIONNAIRE**

**Partner Completed Target Questionnaire**

[\*\*]

Partner Work Plan

[\*\*\*]

\*\*\*

Portions of this Exhibit have been redacted because they are both (i) not material and (ii) would be competitively harmful if publicly disclosed. Information that was omitted has been noted in this document with a placeholder identified by the mark “[\*\*\*]”.

EXECUTION

## LICENSE AND COLLABORATION AGREEMENT

This License and Collaboration Agreement (this “**Agreement**”) is made and is effective this 4th day of February, 2019 (the “**Effective Date**”) between Cullinan Pearl Corp., a Delaware corporation (“**Licensee**”) and having an address at One Main Street, Suite 520, Cambridge, MA, 02142, U.S.A, and Taiho Pharmaceutical, Co., Ltd., a company organized under the laws of Japan (“**Licensor**”) and having an address at 1-27 Kandanishiki-cho, Chiyoda-ku, Tokyo 101-8444, Japan. Licensee and Licensor are each referred to as a “**Party**” and collectively referred to as the “**Parties**.”

### Recitals

**WHEREAS**, Licensee is engaged in the research and development of therapeutics for the treatment of diseases;

**WHEREAS**, Licensor possesses certain technology and related intellectual property rights useful for the research, development, and commercialization of therapeutics for the treatment of diseases; and

**WHEREAS**, Licensee wishes to obtain, and Licensor wishes to grant to Licensee, an exclusive, royalty-bearing license under the Licensed IP (as defined below) to develop, make, have made, use, import, offer for sale or sell or otherwise distribute Licensed Products (as defined below) in the Field (as defined below) in the Territory, with the right to sublicense, in all cases subject to the terms and conditions of this Agreement;

**NOW THEREFORE**, Licensor and Licensee, intending to be legally bound, agree as follows:

### ARTICLE 1 Definitions

1.1 “**Actual Cost**” means fully burdened cost determined in accordance with GAAP or IFRS, whichever is applicable to the Party determining its Actual Cost; provided that, to the extent the Licensed Compound or Licensed Product is manufactured by a Third Party CMO, the Actual Cost shall mean payments made by the supplying Party to such Third Party CMO for the particular quantities supplied hereunder, plus the import and export duties, applicable taxes, brokerage fees, shipping insurance fees, port fees and storage fees, and shipping costs, in each case to the extent reasonable and customary and incurred with respect to the quantities supplied.



1.2 “**Affiliate**” means, with respect to a Party, any Person that controls, is controlled by, or is under common control with such Party. For purposes of this Section 1.2, “control” shall refer to (i) in the case of a Person that is a corporate entity, direct or indirect ownership of more than fifty percent (50%) of the stock or shares having the right to vote for the election of directors of such Person and (ii) in the case of a Person that is not a corporate entity, the possession, directly or indirectly, of the power to direct, or cause the direction of, the management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise. For the avoidance of doubt, Affiliates of Licensee shall exclude (i) any investor in Cullinan Oncology, LLC, Cullinan Management, Inc. and Persons controlled by or under common control of Cullinan Oncology, LLC or Cullinan Management, Inc. (other than Licensee and any Person that is controlled by Licensee), and (ii) any Person that is controlled by Otsuka Holdings Co. Ltd., having offices at 2-9 Kanda-Tsukasamachi, Chiyoda-ku, Tokyo 101-0048 Japan (other than Licensor and any Person that is controlled by Licensor).

1.3 “**Associated Party**” means Licensor’s Affiliates and any Third Party to whom Licensor has granted a license to sell, market and/or promote the Licensed Product in Japan (such Third Party, a “**Japan Licensee**”).

1.4 “**Business Days**” means a day that is not a Saturday, Sunday or a day on which banking institutions in Boston, Massachusetts or in Japan are authorized by Law to remain closed.

1.5 “**Calendar Half Year**” means each of the periods of six (6) consecutive calendar months ending on June 30 and December 31 during a Calendar Year; provided, however, that the final Calendar Half Year hereunder shall end on the effective date of termination or expiration of this Agreement.

1.6 “**Calendar Quarter**” means each of the periods of three (3) consecutive calendar months ending on March 31, June 30, September 30 and December 31 during a Calendar Year; provided, however, that the final Calendar Quarter hereunder shall end on the effective date of termination or expiration of this Agreement.

1.7 “**Calendar Year**” means each successive period of twelve (12) months commencing on January 1 and ending on December 31; provided, however, that the first Calendar Year hereunder shall commence on the Effective Date and the final Calendar Year hereunder shall end on the effective date of termination or expiration of this Agreement.

1.8 “**Certificate of Incorporation**” means the certificate of incorporation of the Company, as amended or restated from time to time.

1.9 “**Change of Control**” means, with respect to a Party, any of the following events: (a) any Third Party (or group of Third Parties acting in concert) acquires, directly or indirectly, beneficial ownership or control of shares of such Party representing at least a majority of the voting power (where voting refers to being entitled to vote for the election of directors) then outstanding of such Party; (b) such Party consolidates with or merges into another corporation or entity which is a Third Party, or any corporation or entity which is a Third Party consolidates with or merges into such Party, in either event pursuant to a transaction in which at least a majority of the voting power of the acquiring or resulting entity outstanding immediately after such consolidation or merger is not held by the holders of the outstanding voting power of such Party immediately preceding such consolidation or merger; or (c) such Party conveys, transfers or exclusively licenses all or substantially all of its assets to a Third Party, and in the case such Party is Licensee, such

conveyance, transfer or exclusive license is treated as a “Deemed Liquidation Event” under the Certificate of Incorporation. Notwithstanding anything to the contrary in this paragraph, the sale of equity securities by Licensee for capital raising purposes in a bona fide financing transaction shall not be deemed a Change of Control. For purposes of Section 4.9, the consummation of a Change of Control of a Licensee shall cause permanently such expiration, termination or other effect for the Term, and no such provision shall be considered readjusted to its terms prior to such Change of Control in the event of a subsequent transfer or assignment of this Agreement to a successor Licensee.

1.10 [\*\*\*].

1.11 “**Clinical Trial**” means any trial in which human subjects are dosed with a drug, whether approved or investigational, including any Phase 1, 2, 3 or 4 clinical study.

1.12 “**CMO**” means a contract manufacturing organization.

1.13 “**Combination Product**” means (i) a combination of a Licensed Product with one or more Other Active Ingredients or (ii) the sale of a Licensed Product in a bundle with one or more other standalone products, at least one of which is not a Licensed Product.

1.14 “**Commercialization**” or “**Commercialize**” to market, promote, distribute, offer for sale, sell, import, have imported, export, have exported or otherwise commercialize a compound or product. When used as a noun, “Commercialization” means any and all activities involved in Commercializing.

1.15 “**Commercially Reasonable Efforts**” means, with respect to the efforts to be expended by a Party with respect to any objective, reasonable, good faith efforts to accomplish such objective as such Party would normally use to accomplish a similar objective under similar circumstances for such Party’s benefit. Without limiting the foregoing, with respect to efforts relating to the Development of, obtaining Regulatory Approval for, or Commercialization of a Licensed Product, generally or with respect to any particular country, “Commercially Reasonable Efforts” means a sustained, continued and active commitment of efforts and resources by a Party consistent with the level of efforts and resources normally dedicated by companies of similar size in the research-based pharmaceutical industry to the development or commercialization, as the case may be, of a product of similar commercial potential at a similar stage in its lifecycle that such company is actively developing or commercializing (as applicable), in each case taking into account issues of safety and efficacy, product profile, the proprietary position, the then-current competitive environment for such product and the likely timing of such products entry into the market, the regulatory environment and the status of such product, and other relevant scientific, technical and commercial factors, but not taking into account any payments required to be made to the other Party hereunder.

1.16 “**Competing Product**” means a product, other than any product containing Licensed Compound, that includes, as an active pharmaceutical ingredient, [\*\*\*] which is [\*\*\*] and [\*\*\*].

1.17 “**Confidential Information**” means any information and data furnished by one Party (the “**Disclosing Party**”) to the other Party (the “**Receiving Party**”) in connection with this Agreement. Confidential Information includes:

(a) non-public information disclosed by Licensee to Licensor in reports submitted by Licensee to Licensor pursuant to Section 4.5, 4.6 or 6.6(a) and through audits conducted by Licensor pursuant to Section 6.6(b);

(b) non-public information disclosed by Licensor to Licensee relating to patent application prosecution files for the Licensed Patent Rights; and

(c) information of one Party received by the other Party prior to the Effective Date pursuant to the Confidentiality Agreement between Licensor and Cullinan Management, Inc., dated as of February 13, 2018.

Notwithstanding the foregoing, all Improvements shall be deemed the Confidential Information of Licensee, and not Licensor.

1.18 “**Control**” means, with respect to any Regulatory Filings, Regulatory Approvals and all corresponding documentation, and intellectual property rights, including Patent Rights or Know- How, the possession (whether by ownership, license or sublicense, other than by a license, sublicense or other right granted pursuant to this Agreement) by a Party or its Affiliates of the ability to grant to the other Party the licenses, sublicenses, or rights to access and use such Regulatory Filings, Regulatory Approvals and all corresponding documentation or intellectual property rights as provided for in this Agreement, without violating the terms of any agreement or other arrangement with any Third Party in existence as of the time the Person possessing such item or right would be required hereunder to grant such license, sublicense or rights of access and use.

1.19 “**Cover**,” “**Covering**” or “**Covered**” means, with respect to a product, technology, process or method, that in the absence of ownership of or a license granted under a Valid Claim, the manufacture, use, offer for sale, sale or importation of such product or the practice of such technology, process or method would infringe such Valid Claim (or, in the case of a Valid Claim that has not yet issued, would infringe such Valid Claim if it were to issue as currently written).

1.20 “**CRO**” means a contract research organization.

1.21 “**Develop**” or “**Development**” means to conduct any and all research and development activities necessary to obtain Regulatory Approval, including toxicology, pharmacology, statistical analysis, Clinical Trials (including pre- and post-approval studies and investigator sponsored Clinical Trials), regulatory affairs, and regulatory activities pertaining to designing and carrying out Clinical Trials and obtaining Regulatory Approvals.

1.22 “**Development Plan**” means the Initial Development Plan, as defined in Section 4.8, together with any amended or updated versions thereof made in accordance with Section 4.8.

1.23 “**EMA**” means the European Medicines Agency and any successor governmental authority having substantially the same function.

1.24 “**EU5**” means France, Germany, Italy, Spain, and the United Kingdom.

1.25 “**Exon 20 Insertion Inhibitor**” means a small molecule that directly and selectively inhibits tumor cells possessing an insertion mutation in exon 20 of the Epidermal Growth Factor Receptor (EGFR) and which has therapeutic effect predominantly through the inhibition of such mutations. As used herein: “small molecule” means a compound with molecular weight of less than 1500 daltons.

1.26 “**FDA**” means the United States Food and Drug Administration and any successor agency thereto.

1.27 “**Field**” means the treatment, prevention, prognosis or diagnosis of disease.

1.28 “**First Commercial Sale**” means, with respect to a Licensed Product and a country, the first bona fide, arms-length sale of such Licensed Product in such country by or on behalf of Licensee or a Related Party after receipt of Regulatory Approval in the jurisdiction in question; *provided*, that, for clarity First Commercial Sale does not include the sale of a Licensed Product for compassionate use or clinical trial.

1.29 “**Fully-Diluted Basis**” means, as of a specified date, the number of shares of common stock of Licensee then-outstanding plus the number of shares of common stock of Licensee issuable upon exercise or conversion of then-outstanding convertible securities or warrants, options, or other rights to subscribe for, purchase or acquire from Licensee any capital stock of Licensee (which shall be determined without regard to whether such securities or rights are then vested, exercisable or convertible) plus, without duplication, the number of shares reserved and available for future grant under any then-existing equity incentive plan of Licensee; provided that, for clarity, “other rights to subscribe for, purchase or acquire” shall not include (i) preemptive or other rights to participate in new offerings of securities by Licensee after the Effective Date until such securities are issued, (ii) obligations under a purchase agreement for preferred stock of Licensee to acquire additional shares of such preferred stock on the same terms as those purchased at an initial closing upon the passage of time or meeting (or waiver) of specified Licensee performance conditions, until such shares are issued or (iii) anti-dilution provisions that have not been triggered; provided further that shares of common stock or convertible securities issued pursuant to the foregoing rights, obligations and provisions set forth in clauses (i), (ii) and (iii) and then outstanding shall be included in the number of shares of common stock of Licensee then-outstanding or issuable upon conversion of convertible securities.

1.30 “**GAAP**” means generally accepted accounting principles as practiced in the United States, as consistently applied.

1.31 “**Generic Competition**” means [\*\*\*].

1.32 “**Generic Product**” means, with respect to a Licensed Product in a particular country in the Territory, any pharmaceutical product that (a) is marketed for sale by a Third Party not authorized by Licensee, (b) receives Regulatory Approval (with or without pricing or reimbursement approval) in such country in full or partial reliance on the Regulatory Approval (but not necessarily pricing or reimbursement approval) of the Licensed Product, and (c) is determined by a Regulatory Authority to be therapeutically equivalent to and substitutable with the Licensed Product, it being acknowledged that the foregoing standard is intended to be generally consistent with the standard set forth in the introduction to the “Orange Book,” as amended from time to time, or any analogous or comparable standard in any country outside of the United States. For avoidance of doubt, in the United States, a “**Generic Product**” as defined herein includes one approved under Section 505(j) of the FDCA.

1.33 “**IFRS**” means accounting principles as set forth by the International Financial Reporting Standards Foundation, as consistently applied.

1.34 “**Improvements**” means [\*\*\*].

1.35 “**IND**” means an investigational new drug application filed by Licensee with the FDA, or the equivalent application in any foreign jurisdiction filed with another Regulatory Authority.

1.36 “**IPO**” means the first underwritten, initial public offering of securities of Licensee with gross proceeds of [\*\*\*]. For purposes of all provisions hereunder that expire, terminate or are otherwise affected by the consummation of an IPO of Licensee, the consummation of an IPO of a Licensee shall cause permanently such expiration, termination or other effect for the Term, and no such provision shall be considered readjusted to its terms prior to such IPO in the event of a subsequent transfer or assignment of this Agreement to a successor Licensee.

1.37 “**Indication**” means a disease or pathological condition for which clinical results for such disease or condition and a separate NDA application, or a supplement (or other addition) to an existing NDA application, is required for the purpose of obtaining Regulatory Approval in a country. Notwithstanding the foregoing, for purposes of this Agreement, [\*\*\*].

1.38 “**Intellectual Property**” means ideas, concepts, discoveries, inventions, developments, Know-How, trade secrets, techniques, methodologies, modifications, innovations, improvements, writings, documentation, electronic code, data and rights (whether or not protectable under state, federal or foreign patent, trademark, copyright or similar laws) or the like, whether or not written or otherwise fixed in any form or medium, regardless of the media on which contained and whether or not patentable or copyrightable, and including in each case, all legal rights therein.

1.39 “**Know-How**” means any and all commercial, technical, regulatory, scientific and other know-how and information, knowledge, technology, tangible materials, methods, processes, practices, standard operating procedures, formulae, instructions, skills, techniques, procedures, assay protocols, experiences, ideas, technical assistance, designs, drawings, assembly procedures, specifications, regulatory filings, data and results (including biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, pre-clinical, clinical, safety, regulatory, manufacturing and quality control data and know-how, including study designs and protocols), whether or not confidential, proprietary or patentable, in written, electronic or any other form.

1.40 “**Law**” means all laws, statutes, rules, codes, regulations, orders, judgments or ordinances applicable to a Party, this Agreement or the activities contemplated hereunder.

1.41 “**Licensed Compounds**” means the chemical compound coded by Licensor as [\*\*\*] as further described on Exhibit A, as well as [\*\*\*].

1.42 “**Licensed IP**” means the Licensed Patent Rights and Licensed Know-How.

1.43 “**Licensed Know-How**” means Know How that relates to the Licensed Compound, whether alone or as incorporated in a Licensed Product, that (a) was developed by or on behalf of Licensor or used by Licensor or its Affiliates in the course of its development of the Licensed Compound prior to the Effective Date or (b) is developed by or on behalf of or used by Licensor or Associated Parties at any time during the Term in the course of its or their further development of the Licensed Compound or Licensed Product for use outside the Territory, in each case to the extent such Know-How is Controlled by Licensor or its Associated Parties and is reasonably necessary or useful for Licensee’s Development, Manufacture, Commercialization or other exploitation of the Licensed Compounds or Licensed Products in the Territory, in each case subject to Section 2.8 below. For the avoidance of doubt, Licensed Know-How includes all manufacturing, preclinical and clinical data, if any, generated by or on behalf of Licensor or its Affiliates in its development or use of the Licensed Compound prior to the Effective Date, in each case that is Controlled by Licensor or its Affiliates and is reasonably necessary or useful for Licensee’s Development, Manufacture, Commercialization or other exploitation of the Licensed Compounds or Licensed Products in the Territory. Notwithstanding the foregoing, Licensed Know-How shall not include Research Tools.

1.44 “**Licensed Patent Rights**” means (a) any patents or patent applications that are listed on Exhibit B, and (b) any patents or patent applications Controlled by Licensor or Associated Parties claiming inventions made by or on behalf of Licensor or Associated Parties at any time during the Term in the course of developing or using the Licensed Compound for use outside the Territory, in each case including all Associated Patent Rights with respect to the patents and patent applications described in the foregoing clauses (a) and (b), subject to Section 2.8 below.

1.45 “**Licensed Product**” means [\*\*\*].

1.46 “**Major Market**” shall mean, individually, each of the [\*\*\*]; and collectively, such countries the “**Major Markets**.”

1.47 “**Manufacture**” or “**Manufacturing**” means to make, produce, manufacture, process, fill, finish, package, label, perform quality assurance testing, release, ship or store a compound or product or any component thereof. When used as a noun, “**Manufacture**” or “**Manufacturing**” means any and all activities involved in Manufacturing a compound or product or any component thereof, including development of the Manufacturing Process.

1.48 “**Manufacturing Process**” shall mean the production process for the manufacture at scale of product, including without limitation the manufacturing methods, test methods, specifications, materials, and other procedures, directions and controls associated with the manufacture and testing of such product.

1.49 “**NDA**” means a New Drug Application (as provided in the United States Federal Food, Drug, and Cosmetic Act (“**FFDCA**”) and the regulations promulgated thereunder (21 C.F.R.

§§ 314 et seq.)), or the equivalent application in any foreign jurisdiction filed with another Regulatory Authority.

1.50 “**Net Sales**” shall mean [\*\*\*]

(a) [\*\*\*]

(b) [\*\*\*]

(c) [\*\*\*]

(d) [\*\*\*]

(e) [\*\*\*]

Such amounts shall be determined from the books and records of Licensee or a Related Party, maintained in accordance with GAAP as consistently applied across its pharmaceutical products generally.

Net Sales on Licensed Product provided as part of a non-cash exchange or other than through an arms-length transaction shall mean [\*\*\*].

For clarity, Net Sales shall not include [\*\*\*].

In no event shall any particular amount of deduction identified above be deducted more than once in calculating Net Sales (i.e., no “double counting” of deductions).

The above deductions shall be the only deductions made in net sales and only to the extent such deductions are actually taken and documented as attributable to Licensed Product, and in all cases in a manner consistent with generally accepted accounting principles (in accordance with GAAP or IFRS, as applicable) consistently employed with respect to external reporting.

[\*\*\*]

1.51 “**Other Active Ingredient**” means any active pharmaceutical ingredient, which active pharmaceutical ingredient is not a Licensed Product.

1.52 “**Patent Rights**” means with respect to any patents or patent applications, any and all (a) patents issuing from such patent applications, (b) substitutions, divisionals, renewals, continuations or continuations-in-part (only to the extent of claims that are entitled to the priority date of the parent application); (c) patents of addition, restorations, extensions, supplementary protection certificates, registration or confirmation patents, patents resulting from post-grant proceedings, re-issues and re-examinations; (d) other patents or patent applications claiming and entitled to claim priority to (i) such patents and patent applications and any patent or patent application specified in (a), (b) or (c), or (ii) any patent or patent application from which such patents and patent applications or a patent or patent application specified in (a), (b) or (c) claims and is entitled to claim priority; (e) all rights of priority attendant to such patents and patent applications and any of the patents and patent applications listed in (a) through (d); and (f) in each case of such patents and patent applications and of the patents and patent applications described in (a) through (d), including all counterparts and foreign equivalents thereof filed in any country, territory or jurisdiction in the world. With respect to any patent or patent application, the items described in the foregoing clauses (a) through (e) may be referred to herein as the “**Associated Patent Rights**.”

1.53 “**Person**” means any natural person or any corporation, company, partnership, joint venture, firm or other entity, including a Party, or any government or agency or political subdivision thereof.

1.54 “**Phase 1 Clinical Trial**” means, as to a specific Licensed Product, a human clinical trial in any country that is intended as the first introduction into humans of a pharmaceutical product with the primary purpose of determining safety, metabolism and pharmacokinetic properties and clinical pharmacology of such product, or would otherwise satisfy requirements of 21 CFR § 312.21(a) in the United States, as amended from time to time, or the corresponding regulation in jurisdictions other than the United States.

1.55 “**Phase 2 Clinical Trial**” means, as to a specific Licensed Product, a human clinical trial in any country that is intended to preliminarily evaluate the efficacy and safety or dose-ranging of such product for a particular indication or indications in patients with the disease or indication under study, which study is designated as a Phase 2 clinical trial in the trial protocol filed with the FDA and would satisfy the requirements of 21 CFR § 312.21(b) in the United States, as amended from time to time, or the corresponding regulation in jurisdictions other than the United States. [\*\*\*].

1.56 “**Phase 3 Clinical Trial**” means, as to a specific Licensed Product, (a) a human clinical trial in any country, whether controlled or uncontrolled, that is performed to obtain Regulatory Approval of such product after preliminary evidence suggesting effectiveness of such product under evaluation has been obtained, and intended to confirm with statistical significance the efficacy and safety of such product, to evaluate the overall benefit-risk relationship of such product and to provide an adequate basis for physician labeling, or (b) a human clinical trial of such product that satisfies the requirements of 21 C.F.R. § 312.21(c) in the United States, as amended from time to time, or the corresponding regulation in jurisdictions other than the United States.

1.57 “**Pivotal Clinical Trial**” means (i) a Phase 3 Clinical Trial, or (ii) any other Clinical Trial that is intended by Licensee (or the Related Party delegated responsibility for such Clinical Trial) to establish that a pharmaceutical product is safe and efficacious for its intended use, and to determine warnings, precautions, and adverse reactions that are associated with such pharmaceutical product in the dosage range to be prescribed, which Clinical Trial is a registration trial intended by Licensee or such Related Party to be sufficient for filing an application for a Regulatory Approval for such product in the U.S. or another country or some or all of an extra-national territory.

1.58 “**Product Trademark**” means the Trademark(s) to be used by Licensee or its Affiliates for the Commercialization of the Licensed Products in the Field in the Territory and any registrations thereof or any pending applications relating thereto in the Territory (excluding, in any event, any Trademarks that include any corporate name or logo of the Parties or their Affiliates).

1.59 “**Prosecution and Maintenance**” or “**Prosecute and Maintain**” means, with respect to the applicable Patent Rights, the preparation, filing, prosecution and maintenance of such Patent Rights, as well as re-examinations, reissues, appeals, and requests for patent term adjustments and patent term extensions with respect to such Patent Rights, together with the initiation or defense of interferences, the initiation or defense of oppositions, post grant review, and other similar proceedings with respect to the particular Patent Rights, and any appeals therefrom. For clarification, “Prosecution and Maintenance” or “Prosecute and Maintain” shall not include any other enforcement actions taken with respect to Patent Rights.



1.60 “**Qualified CMO**” means a Third Party contract manufacturer of pharmaceutical products selected by Licensee (or a Related Party) and consented to by Licensor (with such consent not to be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing, consent of Licensor shall not be required with respect to the selection of a Third Party contract manufacturer as a Qualified CMO if such Third Party contract manufacturer: [\*\*\*].

1.61 “**Qualified Sublicensee**” means:

(a) Prior to the sale and issuance of at least [\*\*\*] shares of Series A Preferred Stock of Licensee in accordance with that certain Series A Stock Purchase Agreement of even date herewith by and between Licensee and the purchasers set forth therein (the “**Series A Financing Completion**”), any Third Party (i) that, together with its Affiliates with whom it is required to consolidate earnings for reporting purposes under GAAP or IFRS (“**Reporting Affiliates**”), has annual revenues of at least \$[\*\*\*], (ii) that is, or is a Reporting Affiliate of, a publicly traded company that has market capitalization of at least \$[\*\*\*], (iii) that together with its Reporting Affiliates has maintained over the last [\*\*\*] or (iv) that is approved by Licensor in writing (in Licensor’s sole discretion).

(b) Following the Series A Financing Completion, any Third Party (i) that together with its Reporting Affiliates has annual revenues from sales of prescription pharmaceutical products for the treatment of [\*\*\*] of at least \$[\*\*\*], (ii) that is, or is a Reporting Affiliate of, a publicly traded company that (A) has market capitalization of at least \$[\*\*\*], and (B) has a market capitalization as of market close of the trading day immediately preceding the date of entry into a Transaction that (1) is at least \$[\*\*\*], and (2) is no less than [\*\*\*], or (iii) that is approved by Licensor in writing, provided such approval shall not be unreasonably withheld, conditioned or delayed in the event that such Third Party is [\*\*\*]. For purposes of the foregoing, [\*\*\*].

1.62 “**Regulatory Approval**” means, with respect to a country or territory, the approvals (including any applicable governmental price and reimbursement approvals), licenses, registrations or authorizations of Regulatory Authorities necessary for the Commercialization of a pharmaceutical product in such country or territory, including, as applicable, approval of an NDA or comparable filing in the United States or approval of a comparable filing in any other country or jurisdiction, including a marketing authorization approval by the EMA.

1.63 “**Regulatory Authority**” means a federal, national, multinational, state, provincial or local regulatory agency, department, bureau or other governmental entity with authority over the testing, manufacture, use, storage, import, promotion, marketing or sale of a product in the applicable country.

1.64 “**Regulatory Data**” means any and all research data, pharmacology data, safety data, preclinical data, clinical data, Chemistry, Manufacturing and Controls (“**CMC**”) data that is included or referenced in a Party’s Regulatory Filings for the Licensed Compound or a Licensed Product or that was included in any other documentation submitted to Regulatory Authorities in association with Regulatory Filings and Regulatory Approvals for the Licensed Compound or a Licensed Product.

1.65 “**Regulatory Filings**” means, with respect to a Licensed Product, any submission to a Regulatory Authority of any appropriate regulatory application, including, without limitation, any IND, NDA, any submission to a regulatory advisory board, any marketing authorization application, and any supplement or amendment thereto.

1.66 “**Related Party**” means Licensee’s Affiliates and any Non-Affiliate Sublicensees.

1.67 “**Research Tools**” means [\*\*\*].

1.68 “**Reversion Technology**” means any [\*\*\*]. Notwithstanding the foregoing, “Reversion Technology” shall not include Research Tools.

1.69 “**Royalty Term**” means, with respect to each Licensed Product in each country, the period commencing on the First Commercial Sale of such Licensed Product in such country and continuing until the latest to occur of (i) expiration of the last Valid Claim of a Licensed Patent Right Covering [\*\*\*] such Licensed Product in such country, (ii) the expiration of the applicable period of regulatory-based market exclusivity for such Licensed Product in such country, or (iii) ten years following the date of the First Commercial Sale of such Licensed Product in such country.

1.70 “**Stock Subscription Agreement**” means a Stock Subscription Agreement in the form attached hereto as Exhibit C, entered into by and between Licensee and Licensor in connection with the issuance of equity securities by Licensee under Section 6.2.

1.71 “**Sublicensee**” shall have the meaning set forth in Section 2.3(a).

1.72 “**Term**” means the term of this Agreement as provided in Section 11.1.

1.73 “**Territory**” means worldwide excluding Japan.

1.74 “**Third Party**” means any Person other than a Party or any of its Affiliates.

1.75 “**Trademark**” means any word, name, symbol, color, designation or device or any combination thereof that functions as a source identifier, including any trademark, trade dress, brand mark, service mark, trade name, brand name, logo or business symbol, whether or not registered.

1.76 “**Transaction Revenue**” total value of all cash, securities, bonds, other property and any other consideration paid or payable, directly or indirectly, to Licensee, its Affiliate or holders of its securities (other than Licensor) in connection with such Transaction, excluding any of the following: [\*\*\*].

1.77 “**Transferred Materials**” means (a) Licensed Compound and Licensed Product, (b) the starting materials and intermediates for synthesis of Licensed Compound and Licensed Product, and (c) reference standards (Licensed Compound and impurities).

1.78 “**Transferred Quantities**” means:

(a) the Transferred Materials existing as of the Effective Date identified in Schedule 1.78(a) in the quantities specified therein (“**Existing Quantities**”), and

(b) an allocation of the additional quantities of the Transferred Materials [\*\*\*], as provided in Schedule 1.78(b) (“**Additional Quantities**”).

1.79 “**Valid Claim**” means (a) an issued and unexpired claim of any patent within the Licensed Patent Rights that has not been (i) permanently revoked, nor held unenforceable, unpatentable or invalid by a decision of a court or other governmental agency of competent jurisdiction that is unappealable or unappealed within the time allowed for appeal, (ii) disclaimed or rendered unenforceable through disclaimer or otherwise, or (iii) abandoned; or (b) a pending claim of any patent application within the Licensed Patent Rights that has not been abandoned or finally rejected without the possibility of appeal or refiling or without such appeal having been taken or refiling having been made within the applicable time so allowed; provided that, [\*\*\*], a claim that, [\*\*\*], has been pending for longer than [\*\*\*] from the date of issuance of the first substantive patent office action considering patentability of such claim by the relevant patent office in the country or territory in which such claim is pending shall cease to be considered a Valid Claim upon such [\*\*\*] unless and until such claim becomes the claim of an issued patent pursuant to clause (a) above.

1.80 Additional Definitions. Each of the following definitions is set forth in the section of this Agreement indicated below:

<u>Definition</u>	<u>Section</u>
AAA	12.11(b)(i)
Additional Quantities	1.78(b)
Associated Patent Rights	1.52
Blocking Patent	6.4(d)
[***] Share Threshold	4.9(e)
[***] Threshold Financing	4.9(e)
CMC	1.64
Committee Dispute	3.4
Contracting Party	5.2(b)
Defending Party	7.5
Denied Parties Lists	12.12(a)(ii)
Disclosing Party	1.17
Equity Documents	6.2
Existing Quantities	1.78(a)

FFDCA	1.49
Indemnified Party	10.3
Indemnifying Party	10.3
Infringement Actions	7.5
Infringing Product	7.3(a)
IOI	4.9(b)
Japan Development Plan	4.8(b)
Japan Licensee	1.3
Joint Inventions	7.1
Joint Patent Rights	7.1
JSC	3.1
JSC Member	3.1
Liabilities	10.1
Licensee Indemnitees	10.2
Licensor Indemnitees	10.1
Licensor Regulatory Filings	4.3(a)(ii)
Manufacturing Technology Transfer Plan	5.3(a)
Officials	12.12(b)(i)
Payment	12.12(b)(i)
Product Materials	5.2(a)
Prosecuting Party	7.2(f)
Publication	8.4(a)
Publishing Party	8.4(a)
Qualified CMO Supply Agreement	5.2(b)
Receiving Party	2.8(a)

Reversion License	11.5(e)
Right of Negotiation or RON	4.9(b)
SEC Filing	8.5(d)
Selling Party	6.4(g)
Senior Executive(s)	3.4
Shares	6.2
Term	11.1
Third Party Claim	10.1
Third Party Technology Notice	11.5(e)
Transaction	4.9(a)
Transaction Notice	4.9(a)
Transaction Revenue Sharing	6.5(a)
Wind-down Period	11.5(d)(i)(B)

## ARTICLE 2

### Grant of License; Right of Reference; Technology Transfer

#### 2.1 License.

(a) Development License. Subject to the terms and conditions of this Agreement including Licensor's rights under Section 2.1(e), Licensor hereby grants to Licensee a worldwide, exclusive license under the Licensed IP, with the right to grant sublicenses through multiple tiers in accordance with Section 2.3, to Develop and have Developed (and to use and have used for such purposes) the Licensed Compound and the Licensed Product solely for purposes of obtaining Regulatory Approval for use of the Licensed Product in the Field in the Territory.

(b) Manufacturing License. Subject to the terms and conditions of this Agreement including Licensor's rights under Section 2.1(e), Licensor hereby grants to Licensee a worldwide, exclusive license under the Licensed IP, with the right to grant sublicenses through multiple tiers in accordance with Section 2.3, to (i) Manufacture the Licensed Compound, and (ii) Manufacture and package Licensed Product for use in accordance with the rights and license granted to Licensee under this Agreement

(c) Commercialization License. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee an exclusive (even as to Licensor and its Affiliates), milestone and royalty bearing license under the Licensed IP, with the right to grant sublicenses through multiple tiers in accordance with Section 2.3, to Commercialize and have Commercialized (and to use and have used for such purposes), itself and through its Affiliates and Third Parties, in each case solely in the Field in the Territory.

(d) Upon the expiration of the Royalty Term with respect to a Licensed Product in a country, Licensee's licenses to the Licensed Know-How under Sections 2.1(b) and 2.1(c) shall survive on an exclusive basis and shall become perpetual, irrevocable, non-terminable, fully-paid up and royalty-free with respect to such Licensed Product in such country.

(e) Certain Clarifications.

(i) For clarity, it is understood that the foregoing licenses do not include the right to modify the Licensed Compound and Licensee agrees that it shall not, and shall require that Related Parties do not, modify the Licensed Compound, except in each case by [\*\*\*].

(ii) Notwithstanding the foregoing, it is understood that Licensor retains the right to (A) manufacture the Licensed Compound and/or Licensed Product in the Territory for use and/or sale outside the Territory; and (B) subject to Section 4.4(a) below, perform Development of the Licensed Compound and/or Licensed Product in countries of the Territory for purposes of obtaining Regulatory Approval for use of the Licensed Product outside the Territory.

2.2 Rights of Reference and Access.

(a) Licensee Right of Reference and Access. Subject to the terms of this Agreement, Licensor hereby grants Licensee access to, and a "Right of Reference," as that term is defined in 21 C.F.R. § 314.3(b) in the United States, or an equivalent right of access/reference in any other country or region, with respect to: (i) Licensor's and Associated Parties' Regulatory Filings and Regulatory Approvals and all related documentation (including official minutes of meetings and other correspondence related thereto), and (ii) all Regulatory Data relating to such Regulatory Filings and Regulatory Approvals in (i) above (including safety data and CMC data contained or referenced in any Regulatory Filings), in each case ((i) and (ii)), (A) associated with the Licensed Compound or Licensed Product in the Field and (B) for the sole purpose of Developing, Manufacturing, seeking and securing Regulatory Approval for, Commercializing, and otherwise exploiting Licensed Products in the Field in the Territory. For clarity (1) Licensee shall have the right to extend the foregoing Right of Reference and right of access to its Affiliates and Sublicensees, and (2) the foregoing right of access shall also include the right of Licensee (and its Affiliates and Sublicensees) to include the accessed Regulatory Data in its Regulatory Filings for Licensed Product. Upon request by Licensee, Licensor (or its Associated Party, as applicable) shall provide Licensee with a signed statement affirming the foregoing Right of Reference in accordance with 21 C.F.R. § 314.50(g)(3) or the equivalent as required in any country or region, or otherwise provide appropriate notification of such right of Licensee to the applicable Regulatory Authority.

(b) Licensors Right of Reference and Access. Subject to the terms of this Agreement, Licensee hereby grants Licensor access to, and a “Right of Reference,” as that term is defined in 21 C.F.R. § 314.3(b) in the United States, or an equivalent right of access/reference in any other country or region, with respect to: (i) Licensee’s and any Related Party’s Regulatory Filings and Regulatory Approvals and all related documentation (including official minutes of meetings and other correspondence related thereto), and (ii) all Regulatory Data relating to such Regulatory Filings and Regulatory Approvals in (i) above (including safety data and CMC data contained or referenced in any Regulatory Filings), in each case ((i) and (ii)), (x) associated with the Licensed Compound or Licensed Product in the Field and (y) for the sole purpose of Developing, Manufacturing, seeking and securing Regulatory Approval for, Commercializing, and otherwise exploiting Licensed Products outside of the Territory. For clarity (1) Licensor shall have the right to extend the foregoing Right of Reference and right of access to Associated Parties, and (2) the foregoing right of access shall also include the right of Licensor (and Associated Parties) to include the accessed Regulatory Data in its Regulatory Filings for Licensed Product. Upon request by Licensor, Licensee (or the applicable Related Party) shall provide Licensor with a signed statement affirming the foregoing Right of Reference in accordance with 21 C.F.R. § 314.50(g)(3) or the equivalent as required in any country or region, or otherwise provide appropriate notification of such right of Licensor to the applicable Regulatory Authority.

### 2.3 Sublicensing.

(a) Subject to the terms and conditions of this Agreement including Licensor’s Right of Negotiation under Section 4.9, Licensee shall have the right to grant sublicenses under the license granted to it under Section 2.1 hereof, and to grant other rights to the Licensed Compound or Licensed Product, in each case to Affiliates and Third Parties through multiple tiers (each, a “**Sublicensee**”); provided that [\*\*\*]. Notwithstanding the foregoing, (i) a customary Third Party wholesaler or distributor who does not market or promote a Licensed Product, and (ii) a Third Party contract sales force that details or promotes (but does not book sales of or distribute) a Licensed Product, and where in each of cases (i) and (ii) the Licensed Product is sold under the brand of Licensee or a Related Party (and not a brand of the wholesaler, distributor or contract sales force), shall not be deemed a “Sublicensee” for purposes of this Agreement and this Section 2.3(a) shall not prevent Licensee or its Sublicensees from granting to such wholesalers, distributors and contract sales force rights to conduct such activities with respect to the Licensed Product. Licensee shall ensure that each such Sublicensee is bound by a written agreement, and in the case of any such sublicense granted to a Qualified Sublicensee, that an executed copy of such agreement (as well as an executed copy of any subsequent material amendments thereto), shall be provided to Licensor promptly following the execution of each such agreement or amendment, [\*\*\*]. Licensee shall also ensure that each Sublicensee expressly agrees in writing to be bound by all of Licensee’s obligations under this Agreement to the extent applicable to such Sublicensee, including without limitation, the following provisions of this Agreement (as if such Sublicensee were expressly named in each such provision, to the extent Sublicensees are not so named therein): Sections 2.2(b) (Licensor Right of Reference and Access); 2.5 (Subcontractors), 2.7 (Improvements), 2.8 (Third Party Technologies); 2.10 (Exclusivity of Efforts); 4.3(b) (Regulatory Cooperation in the Territory), 4.4(b) (Clinical Trials by Licensee Outside the Territory); 5.2 (Responsibility for Supply), but only if such Sublicensee is or has a right to be a Contracting Party; 5.4 (Licensor’s Right to Take Supply of Product Materials from Qualified CMOs), but only if such Sublicensee is or has a right to be a Contracting Party or manufacture the Licensed Product; 7.7 (Patent Marking) and 11.5(d) (transition obligations on termination). Finally,

Licensee shall ensure that it Controls: (A) all Know-How developed by or on behalf of any Related Parties who have been granted rights to develop or commercialize the Licensed Product in a Major Market of the Territory in the course of such Related Parties' Development, Manufacture and/or Commercialization of the Licensed Compound or Licensed Product (excluding Research Tools, which shall not be subject to the obligations set forth in this subsection (A)), in each case to the extent such Know-How: (1) is reasonably necessary for Licensor's Development, Manufacture, Commercialization or other exploitation of the Licensed Compounds or Licensed Products outside the Territory, or (2) was actually used by Licensee or Related Parties in their Development, Manufacture, Commercialization or other exploitation of the Licensed Compounds or Licensed Products in the Territory, and (B) all Patent Rights and other intellectual property rights Controlled by such Related Parties that are directed to the Know-How described in subsection (A) above. Licensee shall not grant sublicenses or appoint sublicensees other than in accordance with this [Section 2.3\(a\)](#), and shall in all cases remain responsible for any actions of its Sublicensees exercising rights under a sublicense of the rights granted by Licensor to Licensee under this Agreement to the same extent as if such actions had been taken by Licensee itself.

(b) If this Agreement is terminated for any reason other than by Licensee pursuant to [Section 11.4](#) (Termination for Convenience), Licensee's then-existing direct Sublicensees shall [\*\*\*], upon written request of such Sublicensee to be submitted to Licensor no later than [\*\*\*] following the termination of this Agreement, to [\*\*\*] and [\*\*\*] under the applicable sublicense agreement [\*\*\*]; provided, however, that: (i) [\*\*\*] and (ii) [\*\*\*]. Upon request by Licensor or the [\*\*\*], Licensor and the Sublicensee will [\*\*\*] a separate agreement (i.e., as a direct license from Licensor), consistent with the foregoing. As used herein, [\*\*\*] means [\*\*\*]. Notwithstanding the foregoing, the following Sublicensees shall not be eligible to become [\*\*\*] (and shall not be entitled to the benefits of this [Section 2.3\(b\)](#)): [\*\*\*].

2.4 [Affiliates](#). Licensee may exercise or perform, or have exercised or performed on its behalf, some or all of its rights or obligations under this Agreement by one or more of Licensee's Affiliates. Licensee shall be responsible for each of its Affiliates' complying with all obligations of Licensee under this Agreement.

2.5 [Subcontractors](#). Licensee may exercise or perform some or all of its rights or obligations under this Agreement by subcontracting the exercise or performance of all or any portion of such rights and obligations on Licensee's behalf, including to Third Party CMOs and CROs, provided that Licensee shall be responsible for each of its subcontractors complying with all obligations of Licensee under this Agreement. Without limiting the foregoing, Licensee further agrees that (a) subcontracting shall not relieve Licensee of any obligations under this Agreement (except to the extent satisfactorily performed by such subcontractor), and Licensee shall remain responsible for the performance of such activities in accordance with this Agreement and the Development Plan, and (b) any agreement pursuant to which Licensee engages a subcontractor must (i) be consistent with this Agreement and (ii) contain terms obligating such subcontractor to: (A) comply with confidentiality provisions that are at least as restrictive as those set forth in [Article 7](#); and (B) provide Licensee with substantially the same rights with respect to any Patents and other intellectual property arising from the performance of the subcontracted obligation as Licensee would have under this Agreement if such Patents or other intellectual property had arisen from the performance of such obligation by Licensee.



2.6 Technology Transfer. Promptly following the Effective Date, Licensor will convey or otherwise make available to Licensee the Licensed Know-How in Licensor's Control as of the Effective Date, other than the Licensed Know-How relating to Manufacture of the Licensed Product, transfer of which shall be in accordance with the Manufacturing Technology Transfer Plan as further described in Section 5.3. The Licensed Know-How to be made available to Licensee in the initial transfer is listed on Exhibit E. Following the initial transfer, Licensor will from time to time promptly make available to Licensee any additional Licensed Know-How developed by Licensee after the Effective Date. It is understood all Licensed Know-How shall be made available to Licensee in the language in which it was created (i.e., without translation), unless Licensor has previously had English translations of such Licensed Know-How made, in which case such translations shall also be provided if in Licensor's possession. Notwithstanding the foregoing, if an English translation of any such Licensed Know-How does not exist, upon Licensee's written request, Licensor will provide Licensee with a brief summary of such Licensed Know-How in English. Licensee will provide reasonable support for such transfers. Licensor will also provide Licensee with reasonable, mutually agreed upon access (which may include, at Licensee's request, access by phone or in person at Licensor's facilities or at Licensee's facilities) to Licensor personnel involved in the research and development of any Licensed IP in order to enable skilled employees of or consultants to Licensee and/or its designated CRO(s) and/or CMO(s) to practice the licenses granted herein. Licensor shall not be required to incur any out-of-pocket expenses to conduct any of the above transfers; any such reasonable, documented expenses shall be reimbursed by Licensee.

#### 2.7 Improvements.

(a) Disclosure of Improvements. During the Term, Licensee shall promptly make available to Licensor all Improvements promptly following their invention, discovery, generation or use with a Licensed Product or Licensed Compound. It is understood that with respect to Improvements consisting of experimental data, results and similar Know-How, Licensee shall be required to make any such Know-How available only in the original language in which such Know-How was generated if Licensee does not have English translations thereof; provided that if an English translation of any such Know-How does not exist, upon Licensor's written request, Licensee will provide Licensor with a brief summary of such Know-How in English.

(b) License to Improvements. Licensee hereby grants to Licensor a worldwide, fully paid-up, royalty-free, non-exclusive license, with the right to sublicense through multiple tiers, under any Improvements, solely for purposes of Developing, Manufacturing, and Commercializing the Licensed Compound and Licensed Product, in each case for Japan (subject to the exclusive rights granted to Licensee under this Agreement with respect to the Licensed Product and the Licensed Compound in the Territory).

2.8 Third Party Technology Acquired after Effective Date. If after the Effective Date, a Party ("**Acquiring Party**") (or in the case of Licensee, a Related Party, or in the case of Licensor, an Associated Party acting under authority of such Party) desires to use in connection with the Development, Manufacture or Commercialization of the Licensed Compound or a Licensed Product any Patent Rights or Know-How acquired from a Third Party other than a Sublicensee (in the case of Licensor as the Acquiring Party) or a Japan Licensee (in the case of Licensee as the Acquiring Party) and other than Research Tools (such Patent Rights and Know-How, "**Third Party Technology**," and such Third Party, a "**Third Party Licensor**"), the following shall apply:

(a) Before the Third Party Technology is so used, the Acquiring Party shall notify the other Party (the “**Receiving Party**”) in writing, including a description of such Third Party Technology (such notice, the “**Acquiring Party Notice**”). Without limiting Section 2.8(d) below, to the extent that the Acquiring Party has the right to grant a sublicense to such Third Party Technology to the Receiving Party for use in connection with the Development, Manufacture or Commercialization of the Licensed Compound or a Licensed Product by the Receiving Party in its territory (“**Available Third Party Technology**”), the Acquiring Party shall include in such notice a description of all payments and other obligations that would apply to the Receiving Party if the Third Party Technology were to be licensed to the Receiving Party hereunder (such payments and other obligations (including obligations relating to sublicensing, patent matters, confidentiality, reporting, audit rights, indemnification and diligence, as applicable) owing to the Third Party Licensor, the “**Pass-Thru Obligations**”), accompanied by a copy of the relevant license or other agreement with the applicable Third Party Licensor (such license or other relevant agreement, the “**Pass-Thru Agreement**”), [\*\*\*].

(b) To the extent the Receiving Party wishes to receive a license to any Available Third Party Technology disclosed in the Acquiring Party Notice for use in connection with the Development, Manufacture or Commercialization of the Licensed Compound or a Licensed Product in territories in which the Receiving Party has such rights with respect to the Licensed Compound and Licensed Products, it shall so notify the Acquiring Party in writing (such notice, the “**Receiving Party Notice**”). Upon receipt of the Receiving Party Notice, the Acquiring Party shall grant (and hereby grants) to the Receiving Party a license or sublicense under the applicable Third Party Technology to use and exploit the same in connection with the Development, Manufacture or Commercialization of the Licensed Compound or a Licensed Product in territories in which the Receiving Party has such rights with respect to the Licensed Compound and Licensed Products, subject to the Pass-Thru Obligations (the “**Pass-Thru License**”). If requested by the Acquiring Party, the Receiving Party and the Acquiring Party shall prepare in good faith and promptly execute a written agreement codifying the terms of the Pass-Thru License or to the extent mutually agreed, work to put in place a separate agreement between the applicable Third Party and the Receiving Party under which the Third Party grants a direct license to the Receiving Party under the Third Party Technology on the same terms and conditions as the Pass-Thru Agreement. The Receiving Party shall [\*\*\*]. The Receiving Party agrees that it shall enter into a [\*\*\*] with the Acquiring Party [\*\*\*]. The Receiving Party shall comply with the Pass-Thru Obligations applicable to such Third Party Technology, in each case to the extent such Pass-Thru Obligations were described in the Pass-Thru Agreement (as redacted). Such compliance by the Receiving Party shall include taking such actions to comply with the Pass-Thru Obligations in such manner and on such timing as may be required to allow the Acquiring Party to comply with its obligations under the license or other agreement with the applicable Third Party Licensor, as such obligations apply to activities of the Receiving Party. To the extent [\*\*\*]. Any dispute between the Parties regarding the Pass-Thru Obligations or other terms of the Pass-Thru License shall be determined pursuant to Section 12.11 below.

(c) Until the Receiving Party provides a Receiving Party Notice, or to the extent the Receiving Party subsequently notifies the Acquiring Party that it wishes to terminate the applicable Pass-Thru License, [\*\*\*], as the case may be. In the event the Receiving Party subsequently notifies the Acquiring Party that it wishes to terminate the applicable Pass-Thru License, [\*\*\*]. To the extent the Receiving Party does not provide a Receiving Party Notice with respect to the Third Party Technology, [\*\*\*].

(d) Prior to such time as a Licensed Product has received Regulatory Approval in the United States and one of the EU5, if the Acquiring Party does not have the right to grant to the Receiving Party a Pass-Thru License with respect to a particular Third Party Technology (i.e., as “Available Third Party Technology”) with respect to the Development, Manufacture and Commercialization of the Licensed Compound and Licensed Product in the Receiving Party’s territory, [\*\*\*] territory, then unless otherwise agreed in writing by the Parties, [\*\*\*]. Notwithstanding the foregoing, in the event that a Third Party Technology with respect to which the Acquiring Party is unable to grant a Pass-Thru License is [\*\*\*] (such license, a “**Direct License**”), then to the extent that the Receiving Party actually obtains such Direct License on such terms, the Acquiring Party shall be [\*\*\*].

(e) Other than pursuant to and in accordance with the provisions of this Section 2.8, neither Party shall [\*\*\*]. For clarity, this Section 2.8 shall not apply to Patent Rights or Know-How used by the Acquiring Party (or in the case of Licensee, a Related Party, or in the case of Licensor, an Associated Party acting under authority of Licensor) in connection with the Development, Manufacture or Commercialization of a Licensed Compound or Licensed Product [\*\*\*].

#### 2.9 Activities Outside Each Party’s Respective Territory.

(a) To the extent permitted under applicable Law, Licensee agrees that (i) neither it, nor any of its Affiliates, will sell or provide the Licensed Product to any Third Party, if Licensee or its relevant Affiliate knows, or has reason to know, that Licensed Products sold or provided to such Third Party by or on behalf of Licensee may be sold or transferred, directly or indirectly, for use outside the Territory; and (ii) if requested by Licensor, Licensee shall provide reasonable assistance to Licensor in taking reasonable action against any Third Party to whom Licensee has sold or provided Licensed Product, or to whom it has granted any rights with respect to the Licensed Product, directly or indirectly, that Licensor becomes aware is engaging in the direct or indirect sale or transfer of such Product for use outside the Territory and use Commercially Reasonable Efforts to cause such Third Party to cease such activities. For clarity, the foregoing shall not be construed to require Licensee to police counterfeit versions of the Licensed Product that are produced by Third Parties in the Territory without license under the Improvements or Licensed IP and imported into [\*\*\*].

(b) To the extent permitted under applicable Law, Licensor agrees that (i) neither it, nor any of its Affiliates, will sell or provide the Licensed Product to any Third Party, if Licensor or its relevant Affiliate knows, or has reason to know, that Licensed Products sold or provided to such Third Party by or on behalf of Licensor may be sold or transferred, directly or indirectly, for use in the Territory; and (ii) if requested by Licensee, Licensor shall provide reasonable assistance to Licensee in taking reasonable action against any Third Party to whom Licensor has sold or provided Licensed Product, or to whom it has granted any rights with respect to the Licensed Product, directly or indirectly, that Licensee becomes aware is engaging in the direct or indirect sale or transfer of such Licensed Product for use in the Territory and use Commercially Reasonable Efforts to cause such Third Party to cease such activities. For clarity, the foregoing shall not be construed to require Licensor to police counterfeit versions of the Licensed Product that are produced by Third Parties in [\*\*\*] without license under the Licensed IP or Improvements and imported into the Territory.

(c) The restrictions set forth in this Section 2.9 shall not be construed to limit the sale and/or distribution of goods between member states of the European Union.

2.10 Exclusivity of Efforts.

(a) Until [\*\*\*].

(b) Until [\*\*\*].

2.11 No Other Rights. Except for the rights and licenses expressly granted in this Agreement, each Party retains all rights under its intellectual property, and no additional rights shall be deemed granted to either Party by implication, estoppel or otherwise. For clarity, the licenses and rights granted in this Agreement shall not be construed to convey any licenses or rights under either Party's Patents with respect to any Other Active Ingredient that is proprietary to the granting Party.

**ARTICLE 3**  
**Governance**

3.1 Joint Steering Committee. Within [\*\*\*] days after the Effective Date, the Parties shall establish a Joint Steering Committee ("JSC") to coordinate the Parties' activities under the Development Plan. The JSC shall include [\*\*\*] (or such greater or lesser number at the parties may mutually agree from time to time) representatives of each of Licensor and Licensee, with each Party's members selected by that Party (each member, a "JSC Member"). Each JSC Member shall have appropriate expertise to carry out the responsibilities of the JSC. As of the Effective Date, the initial Licensor JSC Members shall be [\*\*\*], and the initial Licensee JSC Members shall be [\*\*\*]. Licensor and Licensee may each replace its JSC representatives at any time, upon written notice to the other Party. From time- to-time, the JSC may establish subcommittees to oversee particular projects or activities, and such subcommittees shall be constituted as the JSC agrees. The Parties may mutually agree to invite non- voting employees and consultants to attend meetings of the JSC, subject to their agreement to be bound to obligations of confidentiality and assignment of inventions at least as stringent as those set forth in this Agreement.

3.2 Meetings. Unless otherwise agreed by the Parties, the JSC shall hold at least [\*\*\*] at such times as it elects to do so, in person or by audio or video teleconference, so long as at least [\*\*\*] is in person. Meetings of the JSC shall be effective only if at least [\*\*\*] of each Party is present or participating. Each Party shall be responsible for all of its own expenses of participating in JSC meetings. The Parties shall endeavor to schedule meetings of the JSC at least [\*\*\*] in advance. The JSC Members shall agree on the minutes of each meeting promptly, but in no event later than the next meeting of the JSC.

3.3 Responsibilities. The responsibilities of the JSC shall consist of:

(a) Monitoring the performance of the Development Plan, reporting progress under the Development Plan, and facilitating the exchange of materials and information between the Parties;

(b) Reviewing the Development Plan on at least an annual basis, including the budget, timelines and objectives;

(c) Commencing at such time as Licensor provides Licensee with a Japan Development Plan in accordance with [Section 4.8\(b\)](#), monitoring Licensor's performance of such Japan Development Plan and reviewing the timelines and objectives of such Japan Development Plan on at least an annual basis.

(d) Reviewing the proposed publication and presentation plans of the Parties;

(e) Initial, informal mediation of any dispute that arises under this Agreement which a Party chooses to refer to the JSC for resolution; and

(f) Such other responsibilities as both parties may mutually agree to delegate to the JSC.

Except with respect to matters expressly designated as being subject to JSC approval, the JSC's role shall be limited to making recommendations to the Parties as to proposed decisions, and such decisions shall be subject to mutual agreement of the Parties.

3.4 **Decision-Making.** Action by the JSC on matters to be determined by the JSC shall require unanimous approval, with Licensor JSC Members collectively having [\*\*\*] and Licensee JSC Members collectively having [\*\*\*]. In the event that the JSC does not unanimously approve any action, the JSC shall take no action on the matter at issue. In the event the JSC fails to reach unanimous agreement with respect to a particular matter within its authority, then either Party may, by written notice to the other Party, have such matter referred to a senior executive officer of each party who is senior in rank and authority to such party's JSC representatives, holds a title of at least [\*\*\*] and has the authority to resolve the dispute ("**Senior Executive(s)**"). The Senior Executives shall meet promptly (and in no event more than [\*\*\*] days after a Party notifies the other Party of the referral of the dispute to the Senior Executives) and negotiate in good faith to resolve the dispute. If, despite such good faith efforts, the Senior Executives are unable to resolve such dispute (each, a "**Committee Dispute**"), then: (a) to the extent such Committee Dispute relates to operational matters related solely to the Development, Manufacture or Commercialization of the Licensed Products in the Territory, then Licensee will have final decision-making authority with respect to such Committee Dispute (b) to the extent such Committee Dispute relates to operational matters related solely to the Development, Manufacture or Commercialization of the Licensed Products outside of the Territory, then Licensor will have final decision-making authority with respect to such Committee Dispute and (c) all other Committee Disputes shall be escalated to the dispute resolution mechanism procedures set forth in [Section 12.11](#).

3.5 General JSC Authority. The JSC has solely the powers expressly assigned to it in this Article 3. The JSC will not have any power to amend, modify, or waive compliance with this Agreement. The JSC will continue to exist until: (a) the Parties mutually agree to disband the JSC (b) such time as there is no further Development of Licensed Products in support of new or existing Regulatory Approvals ongoing or anticipated (excluding investigator initiated trials and post- approval trials) or (c) the expiration of the Royalty Term with respect to all Major Markets in the Territory, provided that following the First Commercial Sale of a Licensed Product in the U.S. and the EU (through the centralized procedure), the frequency of the JSC meetings shall be reduced to [\*\*\*] per year.

#### **ARTICLE 4** **Development; Commercialization**

4.1 General. Licensee shall have sole right and responsibility, at its sole cost and expense, to (a) Develop the Licensed Compound and Licensed Products (including obtaining and maintaining Regulatory Approval for such Licensed Products) for use in the Field in the Territory, and (b) Commercialize the Licensed Products in the Field in the Territory.

4.2 Diligence. Licensee shall use Commercially Reasonable Efforts (for purposes of clarity, itself or through an Affiliate or Sublicensee) to Develop and to obtain Regulatory Approval of at least one (1) Licensed Product in each of the Major Markets other than Japan. Without limitation to the foregoing, Licensee shall file an IND for a Licensed Product within [\*\*\*] after receipt from Licensor of the information and materials listed in Exhibit F and shall commence a Phase 1 Clinical Trial for a Licensed Product within [\*\*\*] after IND acceptance, but in any event no later than [\*\*\*] after receipt from Licensor of the information and materials listed in Exhibit F.

#### 4.3 Regulatory Filings.

##### (a) Regulatory Responsibilities; Ownership of Regulatory Filings and Regulatory Approvals.

(i) Licensee shall bear all responsibility for seeking and obtaining all Regulatory Approvals for the Licensed Product in the Field in the Territory. As between the Parties, Licensee will undertake such activities at its sole expense.

(ii) Except for any INDs filed by Licensor in the Territory with respect to Clinical Trials to be conducted by Licensor in the Territory for purposes of obtaining Regulatory Approval of the Licensed Product in Japan (which Regulatory Filings, the “**Licensor Regulatory Filings**”, shall be owned by Licensor), Licensee (or a Sublicensee) shall be responsible, at their expense, for filing, obtaining and maintaining, and shall own, all Regulatory Filings for the Licensed Product in the Territory.

(iii) All Regulatory Approvals relating to the Licensed Product in the Territory shall be owned by, and shall be the sole property and held in the name of, Licensee, provided that Licensee may transfer Regulatory Approvals for the Product in a given country to its Affiliate or its Sublicensee to the extent, in the case of a Sublicensee, that such Sublicensee has been delegated primary responsibility for the commercialization of the Product in such country.

(b) Regulatory Cooperation in the Territory.

(i) Promptly following each formal meeting between Licensee (or any Related Party delegated responsibility for Development) and the FDA or EMA, Licensee shall provide Licensor with a copy of the official minutes of such meeting;

(ii) Licensee shall provide Licensor with a copy [\*\*\*]

(iii) Within [\*\*\*] after the earlier of [\*\*\*]. Such meeting shall take place in person or by audio or video teleconference as mutually agreed by Licensor and Licensee, provided that in the absence of such agreement, the meeting shall be by audio teleconference. [\*\*\*].

(iv) Licensee (or if applicable, the Related Party) shall prepare and provide to Licensor, on a rolling basis, [\*\*\*]; and

(v) Promptly following written request by Licensor, Licensee shall provide to Licensor a copy of the final labeling for the Licensed Product (including the Company Core Data Sheet) in the local language in each Major Market in the Territory in which Licensee or Related Party obtains Regulatory Approvals. Licensee need supply such copy only once.

(vi) In addition, Licensee shall provide to Licensor such information as Licensor may reasonably request from time to time, so that Licensor may keep reasonably informed as to other Development and Regulatory activities and progress with respect to the Licensed Product.

(c) Regulatory Cooperation outside the Territory.

(i) Promptly following each formal meeting between Licensor (or any of an Associated Party delegated responsibility for Development) and any Regulatory Authority in Japan, Licensor shall provide Licensee with a copy of the official minutes of such meeting in the language in which they were created (i.e., without translation), unless Licensor has previously had English translations of such minutes made, in which case such translations shall also be provided if in Licensor's possession. Notwithstanding the foregoing, if an English translation of any such minutes does not exist, upon Licensee's written request, Licensor will provide Licensee with a brief summary of such minutes in English.

(ii) Within [\*\*\*] after the earlier of [\*\*\*]. Such meeting shall take place in person or by audio or video teleconference as mutually agreed by Licensor and Licensee, provided that in the absence of such agreement, the meeting shall be by audio teleconference. [\*\*\*].

(iii) Licensor (or its Associated Party) shall prepare and provide to Licensee, on a rolling basis, [\*\*\*]; and

(iv) Promptly following written request by Licensee, Licensor shall provide to Licensee a copy of the final labeling for the Licensed Product (including the Company Core Data Sheet) in the local language in Japan in which Licensor (or its Associated Party) obtains Regulatory Approvals. Licensor need supply such copy only once. If Licensor has previously had English translations of such labeling made, such translations shall also be provided if in Licensor's possession.

(v) In addition, Licensor shall provide to Licensee such information as Licensee may reasonably request from time to time, so that Licensee may keep reasonably informed as to other Development and Regulatory activities and progress with respect to the Licensed Product.

#### 4.4 Clinical Trials.

##### (a) Clinical Trials by Licensor in the Territory.

(i) Licensor retains the right to perform Development of the Licensed Compound and/or Licensed Product in countries of the Territory solely for purposes of obtaining Regulatory Approval for use of the Licensed Product outside the Territory, in accordance with this Section 4.4(a). With respect to any Clinical Trials of the Licensed Product that Licensor or an Associated Party wishes to conduct in the Territory, [\*\*\*] listed on Exhibit G. Licensor (and if applicable, its Associated Party) shall comply with the terms of Section 4.4(a)(ii), in connection with any such Clinical Trial.

(ii) In connection with any Clinical Trial to be conducted by Licensor or its Associated Party in the Territory as contemplated under Section 4.4(a)(i), Licensor shall provide [\*\*\*]. Licensor shall notify Licensee when the final IND has passed validation testing and is ready for submission to the applicable Regulatory Authority. Licensor shall notify the Licensee at least [\*\*\*] prior to submission of such final IND to the applicable Regulatory Authority.

##### (b) Clinical Trials by Licensee outside the Territory.

(i) Licensee has been granted the right and license under Section 2.1(a) to perform Development of the Licensed Compound and/or Licensed Product outside the Territory solely for purposes of obtaining Regulatory Approval for use of the Licensed Product in the Field in the Territory, in accordance with this Section 4.4(b). To the extent any such Development consists of conducting Clinical Trials outside the Territory, Licensee's right to conduct such Clinical Trials outside the Territory shall be subject to [\*\*\*].

(ii) In connection with any Clinical Trial to be conducted by or on behalf of Licensee or a Related Party outside the Territory as contemplated under Section 4.4(b)(i), Licensee shall [\*\*\*]. Licensee shall notify Licensor when the final IND has passed validation testing and is ready for submission to the applicable Regulatory Authority. Licensee shall notify the Licensor at least [\*\*\*] prior to submission of such final IND to the applicable Regulatory Authority. Upon Licensee's request, Licensor agrees to provide Licensee with reasonable assistance in its interactions with the Regulatory Authorities in Japan in connection with filing of an IND to conduct Clinical Trials in Japan as contemplated in this Section 4.4(b)(ii), subject to Licensee's reimbursement of Licensor's out-of-pocket costs incurred in providing such assistance.



(iii) In the event that Licensor elects to utilize in a Clinical Trial of the Licensed Product that it is conducting outside the Territory one or more clinical sites that Licensee is using in Clinical Trial(s) of the Licensed Product that Licensee (or a Related Party) has been authorized to conduct pursuant to Section 4.4(b)(ii), Licensor shall [\*\*\*].

#### 4.5 Progress Reports.

(a) Until the First Commercial Sale of a Licensed Product, Licensee shall provide on a [\*\*\*], a reasonably detailed progress report to Licensor that summarizes the status of the Development efforts with respect to Licensed Products for the Territory, on a Licensed Product-by-Licensed Product basis, during such Calendar Year. Notwithstanding the foregoing, following the First Commercial Sale of a Licensed Product, for so long as Licensee or any Related Party is Developing Licensed Products, Licensee shall provide such progress reports on Development efforts [\*\*\*].

(b) Commencing in the Calendar Year in which Licensor (or its Associated Party) initiates the first Clinical Trial of a Licensed Product outside the Territory (or pursuant to Section 4.4(a) above, in the Territory) and continuing until the First Commercial Sale of a Licensed Product, Licensor shall provide [\*\*\*], a reasonably detailed progress report to Licensee that summarizes the status of the Development efforts with respect to Licensed Products for use outside the Territory, on a Licensed Product-by-Licensed Product basis, during such Calendar Year. Notwithstanding the foregoing, following the First Commercial Sale of a Licensed Product outside the Territory, for so long as Licensor or any Associated Party is Developing Licensed Products, Licensor shall provide such progress reports on Development efforts [\*\*\*].

#### 4.6 Pharmacovigilance.

(a) Each Party shall be responsible for all pharmacovigilance activities associated with the Licensed Product in its respective territory, including filing all reports required to be filed in order to maintain any IND for the Licensed Product filed by or under the authority of such Party, and/or any Regulatory Approvals granted for the Licensed Product, in its territory (including reporting of adverse drug experiences, product quality complaints and safety data relating to the Licensed Product in its territory). Each Party shall promptly notify the other Party with respect to any material safety changes or material safety issues that may arise in connection with any IND for the Licensed Product filed by or under the authority of the first Party, and/or any Regulatory Approvals for the Licensed Product, in any country within its territory. Each Party shall ensure that its Affiliates and licensees (and, in the case of Licensee, all Related Parties) comply with such reporting obligations. Licensee shall be responsible for core safety management of the Licensed Product on a global basis; and Licensor shall cooperate with and assist Licensee, as provided in any pharmacovigilance agreement executed by the Parties pursuant to Section 4.5(b) below, to enable Licensee to meet its regulatory reporting requirements with respect to the core safety management for the Licensed Product on a global basis.

(b) Following the Effective Date, with the precise timing to be mutually agreed upon by the Parties, but in any event prior to [\*\*\*], the Parties shall enter into a pharmacovigilance agreement on terms no less stringent than those required by applicable ICH Guidelines, including: [\*\*\*].

(c) Without limiting Sections 4.5(a) and (b) above, within a reasonable period of time following the Effective Date (with the precise timing to be mutually agreed upon by the Parties, but in any event prior to [\*\*\*]), each Party shall establish and thereafter maintain a safety database with respect to the Licensed Product in such Party's Territory, and shall exchange any safety data timely as established in the pharmacovigilance agreement between the Parties. The pharmacovigilance agreement shall include provisions to facilitate and ensure that each Party has sufficient information to maintain such a database.

4.7 Compliance. Licensee shall, and shall ensure that all Related Parties, and its and their subcontractors, conduct all Development, Manufacture and Commercialization of Licensed Products in compliance with all applicable Law.

#### 4.8 Development Plan.

(a) All Development activities to be conducted by Licensee or any Related Party in connection with any Licensed Compound or Licensed Product will be performed in accordance with the terms and conditions set forth in this Section 4.8 and the target product profile (“**TPP**”) and Development Plan. It is understood that [\*\*\*]. An initial development plan setting out [\*\*\*] is set forth in Exhibit D (“**Initial Development Plan**”). Licensee shall be entitled, from time to time, to [\*\*\*]; provided that Licensee shall promptly notify Licensor of [\*\*\*] and will [\*\*\*] within [\*\*\*] after [\*\*\*]. Licensee shall have no obligation to [\*\*\*].

(b) At least [\*\*\*] prior to [\*\*\*] outside the Territory (or pursuant to Section 4.4(a) above, in the Territory) Licensor will prepare and provide to Licensee an [\*\*\*] (“**Japan Development Plan**”). Licensor shall [\*\*\*] and agrees that [\*\*\*] and will [\*\*\*] within [\*\*\*] after [\*\*\*]. Licensor shall have no obligation to [\*\*\*].

(c) The obligations in this Section 4.8 shall automatically expire on a Licensed Product-by-Licensed Product basis upon [\*\*\*] in the case of Licensee, and [\*\*\*] in the case of Licensor.

#### 4.9 Right of Negotiation.

(a) If Licensee decides to commence negotiations of, or if Licensee receives a bona fide term sheet from a Third Party with respect to, any transaction or series of transactions involving any license, sale, assignment, transfer or material disposition by Licensee to a non-Affiliate of Licensee of rights with respect to the Licensed Product, whether directly or indirectly by Change of Control of Licensee (“**Transaction**”), Licensee shall promptly provide Licensor with written notice (the “**Transaction Notice**”).

(b) If, within [\*\*\*] of providing the Transaction Notice to Licensor, Licensor provides a written indication of interest (the “**IOI**”) to Licensee regarding Licensor's interest in negotiating the terms of [\*\*\*] (the “**Right of Negotiation**” or “**RON**”) [\*\*\*].

(c) The RON, and the terms of Sections 4.9(a) and 4.9(b), shall expire and be of no further force or effect from and after the closing of a Transaction with one or more non-Affiliate Third Parties involving any license, sale, assignment, transfer or material disposition by Cullinan Pearl, Inc., as Licensee, of all or substantially all of Licensee's rights with respect to the Licensed Product. No Transaction Revenue Sharing shall be applicable to any further license, sale, assignment, transfer or other disposition of rights by the Non-Affiliate Sublicensee or counter-party in such Transaction or any successor thereto or assignee thereof with respect to the Licensed Product after the closing of such Transaction. The RON shall expire and be of no further force or effect from and after the consummation of an IPO of Licensee.

(d) Notwithstanding anything to the contrary in this Section 4.9, if Licensee wishes to [\*\*\*].

(e) Notwithstanding Section 4.9(d) or 6.5, in the event an Affiliate of Licensor (i) is granted equity ownership representing [\*\*\*] of [\*\*\*] (the "[\*\*\*] Share Threshold"), calculated on a fully diluted basis, as of the effective date of Licensee's Transaction with [\*\*\*], with anti-dilution protection sufficient to maintain Licensor at the [\*\*\*]Share Threshold [\*\*\*] in financing by [\*\*\*](the "[\*\*\*]Threshold Financing"), (ii) is granted rights to purchase the same class and series of shares sold to investors through the completion of the [\*\*\*]Threshold Financing, representing up to an additional [\*\*\*] of [\*\*\*]capitalization, calculated on a fully diluted basis, immediately following the completion of the [\*\*\*]Threshold Financing, on the same terms and conditions as the other investors in [\*\*\*], and (iii) is granted the right to obtain a seat on the board of directors or equivalent managing body of [\*\*\*]and to appoint a board observer, all on the terms substantially identical to the rights that Licensor enjoys with respect to Licensee as described in the Equity Documents, then Transaction Revenue to be shared with Licensor shall exclude payments in connection with such sublicense by Licensee of exclusive commercialization rights in [\*\*\*], and the definitive agreements relating to [\*\*\*]shall not include terms relating to a right of negotiation or transaction revenue sharing equivalent to the RON or Transaction Revenue Sharing terms, respectively, found in this Agreement, nor any similar concepts, with respect to any further license, sale, assignment, transfer or other disposition of rights by [\*\*\*]. Licensor's equity ownership in [\*\*\*]shall be subject to other terms comparable (to the extent practicable under the laws governing [\*\*\*]) to those applicable to Licensor's equity ownership in Licensee.

#### 4.10 Commercialization.

(a) Sales and Distribution. Licensee shall be solely responsible for invoicing and booking sales, establishing all terms of sale (including pricing and discounts), warehousing and distributing the Licensed Products in the Field in the Territory and performing all related services, in each case, in a manner consistent with the terms and conditions of this Agreement. Licensee shall be solely responsible for handling all returns, recalls and withdrawals, order processing, invoicing and collection, distribution and inventory and receivables with respect to the Licensed Product in the Territory.

(b) Product Trademarks. Licensee shall have the right to determine and own the Product Trademarks to be used with respect to the Commercialization of the Licensed Products in the Field in the Territory.

(c) Markings. All packaging materials, labels and promotional materials for Licensed Products in the Field in the Territory shall, to the extent legally permitted, include a statement acknowledging that each Licensed Product is sold under license from Licensee, in each case, in reasonable size and prominence.

## ARTICLE 5 Manufacture and Supply of Product

### 5.1 Transferred Quantities.

(a) Initial Quantities. Licensor will transfer to Licensee the Initial Quantities in accordance with the terms and timelines set forth in the Initial Development Plan.

(b) Additional Quantities. Transfer of Additional Quantities to Licensee will occur in accordance with Schedule 1.75(b).

(c) Cost. Licensee will pay Licensor for the Transferred Quantities a price equal to Licensor's [\*\*\*]; provided, that in the event Licensor elects to outsource the manufacture of the Additional Quantities to a CMO, [\*\*\*].

### 5.2 Responsibility for Supply.

(a) Except for the Transferred Quantities to be supplied to Licensee by Licensor pursuant to Section 5.1 above, Licensee shall be responsible for manufacturing (or having manufactured) its requirements (and the requirements of all Related Parties) for Licensed Product in final finished form (including any intermediates or components thereof (including the Licensed Compound, drug product, fill/finish and any related packaging), collectively "**Product Materials**"), including all Licensed Product needed to carry out the Clinical Trials (and any non-clinical studies) necessary to obtain Regulatory Approval for the Licensed Product in the Territory, and following receipt of Regulatory Approval, for commercial sale in the Territory.

(b) Notwithstanding Section 5.2(a) above, until such time as first Regulatory Approval has been obtained for the Licensed Product in both the US and the EU (via the EMA centralized procedure), all manufacturing of Product Materials for use in connection with Pivotal Clinical Trials (and for any related non-clinical activities, including ongoing toxicology and stability studies) for the United States or EU (whether such Pivotal Clinical Trials are conducted by Licensee or a Related Party) shall be performed by one or more Qualified CMOs. Licensee and any such Related Party shall obtain such supply pursuant to a written agreement entered into by Licensee or such Related Party ("**Contracting Party**") with such Qualified CMO ("**Qualified CMO Supply Agreement**"), which agreement shall include reasonable technology transfer provisions to permit the Contracting Party to produce such Product Materials itself or through a designee of its choosing.

(c) Notwithstanding the foregoing, to the extent Licensee or a Related Party desires to produce Product Materials itself (i.e., in-house) and use such Product Materials in such Pivotal Clinical Trials, from and after such time as Licensor has entered into a mutually agreed supply agreement with Licensee or such Related Party for the supply of such Product Materials to Licensor, the same may be produced in-house by Licensee or such Related Party, as the case may be,

and used in such Pivotal Clinical Trials. For clarity, Licensee or a Related Party may take any and all actions necessary or desirable to establish such manufacturing of Product Materials itself (i.e., in-house) for use in connection with Pivotal Clinical Trials or Commercialization, provided that Licensee or such Related Party shall not actually use such Product Materials in such Pivotal Clinical Trials unless and until Licensee or such Related Party has entered into a mutually agreed supply agreement with Licensor for the supply of such Product Materials to Licensor.

### 5.3 Manufacturing Technology Transfer Plan; Development of Manufacturing Process.

(a) Licensor (directly or through the use of one or more contractors) shall, at Licensee's expense, transfer, disclose or otherwise make available to the Qualified CMO selected by Licensee the Licensed Know-How relating to [\*\*\*], all as further described in, and in accordance with, the 2011 Annex 7 WHO guidelines for transfer of technology in pharmaceutical manufacturing and the technology transfer plan to be mutually agreed upon by the Parties ("**Manufacturing Technology Transfer Plan**"). For clarity, Licensor's transfer obligations shall be [\*\*\*]. To the extent not specified in the Manufacturing Technology Transfer Plan, the Parties shall cooperate and reasonably agree upon formats and procedures to facilitate the orderly and efficient of such Licensed Know-How.

(b) It is understood and acknowledged that Licensor currently [\*\*\*]. Without limiting Section 5.3(a) above, upon Licensee's request, Licensor shall assist Licensee in [\*\*\*].

### 5.4 Licensor's Right to Take Supply of Product Materials from Qualified CMO(s).

(a) The Contracting Party shall provide to Licensor a complete and correct copy of each Qualified CMO Supply Agreement within [\*\*\*] after the execution thereof. For clarity, a Qualified CMO Supply Agreement shall refer to [\*\*\*].

(i) Upon request, the Contracting Party shall cooperate fully and reasonably with Licensor to enable and facilitate the negotiation and execution by Licensor of a reasonable and customary supply agreement directly between Licensor and each Qualified CMO for the timely supply to Licensor of the same Product Materials from such Qualified CMO on terms no less favorable than those in the applicable Qualified CMO Supply Agreement (including reasonable technology transfer provisions, to permit Licensor or its designated supplier to produce such Product Materials). Licensee shall ensure that the Contracting Party authorizes the Qualified CMO to utilize on Licensor's behalf (and as needed, to make available to Licensor) all information of Licensee and its Related Parties in the Qualified CMO's possession necessary for the production of Product Materials identical to those being produced under the applicable Qualified CMO Supply Agreements. In no event shall the Licensee nor a Related Party seek to restrict, impede or discourage any Qualified CMO from manufacturing Licensed Product for Licensor.

(b) For clarity, and without limiting any of the foregoing, it is understood that Licensor may manufacture, or obtain from another source supply of, some or all of its requirements of a Licensed Product (including, for clarity any modified formulation or dosage form of or packaging for a Licensed Product), or any Product Materials at any time and from time to time. If Licensor wishes to manufacture itself, or have manufactured, a Licensed Product and/or Product

Materials, in no event shall Licensee nor any Related Party attempt to limit the transfer to Licensor or its designee of the production process for the manufacture of such Licensed Product or Product Material, as applicable, including without limitation the manufacturing methods, test methods, specifications, materials, and other procedures, directions and controls associated with the manufacture and testing of such Licensed Product or Product Material, as the case may be, used by the Qualified CMO, to the extent the Licensee, such Related Party and/or such Qualified CMO Controls such parts of such production process.

(c) The intent of this Section 5.4 is that Licensor be able to obtain supply of Product Materials produced by the Qualified CMO(s) in sufficient quantities, on such timelines and otherwise as is reasonably necessary and customary for Licensor to Develop and Commercialize the Licensed Product outside the Territory without delay, and Licensee shall cooperate fully and reasonably and take such further actions as Licensor may reasonably request to achieve such objective, provided that this Section 5.4(c) shall not be construed to materially expand or alter Licensee's obligations under Sections 5.4(a) or (b) above.

## **ARTICLE 6**

### **Royalties and Payment Terms**

6.1 Initial Payment. Licensee shall pay to Licensor an initial, non-refundable, non-creditable, license fee of Two Million, Five Hundred Thousand U.S. Dollars (\$2,500,000.00) within thirty (30) days following the Effective Date, which may be provided by Licensor no earlier than the Effective Date.

6.2 Equity. In accordance with the terms of the Stock Subscription Agreement and other related documents (the "**Equity Documents**"), Licensee will issue to Licensor, on the Effective Date and as partial consideration for the licenses granted hereunder 1,860,000 shares of common stock of Licensee, representing ten percent (10%) of Licensee's outstanding capital stock on a Fully-Diluted Basis as of the date of such issuance after giving effect to such issuance (the "**Shares**"). The Equity Documents set forth all other terms applicable to the Shares, including rights relating to anti-dilution protection and restrictions on transfer.

#### 6.3 Milestone Payments.

(a) Development and Regulatory Approval Milestone Payments. Licensee shall pay Licensor the applicable, non-refundable, non-creditable, milestone payment set forth below within [\*\*\*] after the first achievement of each milestone event set forth below by or on behalf of Licensee or a Related Party.

<u>Table 6.3(a)</u>	
Development and Regulatory Approval Milestone Event	Milestone Payment
(A) [***]	[***]
(B) [***]	[***]
(C) [***]	[***]
(D) [***]	[***]
(E) [***]	[***]

(i) With respect to milestone events (C) and (E) in Table 6.3(a) above, [\*\*\*]. Without limiting the foregoing, it is understood that [\*\*\*].

(ii) With respect to milestone events (D) and (E) in Table 6.3(a) above, such milestone event shall be achieved [\*\*\*].

(iii) Each of the milestone payments set forth in above in Table 6.3(a) above is payable only once under this Agreement regardless of how many times the corresponding milestone event is achieved by or on behalf of Licensee or a Related Party with respect to one or more Licensed Products. For the avoidance of doubt, in no event shall Licensee be required to pay Licensor more than an aggregate of [\*\*\*] in milestone payments under this Section 6.3(a).

(b) Sales Milestone Payments. Licensee shall pay Licensor the applicable, non-refundable, non-creditable, milestone payment set forth below within [\*\*\*] after the first achievement of each milestone event set forth below by or on behalf of Licensee or a Related Party.

<u>Table 6.3(b)</u>	
Sales Milestone Event	Milestone Payment
(1) Aggregate Single Calendar Year Net Sales in the Territory of a Licensed Product [***]	[***]
(2) Aggregate Single Calendar Year Net Sales in the Territory of a Licensed Product [***]	[***]
(3) Aggregate Single Calendar Year Net Sales in the Territory of a Licensed Product [***]	[***]

(i) Each of the milestone payments set forth in Table 6.3(b) above is payable only once and only upon the first achievement of the applicable Sales Milestone Event in the Territory, and no amounts would be due for subsequent or repeated achievements. For clarity, more than one Sales Milestone Event may occur in a single Calendar Year. For further clarity, in no event shall Licensee be required to pay Licensor more than an aggregate of [\*\*\*] in milestone payments under Section 6.3(b).

(c) Milestone Event Notice. Within [\*\*\*] after Licensee becomes aware that a Development and Regulatory Approval Milestone Event or Sales Milestone Event was achieved, Licensee shall notify Licensor thereof in writing, including identifying the event and the date of its achievement. Without limiting the foregoing, Licensee further agrees to inform Licensor by [\*\*\*] if it believes that it is likely that any Sales Milestone Events that have not already been reported to Licensor are likely to be achieved in the current Calendar Year.

#### 6.4 Royalties.

(a) Royalties on Net Sales of Licensed Products. Licensee shall pay running royalties, on a country-by-country and Licensed Product-by-Licensed Product basis, to Licensor on the annual, aggregate Net Sales of each Licensed Product in the Territory during the applicable Royalty Term (such Royalty Term determined on a Licensed Product-by-Licensed Product and country-by-country basis) at the applicable royalty rates set forth below:

<u>Annual Aggregated Net Sales of a Licensed Product</u>	<u>Royalty Rate</u>
On the portion of annual Net Sales less than [***]	[***]
On the portion of annual Net Sales equal to or greater than [***]	[***]
On the portion of annual Net Sales equal to or greater than [***]	[***]
On the portion of annual Net Sales greater than [***]	[***]

(b) No Multiple Royalties. The obligation to pay royalties is imposed only once with respect to Net Sales of the same unit of a Licensed Product. If the Manufacture, use, sale or import of any Licensed Product is Covered by more than one Valid Claim of the Licensed Patent Rights, multiple royalties shall not be due. Solely for purposes of this Section 6.4, [\*\*\*].



(c) No Valid Claim. The royalties owing under this Agreement are attributable independently but concurrently to the Licensed Patent Rights as well as the grant of other rights and undertakings of Licensor in this Agreement (including the grant of rights to Licensed Know-How). However, if at any time during the Royalty Term a Third Party with respect to whom a Party or its designee has filed an Infringement Action asserts as a defense to such claim that the failure of the Parties to provide for a reduction in the royalty rate for Licensed Products that are not covered by a Licensed Patent constitutes patent misuse (or a violation of a comparable legal doctrine) which would render the Licensed Patent Rights unenforceable or invalid, then the royalty rate shall thereafter be reduced to the extent necessary to maintain the enforceability and/or validity of the Licensed Patent Rights.

(d) Third Party Royalty Offset. Subject to Section 6.6(e), if Licensee becomes obligated to pay a royalty to a Third Party with respect to any Blocking Patent (as defined below), [\*\*\*], Licensee, subject to the proviso to this sentence, may offset [\*\*\*] of any royalty payments payable by Licensee to such Third Party(ies) under such license(s) with respect to sales of such Licensed Product(s) in such country against the royalty payments that are due to Licensor with respect to Net Sales of such Licensed Products in such country. As used herein, "**Blocking Patent**" shall mean a Patent owned or controlled by a Third Party that is not a Related Party, which Patent covers the composition of matter of the Licensed Compound in the applicable country. For clarity, Licensee shall be responsible for making all payments to Third Parties in respect of intellectual property rights hereunder, except that Licensor shall be responsible for all payments to Third Parties in connection with any agreement between Licensor and any Third Party in effect as of the Effective Date.

(e) Generic Competition. Subject to Section 6.6(e), at any time during the Royalty Term, Generic Competition exists in a given country in the Territory when a Licensed Product is sold in such country by Licensee or a Related Party, then Licensee shall be entitled to reduce the royalties due to Licensor for such Licensed Product on a form by form and strength by strength basis in such country by [\*\*\*] for so long as such Generic Competition exists.

(f) Maximum Deductions. Notwithstanding anything in this Agreement to the contrary, under no circumstances shall the reductions set forth in Section 6.4(c), 6.4(d) or 6.4(e) cause the royalties payable to Licensor with respect to a given Licensed Product in any country in any Calendar Quarter to be reduced to less than [\*\*\*] of the amount that would otherwise be due (i.e., without giving effect to the reductions specified in these sections) with respect to such Licensed Product in such country in such Calendar Quarter and provided further that in no event shall the royalty rate with respect to any Product in any country ever be reduced to less than [\*\*\*]; provided that any amounts that are not offset during a Calendar Quarter shall be creditable against payments arising in subsequent Calendar Quarters.

(g) Discounting. In the event that Licensee or a Related Party (each, a "**Selling Party**") sell Licensed Product to a Third Party who also purchases other products or services from Licensee or such Related Party, and for the purpose of promoting the sale of such other products or services, such Selling Party discounts the purchase price of the Licensed Product to a greater degree than such Selling Party generally discounts the price of their other products or services to such customer then, in such case, for purposes of calculating the royalty owing to Licensor, the purchase price of the Licensed Product by Third Party shall be deemed to [\*\*\*].

6.5 Transaction Revenue. In the event (i) Licensor does not exercise its Right of Negotiation under Section 4.9 with respect to a Licensed Product, or (ii) Licensor does exercise its Right of Negotiation, but the Parties do not consummate a Transaction with respect to a Licensed Product, and, in either case (i) or (ii):

(a) Licensee subsequently enters into a Transaction with one or more Third Parties for less than all or substantially all of Licensee's rights in such Licensed Product, Licensee shall pay to Licensor a portion of the Transaction Revenue for such Transaction at the percentage rate and under the terms set forth below based on the stage of development of such Licensed Product as of the date such Transaction first becomes effective (the resulting amount to be "**Transaction Revenue Sharing**"):

<u>Effective Date of Transaction</u>	<u>Table 6.5(a)</u>
	<u>Percentage</u>
[***]	[***]
[***]	[***]

(b) Licensee subsequently enters into a Transaction with one or more Third Parties for all or substantially all of Licensee's rights in such Licensed Product, Licensee shall pay to Licensor the following Transaction Revenue Sharing based on the stage of development of such Licensed Product as of the date such Transaction first becomes effective, provided that no Transaction Revenue Sharing shall be due or payable under this Section 6.5(b) following consummation of an IPO of Licensee:

<u>Effective Date of Transaction</u>	<u>Table 6.5(b)</u>
	<u>Percentage</u>
[***]	[***]
[***]	[***]

(c) For purposes of this Section 6.5, including Tables 6.5(a) and 6.5(b),

(i) [\*\*\*]

(ii) A Transaction will be deemed to consist of “substantially all” of a Licensee’s rights in the Licensed Product if such Transaction (A) represents a Change of Control of Licensee under Section 1.9(b) or (c), or (B) consists of an out-license pursuant to which Qualified Sublicensee receives [\*\*\*].

(d) For any Transaction Revenue Sharing due under this Section 6.5, Licensee shall make such Transaction Revenue Sharing within [\*\*\*] following the receipt of the applicable Transaction Revenue. All payments shall be accompanied by a report that includes a calculation of all payments payable to Licensor under this Section 6.5.

6.6 Reports, Payments and Accounting.

(a) Reports and Payments. Licensee shall deliver to Licensor, within [\*\*\*] in which the First Commercial Sale of a Licensed Product occurs, a written report (each, a “Royalty Report”) setting out all details necessary to calculate the payments due under Section 6.4, including:

(i) [\*\*\*]

(ii) [\*\*\*]

(iii) [\*\*\*]

(iv) [\*\*\*]

(v) [\*\*\*]

(vi) [\*\*\*]

(vii) [\*\*\*]

(viii) [\*\*\*]

When Licensee delivers the Royalty Report to Licensor, Licensee shall also deliver all amounts due under Section 6.4 to Licensor for the Calendar Quarter.

(b) Audits by Licensor. Licensee shall keep, and shall require the Related Parties to keep, complete, true and accurate books of accounts and records of the [\*\*\*] Calendar Years of sales of Licensed Products for the purpose of determining the amounts payable to Licensor pursuant to this Agreement. At the reasonable request of Licensor, Licensee shall, and shall cause its Affiliates and shall use reasonable efforts to require its Non-Affiliate Sublicensees to permit an independent, certified public accountant (chosen by Licensor and reasonably acceptable to Licensee) to review, at Licensor's expense, such records in the location(s) where such records are maintained by Licensee or its applicable Affiliate(s) or Non-Affiliate Sublicensee during regular business hours for the sole purpose of verifying Licensee's compliance with its payment obligations hereunder. Such audit right may be exercised by Licensor [\*\*\*]each Calendar Year (except in the case of fraud), [\*\*\*]with respect to any Calendar Quarter (except in the case of fraud). If Licensee is unable to obtain from any Non-Affiliate Sublicensee a right for Licensor (through an independent certified public accountant designated by Licensor) to audit the equivalent books and records of such Non-Affiliate Sublicensee, Licensee shall obtain the right to inspect and audit such Non-Affiliate Sublicensee's books and records for itself and shall exercise such audit rights on behalf of Licensor upon Licensor's written request and disclose the results of any such audit to Licensor in accordance with the terms of this Agreement. The results of such review shall be made available to Licensee at the same time as such results are made available to Licensor. If the review reflects an underpayment to Licensor, such underpayment shall be promptly remitted to Licensor, together with interest calculated in the manner provided in Section 6.6(c). If the underpayment is equal to or greater than [\*\*\*] of the amount that was otherwise due, Licensor shall be entitled to have Licensee pay all of the reasonable costs of such review, and such review shall not count as the [\*\*\*] review Licensor is entitled to conduct hereunder. Each report provided by Licensee shall be deemed final and not subject to challenge, except in the event of fraud or other willful misconduct, [\*\*\*] after the date furnished to Licensor.

(c) Late Payments. Licensee shall pay interest to Licensor on the aggregate amount of any payment that is not paid on or before the date such payment is due under this Agreement at a rate per annum equal to the prime rate in the United States of Citibank, NA (or its successor bank) as in effect on the date such payment is due plus [\*\*\*], calculated daily (on the basis of a 365-day year) for the period during which such payment remains overdue.

(d) Mode of Payment; Currency Conversion. All payments under this Agreement, shall be made by deposit of U.S. Dollars in the requisite amount to such bank account as Licensor may from time to time designate by notice to Licensee. For the purpose of calculation of Net Sales expressed in currencies other than U.S. Dollars, Licensee shall convert any amount expressed in a foreign currency into U.S. Dollar equivalents using a rate of exchange as published in The Wall Street Journal (U.S. Eastern Edition) on last day of the Calendar Quarter in which such Net Sales were made or using another commercially reasonable method and commercially reasonable rates with Licensor's consent, such consent not to be unreasonably withheld, conditioned or delayed.

(e) Taxes. If Licensee is required to withhold taxes imposed upon royalty payments or other payments due hereunder, then Licensee may deduct from such payments any such withholding taxes and shall pay such withheld amounts to the proper tax authorities for credit to the tax account of Licensor. Licensee shall provide to Licensor official receipts of payment of any such withholding taxes promptly after payment. Licensee shall provide Licensor with reasonable assistance in efforts by Licensor to reduce any withholding taxes as far as possible under the provisions of any relevant tax treaty or other statutory or regulatory provision. The Parties shall discuss applicable mechanisms for minimizing such taxes to extent possible in compliance with Law. In addition, the Parties shall cooperate in accordance with Law to minimize indirect taxes (such as value added tax, sales tax, consumption tax and other similar taxes) in connection with this Agreement.

## **ARTICLE 7**

### **Intellectual Property Protection and Related Matters**

7.1 Ownership. As between the Parties, each Party shall solely own all Intellectual Property, including Patent Rights related thereto, made, conceived, reduced to practice, or otherwise discovered, whether prior to, on or after the Effective Date, solely by employees, agents and consultants of such Party or its Affiliates. Each Party shall own an equal, undivided interest in all Intellectual Property, including Patent Rights related thereto, made, conceived, reduced to practice, or otherwise discovered in the course of conducting such Party's obligations or exercising its rights under this Agreement, jointly by or on behalf of each Party (or their respective Affiliates, independent contractors or sublicensees (including Sublicensees) or its or their respective directors, officers, employees or agents) (collectively, "**Joint Inventions**" and the Patent Rights based on or Covering such Joint Inventions, the "**Joint Patent Rights**"). Each Party shall have full rights to license, assign and exploit such Party's interest in such Joint Inventions and Joint Patent Rights anywhere in the world, without any requirement of gaining the consent of, or accounting to, the other Party, subject to the licenses granted herein and subject to any other intellectual property held by such other Party. Each Party shall promptly disclose to the other all Joint Inventions, in each case, including all invention disclosures or other similar documents submitted to such Party by its, or its Affiliates', independent contractors' or sublicensees' (including Sublicensees') directors, officers, employees or agents describing such Joint Inventions. For purposes of determining ownership under this Section 7.1, inventorship shall be determined in accordance with the Laws of the United States.

#### 7.2 Prosecution and Maintenance of Licensed Patent Rights.

(a) As of the Effective Date, subject to subparagraph (c) below, Licensee shall assume responsibility for the Prosecution and Maintenance of all Licensed Patent Rights in the Territory and shall have the first right, at its sole expense and discretion, to Prosecute and Maintain all Licensed Patent Rights in the Territory using patent counsel of its choice. Licensor shall use its best efforts to transition the Prosecution and Maintenance of all Licensed Patent Rights to Licensee promptly following the Effective Date and to reasonably assist Licensee in such transition and assumption. In the event Licensee fails or chooses not to Prosecute or Maintain any Licensed Patent Rights in a country in the Territory, Licensor shall have the right, but not the obligation, at its sole expense and discretion, to Prosecute and Maintain such Licensed Patent Rights in such country.

(b) Licensor shall have responsibility for the Prosecution and Maintenance of all Licensed Patent Rights outside the Territory and shall have the first right, at its sole expense and discretion, to Prosecute and Maintain all Licensed Patent Rights outside the Territory using patent counsel of its choice. In the event Licensor fails or chooses not to Prosecute or Maintain any Licensed Patent Rights in a country outside the Territory, Licensee shall have the right, but not the obligation, at its sole expense and discretion, to Prosecute and Maintain such Licensed Patent Rights in such country.

(c) With respect to the Prosecution and Maintenance of Licensed Patent Rights, the Prosecuting Party shall: (i) instruct its patent counsel to furnish the other Party with copies of all correspondence relating to the Licensed Patent Rights received from the United States Patent and Trademark Office and any other patent office promptly after receipt; (iii) instruct such patent counsel to furnish the other Party with copies of all correspondence relating to the Licensed Patent Rights sent to the United States Patent and Trademark Office and any other patent office promptly after it is sent; (iv) instruct such patent counsel to furnish the other Party with copies of all proposed filings or other correspondence to the United States Patent and Trademark Office and any other patent office sufficiently in advance of such filing to permit the other Party a reasonable opportunity to review and comment on such response; and (v) supply the other Party with a copy of each patent application within the Licensed Patent Rights as filed, together with notice of its filing date and serial number. The Prosecuting Party shall consider in good faith the comments and requests of the other Party with respect to the Prosecution and Maintenance of the applicable Licensed Patent Rights but will retain the final decision making authority with respect to the Licensed Patent Rights it is prosecuting. Notwithstanding the foregoing, to the extent any claims of any Licensed Patent Rights in the Territory are directed to subject matter other than Licensed Compound or Licensed Product or its or their manufacture or use, Licensee shall take direction from Licensor with respect to the prosecution of such claims and shall implement Licensor's requests with respect to such prosecution, it being understood that Licensor shall have the final decision making authority with respect to the Prosecution and Maintenance of such claims to the extent not directed to Licensed Compound or Licensed Product or its or their manufacture or use.

(d) During the Term, Licensee shall notify Licensor at least [\*\*\*] in advance of the next deadline if (A) Licensee decides that it does not wish to continue paying for the Prosecution and Maintenance of a particular patent or patent application within the Licensed Patent Rights anywhere in the world for which no substitute has been filed, or (B) Licensee decides that it intends to expressly abandon claim scope in a particular patent or patent application within the Licensed Patent Rights. In such cases (A) or (B), Licensor shall have the right to assume sole responsibility for Prosecution and Maintenance of the respective patent or patent application within the Licensed Patent Rights. If the Licensor assumes such responsibility, with respect to clause (B), such sole responsibility will be assumed for the claim scope by filing a continuing application restricted to such abandoned claim scope. If Licensor assumes such responsibility, then Licensor shall be deemed the new Prosecuting Party and: (1) Licensor may designate any counsel of its choice to handle the Prosecution and Maintenance of such patent or patent application or of the continuing application; (2) Licensor, shall initially bear the cost of such Prosecution and Maintenance but shall be entitled to recover its out-of-pocket costs for such Prosecution and Maintenance from Licensee on a quarterly basis, provided that if Licensee does not wish to reimburse such costs it shall so inform Licensor and Licensee's licenses under such patent or patent application shall terminate; and (3) Licensee shall cooperate reasonably, at its sole cost and expense, with Licensor in such Prosecution and Maintenance.

(e) Both Parties shall reasonably cooperate with each other and patent counsel in Prosecution and Maintenance of the Licensed Patent Rights in all countries, including, as applicable,

- (i) providing patent counsel with data and other information as appropriate with respect thereto,
- (ii) providing any necessary powers of attorney (including limited powers of attorney) and
- (iii) executing any other required documents or instruments for such Prosecution and Maintenance.

(f) The Party controlling the Prosecution and Maintenance of the applicable Licensed Patent Rights in accordance with Section 7.2(a), 7.2(b) or 7.2(c), as applicable, is referred to as the “Prosecuting Party”. Except as otherwise set forth in Section 7.2(b), the Prosecuting Party shall be responsible for all fees and costs charged by patent counsel with respect to the Prosecution and Maintenance of the applicable Licensed Patent Rights and all other out-of-pocket costs and expenses incurred by the Prosecuting Party in connection with such Prosecution and Maintenance of the applicable Licensed Patent Rights during the Term. For clarity, such expenses shall not include any expenses of the other Party incurred by such other Party in connection with (i) its rights to review and comment on patent prosecution, (ii) its rights to undertake enforcement actions, or (iii) any actions undertaken by such other Party other than at the Prosecuting Party’s request. The Prosecuting Party also agrees not to knowingly take any action to materially diminish the value of the Licensed Patent Rights.

### 7.3 Third Party Infringement.

(a) Notice. Each Party shall notify the other Party promptly of any knowledge it acquires of any actual or potential (i) infringements of the Licensed Patent Rights or (ii) unauthorized use or misappropriation of any of the Licensed Know-How, in each case of (i) and (ii), with respect to the manufacture or sale or use by a Third Party in any country in the Territory of a product that would fall within the scope of Licensee’s exclusive licenses under Section 2.1 were it being manufactured, sold or used by Licensee (“**Infringing Product**”) and shall provide the other Party with all available evidence regarding such known or suspected infringement or unauthorized use.

#### (b) Enforcement.

(i) Licensee shall have the first right, but not the obligation, to initiate a lawsuit or take other reasonable action to enforce the Licensed Patent Rights and to defend the Licensed Know-How, in each case solely in the case of infringement or unauthorized use or misappropriation related to an Infringing Product, or its Manufacture, use, sale or import, in the Field in the Territory. If Licensee does not intend to initiate a lawsuit or take other reasonable action to enforce the Licensed Patent Rights and/or defend the Licensed Know- How, Licensee shall notify Licensor, and Licensor agrees to meet with Licensee promptly, but in any event within [\*\*\*], after such notice, if requested by Licensee, in order for Licensee to discuss with Licensor the reasons for Licensee’s intention. Before Licensor commences an action with respect to any Infringement, Licensee shall consider in good faith the views of Licensee and potential effects on the public interest in making its decision whether to sue. If Licensee does not initiate a lawsuit or take other reasonable action to enforce the Licensed Patent Rights and/or defend the Licensed Know- How within one hundred [\*\*\*] of receipt of a request by Licensor to initiate an enforcement proceeding, or if an legal proceeding must be commenced earlier than such [\*\*\*] period to avoid a loss of rights, then no later than [\*\*\*] prior to such deadline, then Licensor shall be entitled to initiate infringement proceedings or take other appropriate action against an Infringing

Product at its own expense and to include Licensee as a nominal party plaintiff; provided, however, that before Licensor initiates a lawsuit or takes other reasonable action to enforce the Licensed Patent Rights and/or defend the Licensed Know- How, Licensor has considered in good faith the reasons of Licensee for not taking such action. Notwithstanding the foregoing, in the event written notice is give under the Drug Price Competition and Patent Term Restoration Act of 1984 (the “Act”), then the Party in receipt of such notice under the Act shall promptly notify the other Party. In such case the time period for Licensee to decide whether to file suit will be accelerated to within [\*\*\*] of the date of such notice under the Act. The enforcing Party shall have the sole and exclusive right to select the counsel for such action and full control over the conduct of such, including settlement thereof; provided, however, that the enforcing Party may not settle any such action, or make any admissions or assert any position in such action, in a manner that would materially adversely affect the rights or interests of the non-enforcing Party, without the prior written consent of the non-enforcing Party, which shall not be unreasonably withheld or delayed.

(ii) The Parties shall keep one another informed of the status of their respective activities regarding any litigation or settlement thereof concerning the Licensed Patent Rights or the Licensed Know-How in the Territory and each shall assist the other and cooperate fully in the prosecution of any such suit or action as may be reasonably requested by the Party conducting such action, including joining any action as party-plaintiff if required by law, regulation or court or administrative order; provided that the enforcing Party shall promptly reimburse all out-of-pocket expenses (including reasonable counsel fees and expenses) actually incurred by the non-enforcing Party in connection with such cooperation.

(iii) Any amount recovered in any suit or action or settlement of any such suit or action brought pursuant to this Section 7.3(b) shall first be used to reimburse the actual out-of-pocket expenses (including attorneys’ fees) of the Party conducting such action. Any excess amount of such a recovery shall be allocated as follows: [\*\*\*].

7.4 Patent Invalidation Claim. During the Term, each Party shall promptly notify the other Party in the event of any legal or administrative action by any Third Party against a Licensed Patent Right of which such Party becomes aware, including any nullity, revocation, reexamination or compulsory license proceeding or similar proceeding. Licensee shall have the first right, but not the obligation, through counsel of its choosing, at its sole cost and expense, to defend against such action or claim. If Licensee fails to accept control of the defense of such a claim within [\*\*\*] after receiving notice thereof from, or giving notice thereof to, Licensor, Licensor shall have the right, through counsel of its choosing, at its sole cost and expense, to defend against such action or claim. Notwithstanding the foregoing, to the extent such action is in connection with an enforcement of such Patent Right under Section 7.3, the rights with respect to defending any such Patent Right in any such proceeding shall correspond to those set forth in Section 7.3, and the non- enforcing Party, shall cooperate fully with the enforcing Party in preparing and formulating a response to such legal or administrative action.



7.5 Third Party Infringement Claims. If the production, sale or use of the any Licensed Product in or outside the Territory results in a claim, suit or proceeding alleging patent infringement against Licensee or Licensor (or their respective Affiliates, licensees or Sublicensees) (collectively, “**Infringement Actions**”), such Party shall promptly notify the other Party hereto in writing. The Party subject to such Infringement Action shall have the right to direct and control the defense thereof, at its own expense with counsel of its choice; provided, however, that (i) if such Infringement Action involves the Territory, Licensee shall have the right to assume the defense thereof in the Territory and to direct and control the defense thereof, at its own expense with counsel of its choice, (ii) if such Infringement Action involves Japan, Licensor shall have the right to assume the defense thereof within Japan and to direct and control the defense thereof, at its own expense with counsel of its choice, (iii) if such Infringement Action involves both the Territory and Japan, the Parties shall cooperate in good faith with respect to their respective defenses of such Infringement Actions, and (iv) in all cases the other Party may participate in the defense and/or settlement thereof, at its own expense with counsel of its choice. In any event, the Party that is defending the Infringement Action (the “**Defending Party**”) agrees to keep the other Party hereto reasonably informed of all material developments in connection with any such Infringement Action and the Parties shall reasonably cooperate in the defense of any such suit or Infringement Action. If Licensee is the Defending Party, Licensee agrees not to settle such Infringement Action, or make any admissions or assert any position in such Infringement Action, in a manner that would adversely affect the Licensed Product or the manufacture, use or sale of the Licensed Product within or outside the Territory, without the prior written consent of Licensor, which shall not be unreasonably withheld or delayed; and similarly if Licensor is the Defending Party, Licensor agrees not to settle such Infringement Action, or make any admissions or assert any position in such Infringement Action, in a manner that would adversely affect the Licensed Product, or the manufacturing, use or sale of the Licensed Product, in the Territory, without the prior written consent of Licensee, which shall not be unreasonably withheld or delayed.

7.6 Patent Term Extensions Licensee shall have the sole right to obtain patent term extensions or supplemental protection certificates or their equivalents with respect to any Licensed Product in the Field in the Territory, including with respect to any Licensed Patent Right in any country in the Territory, and Licensor shall reasonably cooperate with Licensee in connection therewith.

7.7 Patent Marking. Licensee agrees to mark, and have Related Parties mark, all patented Licensed Products they sell or distribute pursuant to this Agreement in accordance with the applicable patent statutes or regulations in the country or countries of sale thereof.

#### 7.8 Product Trademark.

(a) Maintenance and Prosecution of Product Trademarks. Licensee shall own all right, title, and interest to the Product Trademarks in the Territory, and shall be responsible for the registration, prosecution, and maintenance thereof. All costs and expenses of registering, prosecuting, and maintaining the Product Trademarks shall be borne solely by Licensee.

(b) Enforcement of Product Trademarks. Licensee shall have the right and responsibility for taking against a Third Party based on any alleged, threatened, or actual infringement, dilution, misappropriation, or other violation of, or unfair trade practices or any other like offense relating to, the Product Trademarks by a Third Party in the Territory. Licensee shall bear the costs and expenses relating to any enforcement action commenced pursuant to this Section 7.8(b) and any settlements and judgments with respect thereto, and shall retain any damages or other amounts collected in connection therewith.

(c) **Third Party Claims.** Licensee shall have the right and responsibility for defending against any alleged, threatened, or actual claim by a Third Party that the use or registration of the Product Trademarks in the Territory infringes, dilutes, misappropriates, or otherwise violates any Trademark or other right of such Third Party or constitutes unfair trade practices or any other like offense, or any other claims as may be brought by a Third Party against a Party in connection with the use of the Product Trademarks with respect to a Licensed Product in the Territory. Licensee shall bear the costs and expenses relating to any defense commenced pursuant to this [Section 7.8\(c\)](#) and any settlements and judgments with respect thereto, and shall retain any damages or other amounts collected in connection therewith.

(d) Licensor may use the Product Trademark to market the Licensed Product in Japan as may be mutually agreed by the Parties.

## **ARTICLE 8**

### **Confidentiality**

8.1 **Confidential Obligations.** Each Party shall (a) maintain in strict confidence the Confidential Information of the other Party to the same extent such Party maintains its own confidential information, but in no event less than a reasonable degree of care, (b) not disclose such Confidential Information to any Third Party without the prior written consent of the other Party (except as permitted pursuant to [Section 8.3](#) below), and (c) not use such Confidential Information for any purpose except those expressly permitted by this Agreement (including in the case of Licensor, the Development, Manufacture and Commercialization of Licensed Products for sale and use outside the Territory). The obligations of confidentiality, non-disclosure and non-use under this [Section 8.1](#) shall be in full force during the Term and for a period of [\*\*\*] thereafter. Each Party, upon the request of the other Party, will return all copies of or destroy (and certify such destruction in writing) the Confidential Information disclosed or transferred to it by the other Party pursuant to this Agreement, within [\*\*\*] of such request or, if earlier, the termination or expiration of this Agreement; provided however that a Party may retain (i) Confidential Information of the other Party which expressly survives such termination pursuant to this Agreement, and (ii) one (1) copy of all other Confidential Information in archives solely for the purpose of establishing the contents thereof; provided, further, that a Party is not required to return or destroy Confidential Information contained in electronic back-ups unless and until such Confidential Information is accessed. For clarity, it is acknowledged and agreed that (A) the Confidential Information of Licensee includes (x) unpublished patent applications within the Licensed Patent Rights, and (y) any reports or other information provided to Licensor hereunder and (b) Licensed Know-How shall be the Confidential Information of both Parties.

8.2 **Exceptions to Confidentiality.** Notwithstanding the foregoing, the obligations of confidentiality set forth in [Section 8.1](#) shall not apply to [information that, in each case as demonstrated by competent written](#) documentation:

(a) is publicly disclosed or made generally available to the public by the Disclosing Party, either before or after it becomes known to the Receiving Party;

(b) was known to the Receiving Party, without any obligation to keep it confidential, prior to the date of first disclosure by the Disclosing Party to the Receiving Party, as shown by the Receiving Party's files and records;

(c) is subsequently disclosed to the Receiving Party by a Third Party lawfully in possession thereof without obligation to keep it confidential and without a breach of such Third Party's obligations of confidentiality;

(d) has been publicly disclosed or made generally available to the public other than through any act or omission of the Receiving Party or its Affiliates in breach of this Agreement; or

(e) has been independently developed by the Receiving Party without the aid, application or use of the Disclosing Party's Confidential Information (the competent written proof of which must be contemporaneous with such independent development).

8.3 Authorized Disclosure. Notwithstanding Section 8.1, a Party may disclose Confidential Information of the other Party to the extent such disclosure is reasonably necessary in the following instances:

(a) Prosecuting and Maintaining Patent Rights in accordance with this Agreement; *provided* that the non-filing Party whose Confidential Information is being disclosed is given a reasonable opportunity to review the proposed disclosure of such Confidential Information and the filing Party considers in good faith any comments provided by the non-filing Party;

(b) communicating and making filings with Regulatory Authorities or otherwise complying with applicable Law or submitting information to tax or other governmental authorities; *provided* that if a Party is required by Law to make any public disclosure of Confidential Information of the other Party, to the extent it may legally do so, it will give reasonable advance written notice to the other Party of such disclosure and will use its reasonable efforts to secure confidential treatment of such Confidential Information prior to its disclosure (whether through protective orders or otherwise);

(c) for Regulatory Approval of Licensed Products or to Develop, Manufacture, have Manufactured, Commercialize or otherwise exploit Licensed products in accordance with this Agreement;

(d) to its Affiliates, and to prospective and actual acquirers, lenders, licensees, and sublicensees, and to each of their employees, consultants, contractors, agents, accountants, lawyers, advisors, investors and underwriters, on a need to know basis, each of whom, in the case of Third Parties, prior to disclosure must be bound by written or professional ethical obligations of confidentiality and non-use equivalent in scope to those set forth in this Section 7.8(d); or

(e) to the extent mutually agreed to in writing by the Parties.

#### 8.4 Scientific Publications.

(a) Prior to a Party or its Affiliates publishing, publicly presenting and/or submitting for written or oral publication a manuscript, abstract or the like relating to the Licensed Compounds or Licensed IP that has not previously published pursuant to this Section 8.4 the Party proposing (or whose Affiliate is proposing) (“**Publishing Party**”) shall provide the other Party with a copy of the manuscript, abstract or other proposed publication relating to the Licensed Compounds or Licensed IP (a “**Publication**”) at least [\*\*\*] prior to submission thereof to a publisher or to any third party, provided that in the case of abstracts and oral presentations, if [\*\*\*] prior notice is not reasonably practicable, then as much prior notice as is reasonably practicable. The Publishing Party shall consider in good faith any reasonable recommendation of the non-Publishing Party to delay such proposed Publication. The Publishing Party shall not disclose in any Publication the confidential information of the non-Publishing Party without the non-Publishing Party’s prior written consent; provided, however, that nothing in this Section 8.4(a) shall limit the right of the Publishing Party to publicly disclose any information, including confidential information of the non-Publishing Party, pertaining to safety of the Licensed Product that the Publishing Party believes in good faith it is obligated or appropriate to disclose and provided further that the Publishing Party shall have the right to disclose in its Publications the Know-How licensed to it hereunder to the extent that such Know-How is reasonably necessary to provide context to the data that has been generated by the Publishing Party and that is the subject of such publication.

(b) With respect to future potential publications or public presentations by a Licensee (or a Related Party) or by Licensor (or an Associated Party) of data or results of Clinical Trials of a Licensed Product to be submitted by or on behalf of such Person(s), or any academic investigators cooperating with any such Person(s), each Party shall (a) provide the JSC every [\*\*\*] with a publication strategy plan and (b) a copy of abstracts or other summary information regarding said publications or public presentations. The non-Publishing Party shall have the right to make comments and suggest changes to any such plan, publications or public presentations to ensure appropriate protection of any patentable inventions, and the Publishing Party shall consider in good faith any reasonable comments and suggested changes of the non-Publishing Party.

#### 8.5 Press Releases and Other Permitted Disclosures.

(a) Licensor and Licensee each agree not to disclose any of the terms and conditions of this Agreement to any Third Party, except as described below in this Section 8.5 or as otherwise agreed in writing by the Parties. The Parties have agreed on a press release announcing this Agreement in substantially the form set forth in Exhibit E, together with a corresponding Question & Answer outline for use in responding to inquiries about the Agreement. The initial press release will be issued in a mutually agreed time and manner after the Effective Date and thereafter, each Party may disclose to Third Parties the information contained in such press release and Question & Answer outline without the need for further approval by the other Party. Each Party may also desire to issue subsequent press releases or other public statements relating to this Agreement or activities hereunder. The Parties agree to consult with each other reasonably and in good faith with respect to the text of such press releases or other disclosures and obtain the approval of the other Party, prior to the issuance thereof; provided, however, that a Party may not unreasonably withhold or delay consent to such releases. Once any public statement or public disclosure has been approved in accordance with this Section 8.5, then either Party may appropriately communicate the information contained in such permitted statement or disclosure. For clarity, to the extent a public disclosure is required by applicable Law, this Section 8.5(a) shall not apply, and such disclosure shall instead be governed by Section 8.5(d) below.

(b) Licensee may disclose the terms and conditions of this Agreement to (i) its Affiliates, employees, consultants, agents or professional advisors (including attorneys, accountants and actual and prospective investment bankers), (ii) actual or potential investors, lenders, Sublicensees, collaborators or royalty factoring companies, or (iii) actual or potential acquirers or merger partners that have entered into a letter of intent or are actively negotiating an acquisition or merger agreement with Licensee, or (iv) others on a need-to-know basis with the consent of Licensor (such consent not to be unreasonably withheld); in each case under the foregoing clause (i), (ii), (iii) or (iv), under obligations of confidentiality at least as restrictive as those set forth herein, and solely in connection with Licensee performing its obligations or exercising its rights under this Agreement or for the purpose of assisting the recipient with evaluating and entering into a transaction with Licensee.

(c) Licensor may disclose the terms and conditions of this Agreement to (i) its Affiliates, employees, consultants, agents or professional advisors (including attorneys, accountants and actual and prospective investment bankers), (ii) actual or potential investors, lenders, licensees or royalty factoring companies, (iii) actual or potential acquirers or merger partners that have entered into a letter of intent or are actively negotiating a definitive acquisition or merger agreement with Licensor or (iv) others on a need-to-know basis with the consent of Licensee (such consent not to be unreasonably withheld) in each case under the foregoing clause (i), (ii) or (iii), under obligations of confidentiality at least as restrictive as those set forth herein, and solely in connection with Licensor performing its obligations or exercising its rights under this Agreement or for the purpose of assisting the recipient with evaluating and entering into a transaction with Licensor.

(d) Notwithstanding the foregoing provisions of this Section 8.5, a Party may disclose the existence and terms of this Agreement where required, as reasonably determined by the legal counsel of the disclosing Party, by applicable Law, by applicable stock exchange regulation or by order or other ruling of a competent court or other governmental authority, although, to the extent practicable, the other Party shall be given at least [\*\*\*] (or if [\*\*\*] is impractical based on the number of days after the event triggering such public disclosure to the time the disclosure must be made, such shorter period as may be required to comply with applicable Law) advance written notice of any such legally required disclosure to comment and the disclosing Party shall reasonably consider such comments provided by such other Party on the proposed disclosure. In case either Party is obliged to publicly disclose or file this Agreement as a “material agreement” in accordance with applicable Law or applicable stock exchange regulations (“**SEC Filing**”), this Agreement shall be redacted by the filing Party to the extent permissible upon the advice of legal counsel, and the filing Party shall provide the other Party a copy of such redacted Agreement in advance of such SEC Filing to enable the other Party to review and comment on the scope of such redaction; *provided* that the filing Party shall consider in good faith any comments provided by such other Party.

(e) Each Party shall be free to (a) register/publish the Clinical Trials they are sponsoring with respect to the Licensed Product, and (b) disclose any data from such registered Clinical Trials concerning the Licensed Product, in each case on ClinicalTrials.gov or in similar clinical trial registries; provided, however, that the Party proposing to make such disclosure shall provide the other Party with reasonable advance notice of such registration or disclosure.

(f) With respect to any publication permitted in Section 8.4 or any press release or public statement permitted in Section 8.5 above, Licensor shall have the right to permit Otsuka Holdings Co., Ltd (or its successor), for so long as it is the parent-Affiliate of Licensor, to publicly disclose at any time, the information contained in any such press release, public statement or publication, at any time (including simultaneously with the release of such press release or public statement by the Parties) and in any form, without the consent of Licensee.

(g) Upon execution of this Agreement, the terms of this Article 8 shall supersede any prior non-disclosure, secrecy or confidentiality agreement between the Parties, including the Confidentiality Agreement between the Parties dated February 13, 2018. Any information disclosed under such prior agreements shall be deemed disclosed under this Agreement.

## **ARTICLE 9**

### **Representations, Warranties and Covenants**

9.1 Representations of Authority. Each Party represents and warrants to the other that as of the Effective Date it has full right, power and authority to enter into this Agreement and to perform its respective obligations under this Agreement.

9.2 Consents. Each Party represents and warrants that as of the Effective Date all necessary consents, approvals and authorizations of all government authorities and other Persons required to be obtained by such Party in connection with execution, delivery and performance of this Agreement have been obtained.

9.3 No Conflict. Each Party represents and warrants that, as of the Effective Date, the execution and delivery of this Agreement and the performance of such Party's obligations hereunder (a) do not conflict with or violate any requirement of applicable Law and (b) do not conflict with, violate or breach or constitute a default of, or require any consent under, any contractual obligations of such Party, except such consents as have been obtained as of the Effective Date.

9.4 Employee, Consultant and Advisor Obligations. Each Party represents and warrants that, as of the Effective Date, each of its and its Affiliates' employees, consultants and advisors has executed an agreement or has an existing obligation under law obligating such employee, consultant or advisor to maintain the confidentiality of Confidential Information to the extent required under Article 8.

9.5 Representations, Warranties and Covenants of Licensee. Neither Licensee nor any of its Affiliates nor Cullinan Management, Inc. has been debarred or is subject to debarment. Neither Licensee nor any of its Affiliates will use in any capacity, in connection with the activities to be performed under this Agreement, any Person who has been debarred pursuant to Section 306 of the FDCA or who is the subject of a conviction described in such section. Licensee shall inform Licensor in writing immediately if it or any Person who is performing activities hereunder is debarred or is the subject of a conviction described in Section 306 or if any action, suit, claim, investigation or legal or administrative proceeding is pending or, to the best of Licensee's knowledge, is threatened, relating to the debarment or conviction of Licensee or any Person performing activities hereunder on behalf of Licensee.

## 9.6 Intellectual Property.

(a) Licensor represents and warrants to Licensee that (i) Licensor owns the entire right, title and interest in and to the Licensed Patent Rights existing as of the Effective Date, free and clear of all liens, charges and encumbrances, (ii) to the knowledge of Licensor, the practice in the Territory of the Licensed Know-How existing as of the Effective Date in the Development, Manufacture, Commercialization or other exploitation of the Licensed Compounds or Licensed Products will not result in any royalty, milestone or other payments being owed to Third Parties, (iii) as of the Effective Date, Licensor has the right to grant to Licensee the rights and licenses under the Licensed IP granted in this Agreement and has not previously assigned, transferred, conveyed or otherwise encumbered its right, title and interest in Licensed IP in any manner inconsistent with the terms hereof, and during the Term will not take any of the foregoing actions in any manner inconsistent with the terms hereof, (iv) none of the Licensed Patent Rights existing as of the Effective Date was fraudulently procured from the relevant governmental patent granting authority, (v) as of the Effective Date, it has not received any written claim or demand from any Person alleging, and is not a party to any proceeding that asserts: (A) the invalidity, misuse or unenforceability of the Licensed Patent Rights or misappropriation of the Licensed Know-How or challenges Licensor's ownership of the Licensed Patent Rights or Licensed Know-How or (B) that the making, using, selling, offering for sale or importing of a Licensed Compound infringes or misappropriates Intellectual Property of any Third Party, (vi) to the knowledge of Licensor, as of the Effective Date, the Licensed Patent Rights are not being infringed by any Third Party and Licensed Know-How is not being misappropriated by any Third Party, and (vii) to the knowledge of Licensor the Licensed Patent Rights set forth on Exhibit B as of the Effective Date include all patents and patent applications and Patent Rights related thereto that (A) are Controlled by Licensor as of the Effective Date and (B) (1) Cover the Licensed Compounds or their manufacture or their use in the Field or (2) claim inventions made by or on behalf of Licensor in the course of developing or using the Licensed Compound that are reasonably necessary for Licensee's Development, Manufacture, Commercialization or other exploitation of the Licensed Compounds or Licensed Products in the Territory.

(b) Licensor shall not, during the Term, sell, assign, transfer, pledge or otherwise dispose of, or incur any lien or encumbrance on, any Licensed IP.

9.7 No Warranties. Except as otherwise expressly set forth herein, the Parties make no representations and extend no warranties of any kind, either express or implied, including warranties of merchantability, fitness for a particular purpose, non-infringement, or non-misappropriation of third party intellectual property rights, are made or given by or on behalf of a Party. Except as expressly stated in this Agreement, all representations and warranties, whether arising by operation of law or otherwise, are hereby expressly excluded.

## ARTICLE 10

### **Indemnification; Insurance; and Limitation on Damages**

10.1 By Licensee. Licensee agrees to defend Licensor, its Affiliates and the respective directors, officers, employees, consultants and agents of such entities and the successors and assigns of any of the foregoing (the "**Licensor Indemnitees**") at Licensee's cost and expense, and shall indemnify and hold harmless such Licensor Indemnitees from and against any and all liabilities,

losses, costs, damages, fines, fees or expenses (including, reasonable attorneys' fees and other expenses of litigation) ("**Liabilities**") arising out of any claim, suit, action, proceedings or demand brought by a Third Party (a "**Third Party Claim**") arising from, or occurring as a result of (i) any breach by Licensee of any of its representations, warranties or obligations pursuant to this Agreement or (ii) the Development, Manufacture or Commercialization of Licensed Compounds or Licensed Products for use in the Territory by or on behalf of Licensee or Related Parties, except to the extent such Third Party Claims result from the gross negligence or willful misconduct of a Licensor Indemnitee.

10.2 By Licensor. Licensor agrees to defend Licensee, its Affiliates and the respective directors, officers, employees, consultants and agents of such entities and the successors and assigns of any of the foregoing (the "**Licensee Indemnitees**") at Licensor's cost and expense, and shall indemnify and hold harmless such Licensee Indemnitees from and against any and all Liabilities arising out of any Third Party Claim arising from, or occurring as a result of (i) any breach by Licensor of any of its representations, warranties or obligations pursuant to this Agreement or (ii) the Development, Manufacture or Commercialization of Licensed Compounds or Licensed Products for use outside the Territory by or on behalf of Licensor or its Affiliates, except to the extent such Third Party Claims result from the gross negligence or willful misconduct of a Licensee Indemnitee. In the event of the grant by Licensee of the Reversion License, clause (ii) of the foregoing indemnity of Licensor shall be deemed amended to replace the words "for use outside the Territory" appearing therein with the words "for use anywhere in the world."

10.3 Procedures. A Person entitled to indemnification under this Article 8 (an "**Indemnified Party**") shall give prompt written notification to the Party from whom indemnification is sought (the "**Indemnifying Party**") of any claim, suit, action or demand for which indemnification is sought under this Agreement; provided, however, that no delay or failure on the part of an Indemnified Party in so notifying the Indemnifying Party shall relieve the Indemnifying Party of any liability or obligation hereunder except to the extent of any damage or liability caused by or arising out of such delay or failure. Within [\*\*\*] after delivery of such notification, the Indemnifying Party may, upon written notice thereof to the Indemnified Party, assume control of the defense of such claim, suit, action or demand with counsel reasonably satisfactory to the Indemnified Party. If the Indemnifying Party does not assume control of such defense, the Indemnified Party shall control such defense. The Party not controlling such defense may participate therein with counsel of its own choosing at its own expense; *provided* that, the Indemnified Party shall have the right to retain its own counsel, at the expense of the Indemnifying Party, if representation of such Indemnified Party by the counsel retained by the Indemnifying Party would be inappropriate because of actual or potential differences in the interests of such Indemnified Party and any other party represented by such counsel. The Indemnified Party shall not agree to any settlement of such action, suit, proceeding or claim without the prior written consent of the Indemnifying Party, which shall not be unreasonably withheld, delayed or conditioned.

10.4 Insurance. Licensee shall procure and maintain insurance, including general liability insurance and, starting at the time at which a Licensed Product first enters clinical testing in human subjects by or on behalf of Licensee or Related Parties, product liability insurance, in each case adequate to cover its obligations hereunder and consistent with normal business practices of prudent companies similarly situated, which insurance shall identify Licensor as an additional insured starting at the time at which a Licensed Product first enters clinical testing in human subjects by or



on behalf of Licensee or Related Parties. It is understood that any such insurance shall not be construed to create a limit of Licensee's liability with respect to its indemnification obligations under this Article 10. Licensee shall provide Licensor with written evidence of such insurance upon request. Licensee shall provide Licensor with written notice at least [\*\*\*] prior to the cancellation, non-renewal or material change in such insurance or self-insurance which could adversely affect rights hereunder.

10.5 No Consequential or Punitive Damages. Except (a) with respect to a breach of the confidentiality obligations of Article 6, or (b) to the extent such damages are required to be paid to a third party as part of a claim for which a party provides indemnification under Section 10.1 or Section 10.2, neither Party will be liable to the other Party or any of its affiliates for indirect, incidental, consequential, special, exemplary or punitive damages, including lost profits, whether in contract, warranty, tort, negligence, strict liability or otherwise, arising from, out of or relating to this Agreement, the transactions contemplated herein or any breach hereof, regardless of any notice of the possibility of such damages.

## **ARTICLE 11**

### **Term and Termination**

11.1 Term. This Agreement shall become effective as of the Effective Date and unless earlier terminated as set forth in this Article 11, shall otherwise remain in effect on a Licensed Product-by-Licensed Product basis until it expires (the "**Term**") in its entirety upon the expiration of all applicable Royalty Terms under this Agreement with respect to all Licensed Products in all countries worldwide.

11.2 Termination for Material Breach. Upon any material breach of this Agreement by either Party, the other Party may terminate this Agreement by providing [\*\*\*] prior written notice (thirty [\*\*\*] prior written notice with respect to a payment breach) to the breaching Party, specifying the material breach. The termination shall become effective at the end of the [\*\*\*] (or [\*\*\*], as applicable) period unless the breaching Party cures such breach during such [\*\*\*] (or [\*\*\*], as applicable) period.

11.3 Termination for Bankruptcy. To the extent allowed under applicable Law, either Party shall have the right to terminate this Agreement in the event of the commencement of any proceeding in or for bankruptcy, insolvency, dissolution or winding up by or against the other Party (other than pursuant to a corporate restructuring) that is not dismissed or otherwise disposed of within [\*\*\*] days thereafter and/or the administrator of the bankruptcy estate or the Party under in-court restructuring has not, within [\*\*\*] days after the receipt of an inquiry from the other Party, confirmed that the bankruptcy estate or the Party under in-court restructuring will adopt this Agreement.

11.4 Termination for Convenience. Licensee may terminate this Agreement, at any time and for any commercially reasonable justification (e.g., the Licensed Compound is found to have material safety or efficacy issues or the commercial opportunity relating to the Licensed Product no longer justifies its further Development or Commercialization) by providing [\*\*\*] prior written notice to Licensor. The termination shall become effective at the end of the [\*\*\*] period.

## 11.5 Effects of Termination.

(a) Accrued Obligations. The expiration or termination of this Agreement for any reason shall not release either Party from any liability which, at the time of such expiration or termination, has already accrued to the other Party or which is attributable to a period prior to such expiration or termination, nor will any termination of this Agreement preclude either Party from pursuing all rights and remedies it may have under this Agreement, or at law or in equity, with respect to breach of this Agreement.

(b) Termination of Licenses. Upon termination of this Agreement, all licenses granted under Section 2.1 (License Grant) under this Agreement will terminate.

(c) Continued Sales. Upon termination of this Agreement by Licensee pursuant to Section 11.2 (Termination for Material Breach) or Section 11.3 (Termination for Bankruptcy), then for [\*\*\*] after the effective date of termination of this Agreement, if such termination occurs after Regulatory Approval of a Licensed Product, Licensee and its Affiliates and Sublicensees shall be entitled to finish work in progress and to the extent permitted under Section 11.5(d) below, sell such Licensed Product so finished or remaining in inventory in accordance with the terms of this Agreement to the extent such Licensed Product was being sold at the time of termination, *provided* that such sales and related activities shall be subject to the terms and conditions of this Agreement, including the royalty and milestone provisions of this Agreement and is subject to Section 11.5(d) below.

(d) Rights on Termination of Agreement. Upon termination of this Agreement for any reason:

(i) Wind-down Period.

(A) Development. In the event that as of the date a notice of termination has been issued Licensee is (1) the sponsor of or conducting any on-going Clinical Trials of the Licensed Product and/or (2) conducting any ongoing preclinical work with respect to the Licensed Product in support of a current Regulatory Approval or future Regulatory Filings for an Indication that is the subject of ongoing clinical development, including without limitation ongoing stability or toxicology studies of the Licensed Product, Licensee agrees to promptly inform Licensor of the status of each such Clinical Trial or preclinical activity and at Licensor's election either: (A) terminate such Clinical Trial or preclinical activity, (B) continue to sponsor or conduct any such Clinical Trials or preclinical studies, or any portion thereof for a period not exceeding [\*\*\*] following the effective date of termination or (C) promptly transition to Licensor or its designee such sponsorship of such Clinical Trials or preclinical studies, provided that in such case, Licensor shall take over such studies within [\*\*\*] following the effective date of termination. In each case, the continuation of such Clinical Trials or preclinical studies after the effective date of termination shall be at Licensee's expense [\*\*\*]. In the event that the transfer of sponsorship of a Clinical Trial will not be completed within such [\*\*\*] period despite the Parties' having used Commercially Reasonable Efforts to do so, the Parties shall cooperate reasonably to execute and deliver such commercially reasonable agreements as may be necessary to preserve for Licensor the benefit of such Clinical Trial for a period of up to [\*\*\*] additional months, while indemnifying and holding the Licensee Indemnities harmless from all costs and expenses of such Clinical Trial and any Liabilities from a Third Party Claim arising from, out of or in connection with such Clinical Trial.

(B) **Commercialization.** To avoid disruption in the availability of Licensed Product to patients, if this Agreement is terminated after the First Commercial Sale of the Licensed Product in the Territory, then to the extent requested by Licensor, Licensee and Related Parties shall continue to distribute the Licensed Product, in accordance with the terms and conditions of this Agreement, in each country of the Territory for which Regulatory Approval therefor has been obtained, [\*\*\*] following the effective date of termination (the “**Wind-down Period**”); provided that Licensee and Related Parties shall cease such activities, or any portion thereof, in a given country upon [\*\*\*] notice by Licensor requesting that such activities be ceased. In the event that the Licensor will not have secured an alternative distributor or licensee for the Licensed Product in a country within the Wind-down Period, the Parties shall cooperate reasonably to execute and deliver such commercially reasonable agreements as may be necessary to preserve for Licensor the benefit of distribution of the Licensed Product in such country for a period of up to [\*\*\*] additional months, provided that such period shall, upon Licensor’s request, be extended for an additional [\*\*\*] (for a total of [\*\*\*] from the effective date of termination) in the event that Licensor will not have secured an alternative distributor or licensee for the Licensed Product in such country [\*\*\*] from the effective date of termination despite having used Commercially Reasonable Efforts to do so. Such agreement shall provide that Licensee will fulfill orders for Licensed Product in the Territory on a contract basis, with Licensor booking all sales and retaining the revenue from such sales while indemnifying and holding the Licensee Indemnities harmless from all costs and expenses of such distribution and any Liabilities from a Third Party Claim arising from, out of or in connection with such distribution. Notwithstanding any other provision of this Agreement, during the Wind-down Period, Licensee’s and its Affiliates’ and, subject to Section 2.3(b) above, Non-Affiliate Sublicensees’ rights with respect to the Licensed Product in the Territory shall be non-exclusive and, without limiting the foregoing, Licensor shall have the right to engage one or more other distributor(s) and/or licensee(s) of the Licensed Product in all or part of the Territory. Any Licensed Product sold or disposed by Licensee, its Affiliates and, subject to Section 2.3(b) above, its Non-Affiliate Sublicensees in the Territory during the Wind-down Period shall be subject to applicable payment obligations under Article 6 above. The obligations set forth in this Section 11.5(d)(i)(B) shall not apply in any country or jurisdiction in which, as of the effective date of termination of this Agreement, the Royalty Term with respect to the applicable Licensed Product has expired or Generic Competition with respect to such License Product exists.

(e) **Reversion License.** Effective as of the date of expiration of the Wind-down Period, Licensee hereby grants (without any further action required on the part of Licensor) to Licensor, a royalty-free, fully paid, exclusive, worldwide, irrevocable, perpetual license, with the right to grant sublicenses through multiple tiers, under the Reversion Technology (including all Improvements), solely to Develop, Manufacture, and Commercialize Licensed Products throughout the world (the “**Reversion License**”). In the case of Combination Products, the Reversion License will not extend to [\*\*\*]. In addition, if the Reversion Technology includes Third Party Technology, then no later than [\*\*\*] after the effective date of the termination, Licensee shall notify Licensor in writing (a “**Third Party Technology Notice**”), including a description of such Third Party Technology and of all Pass-Thru Obligations owing to the applicable Third Party Licensor with respect to such Third Party Technology (as such terms are defined in Section 2.8 above). The Third Party Technology Notice shall be accompanied by a copy of the relevant license or other agreement

with the applicable Third Party Licensor, [\*\*\*] (such license or other relevant agreement, the “**Third Party Technology Reversion Agreement**”). Any dispute between the Parties regarding the Pass-Thru Obligations shall be determined pursuant to Section 12.11 below. To the extent Licensor wishes to receive a license to such Third Party Technology for use in connection with the Development, Manufacture or Commercialization of Licensed Products throughout the world, it shall so notify Licensee in writing (such notice, the “**Reversion In-License Notice**”). Upon receipt of the Reversion In-License Notice, Licensee shall grant (and hereby grants) a license or sublicense under the Third Party Technology to Licensor to use and exploit the same in connection with the Development, Manufacture or Commercialization of Licensed Products in such territories to which Licensee has such rights with respect to Licensed Products, subject to the same limitations and restrictions as apply to such use by Licensee in such territories under the Third Party Technology Reversion Agreement (the “**Pass-Thru Reversion License**”). If requested by Licensor, Licensee and Licensor shall prepare in good faith and promptly execute a written agreement codifying the terms of the Pass-Thru Reversion License, or as mutually agreed, work to put in place a separate agreement between the applicable Third Party and Licensor under which the Third Party grants a direct license Licensor under the Third Party Technology on the same terms and conditions as the Pass-Thru Reversion License. At Licensee’s election, Licensee may assign to Licensor the applicable Third Party Technology Reversion License, and to the extent such assignment includes the rights granted to Licensor under the Pass-Thru Reversion License with respect to such Third Party Technology, the Pass-Thru Reversion License shall no longer apply with respect to such rights. Licensor shall [\*\*\*]. Licensor agrees that it shall enter into a [\*\*\*] agreement with Licensee [\*\*\*]. Licensor shall comply with the Pass-Thru Obligations applicable to such Third Party Technology, in each case to the extent such Pass-Thru Obligations were described in the Third Party Technology Notice or Third Party Technology Reversion Agreement, and the grant of the Pass-Thru Reversion License with respect to such Third Party Technology shall be subject to such compliance. Such compliance by Licensor shall include taking such actions to comply with the Pass-Thru Obligations in such manner and on such timing as may be required to allow Licensee to comply with its obligations under the license or other agreement with the applicable Third Party Licensor, as such obligations apply to activities of the Licensor. Until Licensor provides a Reversion In-License Notice, or to the extent Licensor subsequently notifies Licensee that it wishes to terminate the applicable Third Party Technology Reversion Agreement, the Third Party Technology shall be deemed excluded from the Improvements. In the event Licensor subsequently notifies Licensee that it wishes to terminate the applicable Third Party Technology Reversion Agreement, Licensor shall remain responsible for all Pass-Thru Obligations accruing prior to the effective date of, or in connection with, such termination. To the extent Licensor does not provide a Reversion In-License Notice with respect to the Third Party Technology, Licensor shall not be responsible for the corresponding Pass-Thru Obligations.

(A) Regulatory Approvals and Regulatory Filings. In connection with the grant of the Reversion License, Licensee will as promptly as practicable [\*\*\*]. In addition, at Licensor’s request, Licensee will appoint Licensor as Licensee’s or Licensee’s Affiliates’ or Sublicensees’ agent for all Licensed Products-related matters in the Territory involving Regulatory Authorities until all Regulatory Approvals and Regulatory Filings in the Territory have been assigned to Licensor or its designee. In the event of failure to obtain assignment, and to the extent Licensee is not required to assign any Regulatory Approval or Regulatory Filing to Licensor pursuant to clause (1) above, upon the effective date of such termination, Licensee hereby consents and grants to Licensor the right to access and reference (without any further action required on the part of Licensee, whose authorization to file this consent with any Regulatory Authority is hereby granted) any Regulatory Approvals and Regulatory Filings with respect to all Licensed Products in the Territory. In addition, all such materials and all Know-How, in each case to the extent related to the Licensed Compound or Licensed Product, shall be deemed Confidential Information of Licensor and not Confidential Information of Licensee (and will not be subject to the exclusions under Sections 8.2(b) or (e) above).

(B) Inventory Transfer. In connection with the grant of the Reversion License, within [\*\*\*] of expiration of the Wind-down Period, Licensee shall notify Licensor of any quantity of the Licensed Product remaining in Licensee's inventory and to the extent requested by Licensor's request, Licensee will transfer to Licensor any inventory of Licensed Products in the possession or control of Licensee or its Affiliates as of the termination date at a price equal to [\*\*\*].

(i) Transition. Each Party shall use Commercially Reasonable Efforts to cooperate with the other and/or its designee to effect a smooth and orderly transition to Licensor (or its designee) of the Development, Manufacture and Commercialization of the Licensed Product in the Territory during the Wind-down Period, consistent with the other provisions of this Section 11.5(e)(i).

(f) Return of Confidential Information. Each Party will promptly destroy or return to the other Party all of such other Party's Confidential Information that was provided by or on behalf of such other Party hereunder that is in the possession or control of such Party (or any of its Affiliates); provided, however, that Licensor shall be entitled to retain any Confidential Information of Licensee that is necessary or useful for Licensor to exploit the Reversion License, Notwithstanding the foregoing, a Party shall have the right to retain one copy of the Confidential Information of the other Party for legal and archival purposes, and the foregoing obligation of return or destruction shall not apply to Confidential Information or copies thereof maintained in routine, secure computer back-up files unless and until such information is accessed.

(g) Dissolution of the JSC. If this Agreement is terminated, then the JSC and all subcommittees (if any) will be dissolved as of the effective date of such termination, provided that, for any surviving provisions requiring action or decision by the JSC or any of the subcommittees, each Party will appoint representatives to act as its JSC and subcommittee members, as applicable.

(h) Termination of Rights and Obligations. Except as set forth in this Section 11.5 (Effects of Termination) and Section 11.6 (Survival), (a) as of the effective date of termination of this Agreement in its entirety, all rights and obligations of the Parties under this Agreement will terminate, and (b) as of the effective date of expiration of this Agreement in part with respect to a Licensed Product pursuant to Section 11.4, all rights and obligations of the Parties under this Agreement will terminate with respect to such Licensed Product.

(i) Future Assurances. Each Party will execute all documents and take, or cause to be taken, all such further actions as may be reasonably requested by the other Party in order to give effect to the terms of this Section 11.5 (Effects of Termination).

11.6 Survival. The following provisions shall survive the expiration or termination of this Agreement: Article 1 (Definitions) (to the extent necessary to give effect to other surviving provisions), Article 9 (Confidentiality), Article 10 (Indemnification; Insurance; and Limitation on Damages) (other than Section 10.4 (Insurance)) and Article 12 (Miscellaneous Provisions), and Sections 2.3 (Sublicensing) (and such other provisions of this Agreement as are necessary to give

effect to the continuing licenses contemplated under Section 2.3, 4.6 (Pharmacovigilance), 6.6 (Reports, Payments and Accounting), Section 11.5(c) (Continued Sales) (for the period set forth therein), Section 11.5 (Effects of Termination) and this Section 11.6 (Survival), and the last sentence of Section 2.1 (License Grant) to the extent of and with respect to any perpetual, irrevocable, non-terminable, fully-paid up and royalty-free license described therein with respect to a Licensed Product is in effect on the date of expiration or termination of this Agreement.

## ARTICLE 12 Miscellaneous Provisions

12.1 Governing Law; Language. This Agreement and all disputes arising out of or related to this Agreement shall be construed and the respective rights of the Parties determined in accordance with the laws of the State of New York, U.S.A., excluding application of any conflict of laws principles that would require application of the laws of a jurisdiction outside of New York, and will be subject to the exclusive jurisdiction of the courts of competent jurisdiction located in New York, New York. The Parties hereby expressly consent to the jurisdiction of such courts and irrevocably waive any objection to jurisdiction or venue. This Agreement and all communications related to it, or to any dispute or controversy arising out of it, shall be conducted in English.

12.2 Notice. Any notices required or permitted by this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be sent by hand, recognized national overnight courier, confirmed facsimile transmission, confirmed electronic mail or registered or certified mail, postage prepaid, return receipt requested, to the following address or facsimile number of the Parties:

If to Licensor:

Taiho Pharmaceuticals Co., Ltd.  
1-27 Kandanishiki-cho,  
Chiyoda-ku, Tokyo 101-8444  
JAPAN  
[\*\*\*]

With a copy to:

Wilson, Sonsini, Goodrich & Rosati  
650 Page Mill Road  
Palo Alto, California 94304  
[\*\*\*]

If to Licensee:

Cullinan Pearl Corp.  
One Main Street  
Suite 520  
Cambridge, MA  
02142 U.S.A.  
Attention: Chief Executive Officer

With a copy to:

Goodwin Procter LLP  
100 Northern Avenue  
Boston, MA 02210  
U.S.A.  
Attention: Richard A. Hoffman, Esq.

All notices under this Agreement shall be deemed effective upon receipt. A party may change its contact information immediately upon written notice to the other party in the manner provided in this [Section 12.2](#).

12.3 [Assignment](#). Neither Party may, without the consent of the other Party, assign or transfer any of its rights and obligations hereunder; *provided* that either Party may assign this Agreement, in its entirety, to a Third Party acquirer without the consent of the other Party in connection with a Change of Control of such Party, including by way of merger, consolidation, transfer, or sale of assets, provided that the Third Party acquirer agrees in a writing delivered to the non-assigning Party to assume all of the rights and obligations of the assigning Party under this Agreement, and in the case of Licensee, the Third Party is a Qualified Sublicensee, in which case such Qualified Sublicensee may thereafter further assign this Agreement, in its entirety, to an affiliate without the consent of Licensor (and such Qualified Sublicensee shall remain responsible for the activities of such affiliate); provided further that Licensee may [\*\*\*]. Notwithstanding the foregoing, to the extent an assignment of this Agreement to an entity domiciled outside of the United States of America, any country that is a member state of the EU, Switzerland or Japan will cause adverse tax consequences to the non-assigning Party, such assignment shall be subject to the prior written consent of the non-assigning Party, which shall not be withheld unreasonably. The Parties shall make reasonable efforts, and provide each other with reasonable assistance, to reduce any adverse tax consequences as far as possible under the provisions of any relevant tax treaty or other statutory or regulatory provision. It shall be unreasonable for the non-assigning Party to withhold such consent to an assignment if such adverse tax consequences could be avoided through such efforts and assistance and the non-assigning Party fails or refuses to make such efforts or provide such assistance. Any assignment in circumvention of the foregoing shall be void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

12.4 [Entire Agreement](#). This Agreement constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior agreements or understandings between the Parties relating to its subject matter.

12.5 [Interpretation](#). The captions and headings to this Agreement are for convenience only, and are to be of no force or effect in construing or interpreting any of the provisions of this Agreement. Unless specified to the contrary, references to Articles, Sections or Exhibits mean the particular Articles, Sections or Exhibits to this Agreement and references to this Agreement include all Exhibits hereto. Unless context otherwise clearly requires, whenever used in this Agreement: (a) the words “include” or “including” shall be construed as incorporating, also, “but not limited to” or “without limitation;” (b) the word “day” or “year” means a calendar day or year unless otherwise specified; (c) the word “notice” shall mean notice in writing (whether or not specifically stated) and

shall include notices, consents, approvals and other written communications contemplated under this Agreement; (d) the words “hereof,” “herein,” “hereby” and derivative or similar words refer to this Agreement (including any Exhibits); (e) the word “or” shall be construed as the inclusive meaning identified with the phrase “and/or;” (f) provisions that require that a Party or the Parties hereunder “agree,” “consent” or “approve” or the like shall require that such agreement, consent or approval be specific and in writing, whether by written agreement, letter or otherwise; (g) words of any gender include the other gender; (h) words using the singular or plural number also include the plural or singular number, respectively; and (i) the word “law” (or “laws”) when used herein means any applicable, legally binding statute, ordinance, resolution, regulation, code, guideline, rule, order, decree, judgment, injunction, mandate or other legally binding requirement of a government entity, together with any then-current modification, amendment and re-enactment thereof, and any legislative provision substituted therefor. The Parties and their respective counsel have had an opportunity to fully negotiate this Agreement. If any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement. No prior draft of this Agreement shall be used in the interpretation or construction of this Agreement.

12.6 Amendment and Waiver. This Agreement may be amended, supplemented, or otherwise modified only by means of a written instrument signed by both Parties. Any waiver of any right or failure to act in a specific instance shall related only to such instance and shall not be construed as an agreement to waive any right or fail to act in any other instance, whether or not similar.

12.7 Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any other provision of this Agreement. The Parties shall consult one another and use reasonable efforts to agree upon a valid and enforceable provision that is a reasonable substitute for the invalid or unenforceable provision. To the fullest extent permitted by applicable Law, each Party hereby waives any provision of Law that would render any provision hereof illegal, invalid or unenforceable in any respect, and neither Party shall take or cooperate with any Third Party to take any legal action or invalidate or render unenforceable any provision hereof. Without limiting the foregoing, if Licensee or any of its Affiliates or Sublicensees challenges under any court action or other legal proceeding, or before any governmental authority, the validity, legality or enforceability of any payment obligation of Licensee under this Agreement, or assists any Third Party in bringing any such challenge, Licensor shall have the right to terminate this Agreement upon sixty (60) days’ prior written notice to Licensee, unless such challenge is withdrawn and the effect of such challenge cured within such sixty (60) day period. Any termination in accordance with the foregoing shall be deemed a termination by Licensee under Section 11.4.

12.8 Use of Name. Neither Party shall not use the other Party’s name (except in connection with disclosures permitted under Article 8) or logo without the other Party’s express prior written consent, which consent may be granted in the context of the Parties mutually approving a press release or other public disclosure related to this Agreement.

12.9 Counterparts. This Agreement may be executed in counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.



12.10 Force Majeure. Neither Party will be responsible for delays resulting from causes beyond the reasonable control of such Party, including fire, explosion, flood, war, strike, or riot, *provided* that the nonperforming Party uses commercially reasonable efforts for a company of its size and resources to avoid or remove such causes of nonperformance and continues performance under this Agreement with reasonable dispatch whenever such causes are removed.

#### 12.11 Dispute Resolution.

(a) Escalation. If any dispute arises out of or relates to this Agreement, the Parties agree to first seek to resolve such dispute by referring such dispute to the respective Chief Executive Officers of each Party for resolution. Such referral shall take place within [\*\*\*] after a written request by either Party to the other Party that resolution by the Chief Executive Officers be attempted. If, after an additional [\*\*\*], the Chief Executive Officers of the Parties have not succeeded in negotiating a resolution of the dispute, and a Party wishes to pursue the matter, such Party may initiate binding arbitration in accordance with Section 12.11(b).

(b) Alternative Dispute Resolution. Any dispute arising out of or relating to this Agreement that has not been resolved pursuant to Section 12.11(a) shall be resolved through binding arbitration as follows:

(i) A Party may submit such dispute to arbitration by notifying the other Party, in writing, of such dispute. Within [\*\*\*] after receipt of such notice, the Parties shall designate in writing a single arbitrator to resolve the dispute; provided, however, that if the Parties cannot agree on an arbitrator within such [\*\*\*] period, the arbitrator shall be selected by the New York, New York office of the American Arbitration Association (the "AAA"). The arbitrator shall not be an Affiliate, employee, consultant, officer, director or stockholder of any Party.

(ii) Within [\*\*\*] after the designation of the arbitrator, the Parties shall submit to the arbitrator in writing a list the disputed issues of which the parties are aware at that time and a proposed ruling on the merits of each such issue, with the understanding that the parties shall have the right to petition the arbitrator to amend or supplement their list as additional information becomes available during the arbitration process.

(iii) The arbitrator shall set a date for a hearing, which shall be no later than [\*\*\*] after the submission of written proposals pursuant to Section 12.11(b)(ii). The Parties shall have the right to be represented by counsel at the hearing and throughout the arbitration process. Except as provided herein, the arbitration shall be governed by the Commercial Arbitration Rules of the AAA, and the arbitration shall be conducted by a single arbitrator.

(iv) The arbitrator shall use his or her best efforts to rule within [\*\*\*] after the completion of the hearing described in Section 12.11(b)(iii). The determination of the arbitrator as to the resolution of any dispute shall be binding and conclusive upon all Parties. The arbitrator shall issue a reasoned opinion in writing and shall deliver that opinion to the Parties.

(v) The attorneys' fees of the Parties in any arbitration, fees of the arbitrator, and costs and expenses of the arbitration shall be borne by the Parties as determined by the arbitrator.

(vi) Any arbitration pursuant to this Section 12.11 shall be conducted in New York, New York, U.S.A. Any arbitration award may be entered in and enforced by any court of competent jurisdiction.

(c) No Limitation. Nothing in this Section 12.11 shall be construed as limiting in any way the right of a Party to seek an injunction or other equitable relief with respect to any actual or threatened breach of this Agreement or to bring an action in aid of arbitration. Should any Party seek an injunction or other equitable relief, or bring an action in aid of arbitration, then for purposes of determining whether to grant such injunction or other equitable relief, or whether to issue any order in aid of arbitration, the dispute underlying the request for such injunction or other equitable relief, or action in aid of arbitration, may be heard by the court in which such action or proceeding is brought.

#### 12.12 Compliance and Ethical Business.

##### (a) Compliance.

(i) In performing their obligations under this Agreement, the Parties will comply with applicable Law and regulations and will take no action which may jeopardize the goodwill or reputation of the other Party.

(ii) Licensee represents and warrants that it is not, nor are any of its legal representatives, as applicable, listed on the U.S. Treasury Department's List of Specially Designated Nationals and Blocked Persons (<http://www.treasury.gov/ofac/downloads/sdnlist.pdf>), the U.S. Commerce Department's Denied Persons List (<http://www.bis.doc.gov/dpl/thedeniallist.asp>) and Entity List (<http://www.bis.doc.gov/entities/default.htm>), or the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions ([https://eeas.europa.eu/headquarters/headquarters-homepage/8442/consolidated-list-sanctions\\_en](https://eeas.europa.eu/headquarters/headquarters-homepage/8442/consolidated-list-sanctions_en)), or on any comparable denied parties list issued by the U.S., EU or another jurisdiction which is applicable to the products or technical data supplied under this Agreement (all of the foregoing collectively referred to as "**Denied Parties Lists**"). Licensee further represents and warrants that it is not directly owned by 50% or more by a person listed on any of the Denied Parties Lists. Licensee further represents and warrants that it shall notify Licensor in writing promptly if it or any of its legal representatives become listed on any of the Denied Parties Lists or if it becomes owned by 50% or more by a person listed on any of the Denied Parties List.

(b) Ethical Business.

(i) In performing their obligations hereunder, the Parties acknowledge that the corporate policy of Licensor and its Affiliates requires that Licensor's business be conducted within the letter and spirit of the law. By signing this Agreement, the Parties agree to conduct the business contemplated herein in a manner which is consistent with all applicable Law and good business ethics. Specifically, the Parties warrant and agree that in connection with this Agreement and Licensor's business relating thereto, they, their directors, their employees and their officers shall not offer, make or promise any payment, either directly or indirectly, of money or other assets (hereinafter collectively referred to as "**Payment**" for the purposes of this Section 12.12(b)), to any government, political party or international organization official, candidate or persons acting on behalf of any of the foregoing or directly associated with them including their staff, business partners, close associates and family (hereinafter collectively referred to as "**Officials**" for the purposes of this Section 12.12(b)) where such Payment would constitute a violation of any applicable Law. In addition, the Parties shall make no Payment, either directly or indirectly, to Officials if such Payment is for the purpose of improperly influencing decisions or actions with respect to the subject matter of this Agreement or the business activities of Licensor or its Affiliates.

(ii) Licensee acknowledges and agrees that in the event that Licensee engages an Affiliate, subcontractor or agent in the performance of its obligations under this Agreement, that Licensee will conduct due diligence on such Affiliate, subcontractor or agent to ensure such Affiliate's, subcontractor's or agent's suitability to comply with the requirements set forth in this Section 12.12(b), and will maintain records of such due diligence and any identified risks and mitigation records, consistent with Licensee's customary procedures.

(iii) Licensee represents, warrants and covenants that all books, records, invoices, and other documents relating to payments and expenses under this Agreement are and shall be accurate and reflect in reasonable detail the character and amount of transactions and expenditures.

(iv) Licensee further represents, warrants and agrees that no "off the books" or other similar funds will be maintained or used in connection with this Agreement.

(v) Licensee agrees to ensure that all of Licensee's employees, agents and subcontractors involved in performing the obligations under this Agreement are made aware of the prohibited nature of activities expressly prohibited under this Section 12.12(b), including by participation, as appropriate, of such employees, agents and subcontractors in mandatory training to be conducted by Licensee regarding such requirements prior to performing any obligations under this Agreement. Licensee further agrees to certify its continuing compliance with the requirements under this Section 12.12(b) on a periodic basis during the Term of this Agreement upon Licensor's request, such request to be made no more frequently than once in any Calendar Year.

(vi) In the event of any violation of, or any breach of a representation or warranty set forth in, this Section 12.12(b), Licensor shall thereafter for the duration of the term of this Agreement have the right, upon reasonable notice and at a time mutually agreed by Licensee and Licensor, to periodically audit the books and records of Licensee to ensure compliance with this Section 12.12(b) (Ethical Business), and Licensee shall provide its full cooperation and assistance in any such review conducted by Licensor.

12.13 Offset Rights. Notwithstanding anything to the contrary in this Agreement, neither Party may, at any time or for any reason, offset any payments due to the other Party or its Affiliates under this Agreement.

12.14 No Third Party Beneficiaries. No Person other than Licensee, Licensor and their respective Affiliates, successors and permitted assignees hereunder, shall be deemed an intended beneficiary hereunder or have any right to enforce any obligation of this Agreement.

12.15 Independent Contractors. It is expressly agreed that Licensee and Licensor shall be independent contractors and that the relationship between Licensee and Licensor shall not constitute a partnership, joint venture or agency. Neither Licensee nor Licensor shall have the authority to make any statements, representations, or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior written consent of such other Party.

*[remainder of page intentionally left blank]*

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the date first set forth above.

TAIHO PHARMACEUTICAL, CO., LTD.

CULLINAN PEARL CORP.

BY: /s/ Masayuki Kobayashi

By: /s/ Owen Hughes

Name: Masayuki Kobayashi

Name: Owen Hughes

Title: President

Title: President

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**Exhibit A**

**Licensed Compounds**

**TAS6417**

A-1

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**Exhibit B**

**Licensed Patent Rights**

[See attached sheets]

B-1





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**Exhibit C**

**Stock Subscription Agreement**

[See attached sheets]

C-1

## STOCK SUBSCRIPTION AGREEMENT

THIS STOCK SUBSCRIPTION AGREEMENT is made as of the 4th day of February, 2019 (the “**Effective Date**”) by and between Cullinan Pearl Corp., a Delaware corporation (the “**Company**”) and having an address at One Main Street, Suite 520, Cambridge, MA 02142, U.S.A., and Taiho Pharmaceutical, Co., LTD., a Japanese corporation (“**Purchaser**”) and having an address at 1-27 Kandanshiki-cho, Chiyoda-ku, Tokyo 101-8444 Japan. The Company and Purchaser are each referred to as a “**Party**” and collectively referred to as the “**Parties**.”

WHEREAS, the Company and the Purchaser are entering into a License and Collaboration Agreement (the “**License Agreement**”) on the date hereof, pursuant to which the Company will (i) obtain certain rights under Licensed IP (as defined in the License Agreement) from the Purchaser and (ii) issue shares of Common Stock, par value \$0.0001 per share, of the Company (the “**Common Stock**”) to the Purchaser in accordance with the terms of this Agreement.

NOW, THEREFORE, the Parties hereby agree as follows:

1. Issuance of Common Shares; Closing.

1.1 On or prior to the Closing (as defined below), the Company shall have authorized the issuance to the Purchaser of 1,860,000 shares of Common Stock (the “**Shares**”) in accordance with the terms of this Agreement.

1.2 The issuance of the Shares shall take place remotely via the exchange of documents and signatures on such date as designated by the Company, provided that such date shall be within fifteen (15) days of the Effective Date (which time and place is designated as the “**Closing**”). At the Closing and in consideration of the execution and delivery of the License Agreement by the Purchaser to the Company, the Company shall issue to the Purchaser a certificate in the name of the Purchaser for the Shares. The Purchaser agrees that the Shares shall be subject to the restrictions on transfer set forth in Section 4 of this Agreement.

2. Representations and Warranties of the Company. The Company hereby represents and warrants to the Purchaser that the following representations are true and complete as of the Effective Date and as of the Closing and as of the date of issuance of any Anti-Dilution Shares, except as otherwise indicated.

2.1. Organization, Good Standing, Corporate Power and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to carry on its business as presently conducted and as proposed to be conducted. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which the failure so to qualify would have a material adverse effect.

2.2. Capitalization. The authorized capital stock of the Company consists, immediately prior to the Closing, of:

(a) [\*\*\*] shares of Common Stock, [\*\*\*] shares of which are issued and outstanding immediately prior to the Closing. All of the outstanding shares of Common Stock have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities laws.

(b) [\*\*\*] shares of Preferred Stock, of which all shares have been designated Series A Preferred Stock, none of which are issued and outstanding immediately prior to the Closing. The rights, privileges and preferences of the Common Stock and the Preferred Stock are as stated in the Company's Amended and Restated Certificate of Incorporation, as may be amended and/or restated from time to time (the "**Certificate of Incorporation**"), and as provided by the Delaware General Corporation Law.

(c) The Company has reserved [\*\*\*] shares of Common Stock for issuance to officers, directors, employees and consultants of the Company pursuant to its 2018 Stock Option and Grant Plan duly adopted by the Company's Board of Directors (the "**Board**") and approved by the Company stockholders (the "**Stock Plan**"). Of such reserved shares of Common Stock, [\*\*\*] shares remain available for issuance to officers, directors, employees and consultants pursuant to the Stock Plan.

2.3. Authorization. All corporate action required to be taken by the Board and the stockholders of the Company in order to authorize the Company to enter into this Agreement, and to issue the [\*\*\*] at the Closing and any Anti-Dilution Shares thereafter, has been taken or will be taken prior to the Closing and the date of issuance of any Anti-Dilution Shares, respectively. All action on the part of the officers of the Company necessary for the execution and delivery of this Agreement, the performance of all obligations of the Company under this Agreement to be performed as of the Closing or thereafter with respect to the issuance of any Anti-Dilution Shares, and the issuance of the Shares and any Anti-Dilution Shares has been taken or will be taken prior to the Closing and the date of issuance of any Anti-Dilution Shares, respectively. This Agreement, when executed and delivered by the Company, shall constitute valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, or (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

2.4. Valid Issuance of Shares and Anti-Dilution Shares. The Shares and any Anti-Dilution Shares, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under this Agreement, applicable state and federal securities laws, if any, and liens or encumbrances created by or imposed by the Purchaser. Assuming the accuracy of the representations of the Purchaser in Section 3 of this Agreement and subject to the applicable governmental filings with respect to the transactions contemplated by this Agreement, if any, the Shares and any Anti-Dilution Shares will be issued in compliance with all applicable federal and state securities laws.

3. Representations and Warranties of the Purchaser. The Purchaser hereby represents and warrants to the Company as of the Effective Date and as of the Closing and as of the date of issuance of any Anti-Dilution Shares that:

3.1. Authorization. The Purchaser has full power and authority to enter into this Agreement. When executed and delivered by the Purchaser, this Agreement shall constitute valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, or (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

3.2. Purchase Entirely for Own Account. This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Shares and any Anti-Dilution Shares (as defined below) to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any Person to sell, transfer or grant participations to such Person or to any third Person, with respect to any of the Shares or Anti-Dilution Shares. The Purchaser has not been formed for the specific purpose of acquiring the Shares or Anti-Dilution Shares. A "Person" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, governmental authority or any other form of entity not specifically listed herein.

3.3. Disclosure of Information. The Purchaser has had an opportunity to discuss the Company's business, management, financial affairs, the terms and conditions of the offering of the Shares and Anti-Dilution Shares with the Company's management and has had the opportunity to review the Company's facilities. The foregoing, however, does not limit or modify the representations and warranties of the Company in Section 2 of this Agreement or the right of the Purchaser to rely thereon.

3.4. No Public Market. The Purchaser understands that no public market now exists for the Shares or Anti-Dilution Shares, and that the Company has made no assurances that a public market will ever exist for the Shares or Anti-Dilution Shares.

3.5. No General Solicitation. Neither the Purchaser, nor any of its officers, managers, employees, agents, stockholders or partners has either directly or indirectly, including through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Shares or Anti-Dilution Shares.

3.6. Foreign Investor.

(a) The Purchaser is an experienced and sophisticated investor and has such knowledge and experience in financial and business matters as are necessary to evaluate the merits and risks of an investment in the Shares and Anti-Dilution Shares.

(b) The Purchaser has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Shares and Anti-Dilution Shares or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the acquisition of the Shares and Anti-Dilution Shares, (ii) any foreign exchange restrictions applicable to such acquisition, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the acquisition, holding, redemption, sale, or transfer of the Shares and Anti-Dilution Shares.

(c) The Purchaser is a resident of Japan and Purchaser's principal place of business is in Japan.

(d) The Purchaser is not a "U.S. person" as such term is defined in Rule 902(k) of Regulation S and is not acquiring the Shares or Anti-Dilution Shares for the account or benefit of a "U.S. person" (as such term is defined in Rule 902(k) of Regulation S).

(e) The Purchaser is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of the United States).

(f) To its knowledge, the Purchaser's acquisition of and continued beneficial ownership of the Shares and Anti-Dilution Shares will not violate any securities or other laws of the jurisdictions that are applicable to it.

(g) The Purchaser has been advised and acknowledges that:

(i) the Shares and any Anti-Dilution Shares have not been, and when issued, will not be registered under the Securities Act of 1933, as amended (the "**Securities Act**"), the securities laws of any state of the United States or the securities laws of any other country;

(ii) in issuing and selling the Shares and any Anti-Dilution Shares to the Purchaser pursuant to this Agreement, the Company is relying upon the "safe harbor" provided by Regulation S and/or on Section 4(2) under the Securities Act;

(iii) it is a condition to the availability of the Regulation S "safe harbor" that the Shares and any Anti-Dilution Shares not be offered or sold in the United States or to a U.S. person until the expiration of a one-year "distribution compliance period" (or a six-month "distribution compliance period," if the issuer is a "reporting issuer," as defined in Regulation S) following the Closing; and

(iv) notwithstanding the foregoing, prior to the expiration of the one-year "distribution compliance period" (or six-month "distribution compliance period," if the issuer is a "reporting issuer," as defined in Regulation S) after the Closing (the "**Restricted Period**"), the Shares and the any anti-Dilution Shares may be offered and sold by the holder thereof only if such offer and sale is made in compliance with the terms of this Agreement and either: (A) if the offer or sale is within the United States or to or for the account of a U.S. person (as such terms are defined in Regulation S), the securities are offered and sold pursuant to an effective registration statement or pursuant to Rule 144 under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act; or (B) the offer and sale is outside the United States and to other than a U.S. person.

#### 4. Unregistered Securities.

4.1. The Purchaser understands that the Shares and any Anti-Dilution Shares have not been, and will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser acknowledges that the Company has no obligation to register or qualify the Shares or any Anti-Dilution Shares for resale except as set forth in the Investors' Rights Agreement. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares and any Anti-Dilution Shares, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

#### 4.2. Transfer Restrictions.

(a) The Purchaser will not transfer any Shares or any Anti-Dilution Shares to any Competitor. For purposes of this Agreement, “**Competitor**” means a Person (other than an Affiliate (as defined in the License Agreement of the Purchaser)) engaged, directly or indirectly (including through any partnership, limited liability company, corporation, joint venture or similar arrangement (whether now existing or formed hereafter)), in a business that is actively researching, developing or commercializing a product that targets the biological target or molecular mechanism of action of any product under research, development or commercialization by the Company, but shall not include any financial investment firm or collective investment vehicle that, together with its Affiliates, holds an equity interest in any Competitor and has not designated (and does not hereafter designate) any person as a member of the board of directors or a board observer of such Competitor.

(b) The Purchaser shall not transfer any Shares or any Anti-Dilution Shares, or any interest therein, except that the Purchaser may transfer such Shares (i) to equity holders of the Purchaser in connection with a corporate dividend or distribution made pro rata to the equity holders of the Purchaser in accordance with their ownership interests in the Purchaser, (ii) to a third party acquiror in the event of a Change of Control (as defined in the License Agreement) of Purchaser, (iii) to any Affiliate of the Purchaser or (iv) by operation of law; provided that such Shares and Anti-Dilution Shares shall remain subject to this Agreement (including without limitation the restrictions on transfer set forth in this Section 4), and such permitted transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Agreement.

(c) The provisions of Sections 4.2(a) and 4.2(b) shall terminate upon the earlier of the following events:

(i) three (3) months after the expiration or termination of the License Agreement;

(ii) the closing of the Company’s initial public offering of Common Stock (the “**IPO**”), *provided, however*, that this Subsection shall not restrict Purchaser’s ability to register and transfer its Shares in connection with the IPO if Purchaser is otherwise permitted to participate in the IPO pursuant to the Investors’ Rights Agreement and any market stand-off arrangements; or

(iii) the closing of a Deemed Liquidation Event (as defined in the Certificate of Incorporation).

(d) The Purchaser acknowledges that the Shares and Anti-Dilution Shares may be subject to restrictions on transfer as set forth in a Right of First Refusal and Co-Sale Agreement by and among the Company, the Purchaser and other persons, and that the Purchaser shall not transfer any Shares or Anti-Dilution Shares except in compliance therewith.

(e) The Purchaser acknowledges and agrees that any resale by it of the Shares or Anti-Dilution Shares shall be in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act or pursuant to an available exemption from registration.

(f) The Purchaser shall not engage in any hedging transactions with regard to the Shares or Anti-Dilution Shares unless in compliance with the Securities Act.

(g) The Purchaser agrees that, to the extent necessary pursuant to Regulation S, the Company may refuse to register any transfer of Shares or Anti-Dilution Shares not made in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act or pursuant to an available exemption from registration.

5. Agreement in Connection with Initial Public Offering. The Purchaser hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company for its own behalf of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1 or Form S-3 and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports; and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto) (a) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering, or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Common Stock or other securities, in cash or otherwise. The foregoing provisions of this Section 5 shall apply only to the IPO and shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall only be applicable to the Purchaser if all officers and directors are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than one percent (1%) of the outstanding Common Stock (after giving effect to the conversion into Common Stock of all outstanding Preferred Stock). The underwriters in connection with such registration are intended third-party beneficiaries of this Section 5 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. The Purchaser further agrees to execute such agreements as may be reasonably requested by the Company or the underwriters in connection with such registration that are consistent with this Section 5 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all stockholders subject to such agreements, based on the number of shares subject to such agreements. The Company may impose stop-transfer instructions with respect to the shares of capital stock or other securities subject to the foregoing restriction until the end of the “lock-up” period.

6. Restrictive Legends. All certificates representing Shares and any Anti-Dilution Shares shall have affixed thereto legends in substantially the following form, in addition to any other legends that may be required under federal or state securities laws:

“The shares of stock represented by this certificate are subject to restrictions on transfer and an option to purchase set forth in a certain Stock Subscription Agreement between the corporation and the registered owner of these shares (or his or her predecessor in interest), and such Agreement is available for inspection without charge at the office of the Secretary of the corporation.”

“The shares represented by this certificate have not been registered under the Securities Act of 1933, as amended (the “**Securities Act**”), and may not be sold, transferred or otherwise disposed of except in the absence of an effective registration statement under such Act or an opinion of counsel satisfactory to the corporation to the effect that such registration is not required.”



## 7. Anti-Dilution Rights.

7.1. During the term of the License Agreement and prior to the issuance by the Company of additional Equity Securities (as defined below) in exchange for investment in an amount equal to the Maximum Anti-Dilution Amount (as defined below), if the Company issues additional Equity Securities, the Company shall promptly issue a number of additional shares of Common Stock to the Purchaser for no consideration to the extent necessary to cause the Purchaser Percentage (as defined below) to be equal to the Floor Percentage (as defined below) (such additional shares, the “**Anti-Dilution Shares**”); *provided* that, with respect to any Anti-Dilution Shares issued as a result of the issuance of Equity Securities pursuant to the Stock Plan or other stock incentive plan of the Company, the Company will issue such Anti-Dilution Shares to the Purchaser at the earlier of (a) the end of the Company’s fiscal year in which the issuances took place and (b) the closing of the next Preferred Stock financing; and *provided further* that if in a single issuance or series of related issuances of additional Equity Securities in exchange for investment the Maximum Anti-Dilution Amount is exceeded, the anti-dilution rights set forth in this Section 7.1 shall apply with respect to the portion of such issuances in exchange for investment up to the Maximum Anti-Dilution Amount. Notwithstanding the foregoing, if an event that would trigger an Anti-Dilution Termination Date (as defined below) occurs prior to the issuance by the Company of additional Equity Securities (as defined below) in exchange for investment in an amount equal to the Maximum Anti-Dilution Amount, then the Purchaser shall receive the balance of any Anti-Dilution Shares necessary to cause the Purchaser Percentage to equal the Floor Percentage immediately prior to the consummation of such event. The Company shall provide Purchaser with evidence of the issuance of such Anti-Dilution Shares promptly after their issuance.

7.2. In the event that after the issuance by the Company of additional Equity Securities in exchange for investment in an amount equal to the Maximum Anti-Dilution Amount, the Company issues any Convertible Security (as defined in the Certificate of Incorporation and other than Series A Preferred Stock) in exchange for investment with aggregate gross proceeds to the Company of up to [\*\*\*] (the “**Additional Maximum Dilution Amount**”), and either (a) such Convertible Security is convertible or exchangeable for Series A Preferred Stock or (b) such issuance of such Convertible Security or conversion or exchange of such Convertible Security would have resulted in an adjustment to the Series A Conversion Price (as defined in the Certificate of Incorporation) pursuant to the terms of Subsection 4.4.4 of the Certificate of Incorporation (without giving effect to any waiver obtained pursuant to Subsection 4.4.2 of the Certificate of Incorporation), then, in the case of the foregoing clause (a), when such Convertible Security is converted or exchanged for Series A Preferred Stock or in the case of the foregoing clause (b), when such adjustment to the Series A Conversion Price is determinable, and in each case of the foregoing clause (a) or (b) without giving effect to any issuances of Equity Securities or other securities of the Company after the issuance of such Convertible Securities in an amount equal to the Additional Maximum Dilution Amount, the Company shall promptly issue a number of additional shares of Common Stock to the Purchaser for no consideration to the extent necessary to cause the Purchaser Percentage to be equal to the Floor Percentage; *provided further* that if in a single issuance or series of related issuances of such Convertible Securities in exchange for investment the Additional Maximum Dilution Amount is exceeded, the anti-dilution rights set forth in this Section 7.2 shall apply with respect to the portion of such issuances in exchange for investment up to the Additional Maximum Dilution Amount. Such additional shares issued pursuant to this Section 7.2 shall be deemed Anti-Dilution Shares for all purposes of this Agreement other than for purposes of Section 7.1.

7.3. For purposes of this Section 7, the following definitions shall apply:

(a) The term “**Equity Securities**” means shares of capital stock, convertible securities or warrants, options, or other rights to subscribe for, purchase or acquire from the Company any capital stock of the Company; provided that, “other rights to subscribe for, purchase or acquire” shall not include (i) preemptive or other rights to participate in new offerings of securities by the Company after the Closing until such securities are actually issued, (ii) obligations under a purchase agreement for Preferred Stock of the Company to acquire additional shares of such Preferred Stock on the same terms as those purchased at an initial closing upon the passage of time or meeting (or waiver) of specified Company performance conditions until such securities are actually issued or (iii) anti-dilution provisions that have not been triggered; *provided further* that shares of capital stock or convertible securities issued pursuant to the foregoing rights, obligations and provisions set forth in clauses (i), (ii) and (iii) and then outstanding shall be deemed “Equity Securities” hereunder.

(b) The term “**Floor Percentage**” means [\*\*\*] of the Fully Diluted Shares.

(c) The term “**Fully Diluted Shares**” means, as of a specified date, the number of shares of Common Stock then-outstanding plus the number of shares of Common Stock issuable upon exercise or conversion of then-outstanding convertible securities or warrants, options, or other rights to subscribe for, purchase or acquire from the Company any capital stock of the Company (which shall be determined without regard to whether such securities or rights are then vested, exercisable or convertible) plus, without duplication, the number of shares reserved and available for future grant under any then-existing equity incentive plan of the Company; *provided* that, for clarity, “other rights to subscribe for, purchase or acquire” shall not include (i) preemptive or other rights to participate in new offerings of securities by the Company after the Closing until such securities are issued, (ii) obligations under a purchase agreement for preferred stock of the Company to acquire additional shares of such preferred stock on the same terms as those purchased at an initial closing upon the passage of time or meeting (or waiver) of specified Company performance conditions until such securities are issued or (iii) anti-dilution provisions that have not been triggered; *provided further* that shares of Common Stock or convertible securities issued pursuant to the foregoing rights, obligations and provisions set forth in clauses (i), (ii) and (iii) and then outstanding shall be included in the number of shares of Common Stock then-outstanding or issuable upon conversion of convertible securities.

(d) The term “**Maximum Anti-Dilution Amount**” means aggregate gross proceeds to the Company of [\*\*\*] in cash since the date of incorporation or formation of the Company, in one or a series of related or unrelated transactions, in each case, in exchange for the Company’s capital stock.

(e) The term “**Purchaser Percentage**” means the fraction, expressed as a percentage, the numerator of which is the number of shares of Common Stock held by the Purchaser and the denominator of which is the Fully Diluted Shares.

7.3 After the Company’s receipt of the Maximum Anti-Dilution Amount, and the issuance of Common Stock to Purchaser in accordance with Section 7.1, all rights and obligations under Section 7.1 shall terminate and be of no further force and effect. After the Company’s receipt of the Additional Maximum Dilution Amount in exchange for the issuance of any securities of the Company, all rights and obligations under Section 7.2 (other than rights and obligations relating to the issuance of Common Stock to Purchaser in accordance with Section 7.2 arising on or prior to such receipt of the Additional Maximum Dilution Amount) shall terminate and be of no further force and effect. After the earlier to occur of (a) immediately prior to the consummation of an IPO with [\*\*\*] and (b) the Anti-Dilution Termination Date (as defined below), all rights and obligations under this Section 7 shall terminate and be of no further force and effect. For purposes of this Section 7.3, “**Anti-Dilution Termination Date**” means the earliest to occur of (i) the expiration or termination of the License Agreement, (ii) the closing of a Deemed Liquidation Event (as defined in the Certificate of Incorporation), or (iii) the consummation of a Change of Control (as defined in the License Agreement) of the Company.

## 8. Board Observer Rights.

8.1. Upon the Closing and until the expiration or termination of the License Agreement, the Company shall invite one representative of Purchaser, who shall initially be [\*\*\*], to attend all meetings of the Company's board of directors (whether in person, by telephone, or otherwise) in a non-voting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided that such representative shall agree to hold in confidence and to not use or disclose any confidential information provided to or learned by such observer in connection with the observer rights provided in this Section 8; provided further that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if the Company believes that such withholding or exclusion is reasonably necessary to preserve the attorney-client privilege, preserve trade secrets or for conflict-of-interest reasons, including if such representative is a member of the board of directors or a board observer of a Competitor.

8.2. This Section 8 shall terminate and be of no further force and effect upon the earliest to occur of (a) the consummation of an IPO, (b) the closing of a Deemed Liquidation Event (as defined in the Certificate of Incorporation), and (c) the consummation of a Change of Control (as defined in the License Agreement) of the Company.

## 9. Miscellaneous.

9.1. Survival of Warranties. Unless otherwise set forth in this Agreement, the representations and warranties of the Company and the Purchaser contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closing and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Purchaser or the Company.

9.2. Successors and Assigns. Except with the written consent of the Company, the Purchaser shall not assign this Agreement, or any rights or obligations hereunder, (a) prior to the termination of the rights and obligations under Section 7 or (b) to a Competitor, provided that the Purchaser's rights (subject to such Purchaser's obligations) hereunder may be transferred by such Purchaser with an interest in the Shares or Anti-Dilution Shares (i) to equity holders of the Company in connection with a corporate dividend or distribution of the Shares or Anti-Dilution Shares made pro rata to the equity holders of the Company in accordance with their ownership interests in the Company or (ii) by operation of law. Any assignment or attempted assignment by the Purchaser in violation of the immediately preceding sentence shall be null, void and of no legal effect. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the Parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

9.3. Governing Law. This Agreement and the legal relations among the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, U.S.A. without regard to its conflict of laws rules.

9.4. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

9.5. Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

9.6. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the Party to be notified, (b) when sent, if sent by electronic mail or facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective Parties at their address as set forth on the signature page or to such e-mail address, facsimile number or address as subsequently modified by written notice given in accordance with this Section 8.6. If notice is given to the Company, a copy shall also be sent to Goodwin Procter LLP, 100 Northern Avenue, Boston, MA 02210, Attention: Richard A. Hoffman.

9.7. No Finder's Fees. Each Party represents that it neither is nor will be obligated for any finder's fee or commission in connection with this transaction. The Purchaser agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finder's or broker's fee arising out of this transaction (and the costs and expenses of defending against such liability or asserted liability) for which the Purchaser or any of its officers, employees, or representatives is responsible. The Company agrees to indemnify and hold harmless each Purchaser from any liability for any commission or compensation in the nature of a finder's or broker's fee arising out of this transaction (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible.

9.8. Amendments and Waivers. Any term of this Agreement may be amended, terminated or waived only with the written consent of the Company and the Purchaser. Any amendment or waiver effected in accordance with this Section 8.8 shall be binding upon the Purchaser and each transferee of the Shares and/or any Anti-Dilution Shares, each future holder of all such Shares and/or any Anti-Dilution Shares, and the Company.

9.9. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

9.10. Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any Party under this Agreement, upon any breach or default of any other Party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any Party, shall be cumulative and not alternative.

9.11. Entire Agreement. This Agreement constitutes the full and entire understanding and agreement between the Parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the Parties are expressly canceled. For the avoidance of doubt, the provisions of this Agreement shall supersede any conflicting or inconsistent provisions of the License Agreement, and any such provision of the License Agreement shall be of no further force and effect.

9.12. Dispute Resolution. The Parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

9.13. WAIVER OF JURY TRIAL. EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

*[Remainder of page intentionally left blank]*

**COMPANY:**

CULLINAN PEARL CORP.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: One Main Street, Suite 520  
Cambridge, MA 02142  
U.S.A.

**PURCHASER:**

TAIHO PHARMACEUTICAL, CO., LTD.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: 1-27 Kandanishiki-cho  
Chiyoda-ku, Tokyo 101-8444  
Japan

*[Signature page to Stock Subscription Agreement]*

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**Exhibit D**

**Development Plan**

[\*\*\*]

D-1

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**Exhibit E**

**Press Release**

[See attached sheets]

E-1



TOKYO and CAMBRIDGE, Massachusetts, Feb. 04, 2019 /Kyodo JBN/—

-FIH Study in EGFR Exon 20 Insertions Will Commence in 2019-

Taiho Pharmaceutical Co., Ltd. and Cullinan Oncology, LLC announced on February 04 an agreement to develop TAS6417, a novel EGFR (epidermal growth factor receptor) tyrosine kinase inhibitor discovered by Taiho Pharmaceutical.

(Logo1:

[https://kyodonewsprwire.jp/prwfile/release/M000396/201812251776/\\_prw\\_P11fl\\_7wNhWX41.png](https://kyodonewsprwire.jp/prwfile/release/M000396/201812251776/_prw_P11fl_7wNhWX41.png))

(Logo2:

[https://kyodonewsprwire.jp/prwfile/release/M000396/201812251776/\\_prw\\_P12fl\\_2fyBq0X.png](https://kyodonewsprwire.jp/prwfile/release/M000396/201812251776/_prw_P12fl_2fyBq0X.png))

Under the terms of the agreement, Taiho Pharmaceutical will grant an exclusive, global license ex- Japan for the development and commercialization of TAS6417 to Cullinan Pearl, a newly formed US-based company under the Cullinan Oncology umbrella. Taiho Pharmaceutical will receive an upfront payment, regulatory and sales milestones, as well as royalties based on net sales. Taiho Ventures, LLC, a strategic corporate venture arm of Taiho Pharmaceutical, alongside Cullinan Oncology, will provide funding for Cullinan Pearl's Series A.

“The Taiho’s drug research team created a unique molecule targeting EGFR Exon 20 insertion mutation using proprietary drug discovery platform technology. This alliance, one of the first of its kind at Taiho Pharmaceutical, allows our organization to optimize its R&D resource allocation and accelerate global development by accessing external talent and resources. We are pleased to partner with Cullinan Oncology and its experienced management team in bringing this novel treatment to NSCLC patients,” said Teruhiro Utsugi, Managing Director of Taiho Pharmaceutical.

Cullinan Pearl will utilize Cullinan Oncology’s shared service platform to develop TAS6417, which relies on a central management team and a network of integrated collaborators to help drive the development of pre-clinical and clinical assets.

“We are excited to partner with Taiho Pharmaceutical and Taiho Ventures in exploring the utility of this novel drug in a patient population with limited options to date. We are thankful for Taiho’s trust in our team’s ability to execute the clinical development of this exciting asset,” stated Owen Hughes, CEO of Cullinan Oncology.

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## About TAS6417

TAS6417 is an orally available tyrosine kinase inhibitor designed to target activating mutations in EGFR. The molecule was engineered to inhibit EGFR variants with exon 20 insertion mutations, while sparing wild-type EGFR. TAS6417 is a clinical candidate for NSCLC driven by EGFR exon 20 insertion mutations and is expected to be a novel therapeutic option for the patients with highly unmet medical needs.

## About Taiho Pharmaceutical Co., Ltd. (Japan)

Taiho Pharmaceutical, a subsidiary of Otsuka Holdings Co., Ltd., is an R&D-driven specialty pharma focusing on the three fields of oncology, allergy and immunology, and urology. Its corporate philosophy takes the form of a pledge: “We strive to improve human health and contribute to a society enriched by smiles.” In the field of oncology in particular, Taiho Pharmaceutical is known as a leading company in Japan for developing innovative medicines for the treatment of cancer, a reputation that is rapidly expanding through their extensive global R&D efforts. In areas other than oncology, as well, the company creates and markets quality products that effectively treat medical conditions and can help improve people’s quality of life. Always putting customers first, Taiho Pharmaceutical also aims to offer consumer healthcare products that support people’s efforts to lead fulfilling and rewarding lives.

<https://www.taiho.co.jp/en/>

## About Taiho Ventures

Taiho Ventures, LLC is the strategic corporate venture capital arm of Taiho Pharmaceutical Co. Ltd., a Japanese specialty pharma focusing on oncology, allergy and immunology, and urology. With the recently expanded \$300M under management, Taiho Ventures is looking at early-stage preclinical oncology companies as well as platform technology companies for our core therapeutic areas. Taiho Ventures will review the wide variety of modalities for both biologics and small molecules. The company will also consider the option type of investments and spin-outs, in addition to the pure equity investments.

## About Cullinan Oncology

Cullinan Oncology was formed to develop a diversified portfolio of highly promising single asset oncology opportunities through both internal and external means and to do so in a unique, cost- efficient model that leverages a central management team and shared services model to drive speed and efficiency. For additional information, please visit [www.cullinanoncology.com](http://www.cullinanoncology.com).

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Source: Taiho Pharmaceutical Co., Ltd.

Cullinan Oncology, LLC

Contact:

[\*\*\*]

E-4

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**Exhibit F**

**Initial Licensed Know How**

[\*\*\*]

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**Exhibit G**

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Portions of this Exhibit have been redacted because they are both (i) not material and (ii) would be competitively harmful if publicly disclosed. Information that was omitted has been noted in this document with a placeholder identified by the mark “[\*\*\*]”.

## EXCLUSIVE LICENSE AGREEMENT

This Exclusive License Agreement (this “**Agreement**”) is made and is effective as of this 31st day of August, 2020 (the “**Effective Date**”) by and among Cullinan Florentine Corp., a Delaware corporation (“**Licensee**”) and having an address at 1 Main Street Suite 520, Cambridge, MA 02142, U.S.A., on the one hand, and Deutsches Krebsforschungszentrum or the German Cancer Research Center (“**DKFZ**”), Eberhard Karls University of Tuebingen, Faculty of Medicine (“**University of Tübingen**”), and Universitätsmedizin Gesellschaft für Forschung und Entwicklung mbH, Tübingen (“**UFE**”), on the other hand. DKFZ and University of Tübingen are collectively referred to herein as “**Licensor**.” Each of DKFZ, University of Tübingen, UFE and Cullinan are individually referred to herein as a “**Party**,” and they are collectively referred to herein as the “**Parties**”.

### Recitals

**WHEREAS**, Licensee is engaged in the research and development of therapeutics for the treatment of diseases;

**WHEREAS**, Licensor possesses certain technology and related intellectual property rights useful for the research, development, and commercialization of therapeutics for the treatment of diseases; and

**NOW THEREFORE**, Licensor and Licensee, intending to be legally bound, agree as follows:

### ARTICLE 1

#### Definitions

1.1 “**Accounting Standards Securities**” means generally accepted accounting principles in the United States (GAAP) or international financial reporting standards outside the United States (IFRS), in each case consistently applied, as may be applicable to the relevant Invoicing Entity from time to time.

1.2 “**Additional Securities**” means shares of capital stock, convertible securities or warrants, options, or other rights to subscribe for, purchase or acquire from Licensee any capital stock of Licensee; *provided* that, “other rights to subscribe for, purchase or acquire” shall not include (i) preemptive or other rights to participate in new offerings of securities by Licensee after the Effective Date, (ii) obligations under a purchase agreement for preferred stock of Licensee to acquire additional shares of such preferred stock on the same terms as those purchased at an initial closing upon the passage of time or meeting (or waiver) of specified Licensee performance conditions or (iii) anti-dilution provisions that have not been triggered.

1.3 “**Affiliate**” means, with respect to a Party, any Person that controls, is controlled by, or is under common control with such Party. For purposes of this Section 1.3, “control” shall refer to (i) in the case of a Person that is a corporate entity, direct or indirect ownership of more than fifty percent (50%) of the stock or shares having the right to vote for the election of directors of such Person and (ii) in the case of a Person that is not a corporate entity, the possession, directly or indirectly, of the power to direct, or cause the direction of, the management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding the foregoing, for purposes of Sections 1.47, 2.3, 3.1, 3.2, 3.3, 8.1, 8.2 and 8.4, Affiliates of Licensee shall exclude Persons controlled by Cullinan Oncology LLC or under common control of Cullinan Oncology LLC or any investor in Cullinan Oncology LLC (“**Cullinan Affiliate Persons**”) other than Licensee and its subsidiaries and Cullinan Affiliate Persons that have been granted rights by Licensee or its Affiliates with respect to Licensed Products. Notwithstanding the foregoing, for purposes of Sections 8.1, and 8.2, Affiliates of Licensor shall exclude Persons (i) controlled by DKFZ or under common control of DKFZ or (ii) controlled by University of Tübingen or under common control of University of Tübingen.

1.4 “**Asset**” means all Licensor’s FLT3 binders described as part of the invention in the provisional patent application with the Application Numbers [\*\*\*] and the subsequently filed international patent application [\*\*\*], any such binders in any format (monospecific, bispecific or other) other than formats (a) invented or Controlled by Licensor after the Effective Date and (b) to the extent Covered by Patent Rights or Know-How to which Licensee does not have a license. The Asset shall explicitly exclude [\*\*\*] as described in the patent application [\*\*\*].

1.5 “**Board**” means the Board of Directors of Licensee, as it may be constituted from time to time.

1.6 “**Business Days**” means a day that is not a Saturday, Sunday or a day on which banking institutions in Boston, Massachusetts, U.S.A. or Heidelberg, Germany are authorized by Law to remain closed.

1.7 “**Calendar Year**” means each successive period of twelve (12) months commencing on January 1 and ending on December 31; *provided, however*, that the first Calendar Year hereunder shall commence on the Effective Date and the final Calendar Year hereunder shall end on the effective date of termination or expiration of this Agreement.

1.8 “**Chief Executive Officer**” means (a) with respect to Licensee, the Chief Executive Officer of Licensee or his or her designee, and (b) with respect to Licensor, the Chief Innovation Officer of DKFZ, or his or her designee.

1.9 “**Commercialization**” or “**Commercialize**” means any and all activities that relate to producing, manufacturing, marketing, promoting, distributing, importing or selling a product, including activities related to regulatory review and/or approval of a product.

1.10 “**Competitive Product**” means any of the following: [\*\*\*].

1.11 “**Confidential Information**” means any confidential or proprietary information furnished by one Party to the other Party in connection with this Agreement, *provided* that such

information is (i) specifically designated as confidential or (ii) reasonably identifiable by an individual familiar with the industry as confidential or proprietary. Confidential Information includes but is not limited to:

- (a) non-public information disclosed by Licensee to Licensor in reports submitted by Licensee to Licensor pursuant to Section 3.2;
- (b) non-public information disclosed by Licensor to Licensee in connection with the matters contemplated pursuant to Section 3.4;
- (c) non-public information disclosed by Licensor to Licensee relating to patent application prosecution files for the Licensed Patent Rights; and
- (d) information of one Party received by the other Party prior to the Effective Date pursuant to the Exclusive Option Agreement.

1.12 “**Controlled**” means, with respect to Patent Rights or Know-How, that a Party owns or has a license or sublicense to such Patent Rights or Know-How and has the ability to grant a license or sublicense to such Patent Rights or Know-How as provided for in this Agreement, or has the ability to assign its right, title and interest in and to such Patent Rights or Know-How, without violating the terms of any agreement or other arrangement with any Third Party.

1.13 “**Cover**,” “**Covering**” or “**Covered**” means, with respect to a product, technology, process or method, that in the absence of ownership of or a license granted under a Valid Claim, the manufacture, use, offer for sale, sale or importation of such product or the practice of such technology, process or method would infringe such Valid Claim (or, in the case of a Valid Claim that has not yet issued, would infringe such Valid Claim if it were to issue) or that in the absence of ownership of or a license granted to Know-How, the manufacture, use, offer for sale, sale or importation of such product or the practice of such technology, process or method would constitute a misappropriation of such Know-How.

1.14 “**EMA**” means the European Medicines Agency and any successor governmental authority having substantially the same function.

1.15 “**Exclusive Option Agreement**” means that certain Exclusive Option Agreement by and among the Parties dated as of May 22, 2019.

1.16 “**FDA**” means the United States Food and Drug Administration or any successor United States governmental agency performing similar functions with respect to pharmaceutical products.

1.17 “**Field**” means all fields, including the diagnosis, prognosis, prevention or treatment of any human or animal disease or condition.

1.18 “**Financing Threshold**” means an aggregate total investment of [\*\*\*] in cash since the date of incorporation or formation of Licensee, in one or a series of related or unrelated transactions, in each case, in exchange for Licensee’s capital stock.

1.19 “**First Change of Control**” means, with respect to Licensee, the first to occur of any of the following events: (a) any Third Party (or group of Third Parties) acquires through one or a series of related transactions (that shall be aggregated for the purposes hereof), directly or indirectly, shares of Licensee representing either (i) at least a majority of the voting power (where voting refers to being entitled to vote for the election of directors) then outstanding of Licensee or (ii) at least a majority of the equity then outstanding of Licensee; (b) Licensee consolidates with or merges into another corporation or entity which is a Third Party, or any corporation or entity which is a Third Party consolidates with or merges into Licensee, in either event pursuant to a transaction in which at least a majority of the voting power or at least a majority of the equity of the acquiring or resulting entity outstanding immediately after such consolidation or merger is not held by the holders of the outstanding voting power or equity of Licensee immediately preceding such consolidation or merger; (c) Licensee, through one or a series of related transactions (that shall be aggregated for the purposes hereof), conveys, transfers, licenses and/or leases all or substantially all of its assets to a Third Party; or (d) Licensee, through one or a series of related transactions (that shall be aggregated for the purpose hereof), conveys, assigns, transfers, licenses and/or leases, as applicable, this Agreement or all or substantially all of its rights granted under this Agreement to a Third Party. Notwithstanding anything to the contrary in this paragraph, the sale of equity securities by Licensee for capital raising purposes in a financing transaction shall not be deemed a First Change of Control and changes in the ownership of any stockholder of Licensee, or of ownership of any such stockholder, shall not be considered in making the determination of the occurrence of a First Change of Control. For purposes of Sections 3.4, 4.5, and 5.3(b), the consummation of a First Change of Control of Licensee shall cause permanently such expiration, termination or other effect for the Term, and no such provision shall be considered readjusted to its terms prior to such First Change of Control in the event of a subsequent transfer or assignment of this Agreement to a successor Licensee.

1.20 “**First Commercial Sale**” means, with respect to a Licensed Product and a country, the first bona fide, arms-length sale of such Licensed Product in such country by or on behalf of Licensee or a Related Party after receipt of Regulatory Approval in the jurisdiction in question; *provided*, that, for clarity First Commercial Sale does not include the sale of a Licensed Product for compassionate use or clinical trial, *provided, however*, that such Licensed Product is supplied at or below cost.

1.21 “**First IPO**” means, with respect to Licensee, the first underwritten public offering of Licensee’s common stock under the Securities Act of 1933, as amended, or comparable law in a foreign jurisdiction, and the rules and regulations promulgated thereunder. For purposes of Section 4.5, the consummation of the First IPO shall cause permanently such expiration, termination or other effect for the Term, and no such provision shall be considered readjusted to its terms prior to such First IPO in the event of a subsequent transfer or assignment of this Agreement to a successor Licensee.

1.22 “**Fully-Diluted Basis**” means, as of a specified date, the number of shares of common stock of Licensee then-outstanding plus the number of shares of common stock of Licensee issuable upon exercise or conversion of then-outstanding convertible securities or warrants, options, or other rights to subscribe for, purchase or acquire from Licensee any capital stock of Licensee (which shall be determined without regard to whether such securities or rights

are then vested, exercisable or convertible) plus, without duplication, the number of shares reserved and available for future grant under any then-existing equity incentive plan of Licensee; *provided* that, for clarity, “other rights to subscribe for, purchase or acquire” shall not include (i) preemptive or other rights to participate in new offerings of securities by Licensee after the Effective Date, (ii) obligations under a purchase agreement for preferred stock of Licensee to acquire additional shares of such preferred stock on the same terms as those purchased at an initial closing upon the passage of time or meeting (or waiver) of specified Licensee performance conditions or (iii) anti-dilution provisions that have not been triggered.

1.23 “**IND**” means an Investigational New Drug Application filed with the FDA under 21 C.F.R. Part 312 for permission to conduct human clinical investigations.

1.24 “**Intellectual Property**” means ideas, concepts, discoveries, inventions, developments, Know-How, trade secrets, techniques, methodologies, modifications, innovations, improvements, writings, documentation, electronic code, data and rights (whether or not protectable under Law) or the like existing anywhere in the world, whether or not written or otherwise fixed in any form or medium, regardless of the media on which contained and whether or not patentable or copyrightable.

1.25 “**Inventors**” means [\*\*\*] and [\*\*\*].

1.26 “**Know-How**” means any and all commercial, technical, regulatory, scientific and other know-how and information, knowledge, technology, materials, methods, processes, practices, standard operating procedures, formulae, instructions, skills, techniques, procedures, assay protocols, experiences, ideas, technical assistance, designs, drawings, assembly procedures, specifications, regulatory filings, data and results (including biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, pre-clinical, clinical, safety, regulatory, manufacturing and quality control data and know-how, including study designs and protocols), whether or not confidential, proprietary or patentable, in written, electronic or any other form.

1.27 “**Knowledge of Licensor**” means the actual knowledge of [\*\*\*] and [\*\*\*] as of the Effective Date, and for the avoidance of doubt, not including any deemed knowledge or what should have been known by any such person.

1.28 “**Law**” means all laws, statutes, rules, codes, regulations, orders, judgments or ordinances applicable to a Party, this Agreement or the activities contemplated hereunder.

1.29 “**Licensed Information**” means the Technical Information, non-public Licensed Know-How and unpublished information contained within the Licensed Patent Rights.

1.30 “**Licensed IP Rights**” means the Licensed Know-How and Licensed Patent Rights.

1.31 “**Licensed Know-How**” means any and all Know-How Covering, and to the extent Covering, the Asset, including the Know-How described on Exhibit B and any Know-How Controlled by Licensor not specific to [\*\*\*]; provided, however, that Licensed Know-How shall exclude Know-How Covering, and to the extent Covering, [\*\*\*].



1.32 “**Licensed Patent Rights**” means all Patent Rights Covering the Asset, including all (i) patents, patent applications, and patent equivalents of this patent family [\*\*\*] listed on Exhibit A and any claims of patent application [\*\*\*] and (ii) any patent or patent application, utility patent or utility patent application, and innovation patent or innovation patent application claiming priority to any patent application identified in clause (i) (excluding continuation-in-part patents or patent applications except to the extent described in (iv) below) or any divisional, continuation, reissue, renewal, reexamination, substitution or extension of any patent or patent application identified in clause (i) or this clause (ii), (iii) all patents issuing from such patent applications identified in clause (i), (ii) or (iv), including any reissues, renewals, reexaminations, substitutions or extensions thereof, (iv) all continuations and claims of continuations-in-part applications that claim priority to and are entitled to the priority date of, and are directed specifically to subject matter specifically described in, at least one of the patents or patent applications identified in clause (i), (ii) or (iii) or any divisional, continuation, reissue, renewal, reexamination, substitution or extension of any patent application identified in this clause (iv), (v) all foreign counterparts of any of the foregoing and (vi) any supplementary protection certificates or patent term extensions in a country based on any patents or patent applications identified in any of clauses (i) through (v). For clarity, with respect to patent application [\*\*\*], the patents or patent applications of the type described in the foregoing clause (ii) through (vi) shall only include such patents or patent applications Covering, and to the extent Covering, the Asset. Notwithstanding the foregoing provisions of this Section 1.32, Licensed Patent Rights shall exclude claims of Patent Rights Covering, and to the extent Covering, novel biospecific binder formats invented or Controlled by Licensor after the Effective Date.

1.33 “**Licensed Product**” means any product (a) on a country-by-country basis, the making, using, selling, offering for sale, importing or exporting of which in such country would, but for the licenses granted herein, infringe directly at least one (1) pending Valid Claim, were such Valid Claim to have issued, or issued Valid Claim under any of the Licensed Patent Rights in such country or (b) incorporates or comprises any Licensed Know-How. For clarity, the term “Licensed Product” as used in this Agreement does not reflect any stage or status of development or regulatory approval.

1.34 “**Licensee Technology**” shall mean (i) any and all Patent Rights and Know-How Controlled by Licensee or its Affiliates or permitted Sublicensees on the Effective Date or during the term of this Agreement and required or used for the development, manufacture or Commercialization of any Licensed Product; and (ii) trademarks and designs Controlled by Licensee or its Affiliates or permitted Sublicensees and required or used for the Commercialization of the Licensed Products. For the avoidance of doubt, Licensee Technology includes improvements to the Licensed Patent Rights developed by Licensee.

1.35 “**Major European Market**” means any of United Kingdom, France, Germany, Italy or Spain.

1.36 “**NDA**” means a New Drug Application (as defined in the United States Federal Food, Drug, and Cosmetic Act and the regulations promulgated thereunder (21 C.F.R. §§ 314 et seq.).

1.37 “**Net Sales**” means [\*\*\*]:

- (a) Net Sales shall not include [\*\*\*];
- (b) [\*\*\*];
- (c) in the event that: [\*\*\*]; and
- (d) [\*\*\*].

[\*\*\*]:

- (1) [\*\*\*]; and
- (2) [\*\*\*].

1.38 **“Patent Rights”** means with respect to any patents or patent applications, any and all (a) patents and patents issuing from such patent applications, (b) substitutions, divisionals, renewals, continuations or continuations-in-part (only to the extent of claims that are entitled to the priority date of the parent application); (c) patents of addition, restorations, extensions, supplementary protection certificates, registration or confirmation patents, patents resulting from post-grant proceedings, re-issues and re-examinations; (d) other patents or patent applications claiming and entitled to claim priority to (i) such patents and patent applications and any patent or patent application specified in (a), (b) or (c), or (ii) any patent or patent application from which such patents and patent applications or a patent or patent application specified in (a), (b) or (c) claims and is entitled to claim priority; (d) all rights of priority attendant to such patents and patent applications and any of the patents and patent applications listed in (a) through (c); and (e) in each case of such patents and patent applications and of the patents and patent applications described in (a) through (d), including all counterparts and foreign equivalents thereof filed in any country, territory or jurisdiction in the world.

1.39 **“Person”** means any natural person or any corporation, company, partnership, joint venture, firm or other entity, including a Party, or any government or agency or political subdivision thereof.

1.40 **“Phase I Clinical Trial”** means, as to a Licensed Product, [\*\*\*].

1.41 **“Phase II Clinical Trial”** means, as to a Licensed Product, [\*\*\*].

1.42 **“Phase III Clinical Trial”** means, as to a Licensed Product, [\*\*\*].

1.43 **“Pro Rata Basis”** means allocated among DKFZ and UFE in such proportion such that DKFZ holds [\*\*\*] and UFE holds [\*\*\*] of any such amount.

1.44 **“Prosecution and Maintenance”** or **“Prosecute and Maintain”** means, with respect to the applicable Patent Rights, the preparation, filing, prosecution and maintenance of such Patent Rights, as well as re-examinations, reissues, appeals, and requests for patent term adjustments and patent term extensions with respect to such Patent Rights, together with the initiation or defense of interferences, the initiation or defense of oppositions, post grant review, and other similar proceedings with respect to the particular Patent Rights, and any appeals therefrom. For clarification, “Prosecution and Maintenance” or “Prosecute and Maintain” shall not include any other enforcement actions taken with respect to Patent Rights.

1.45 “**Regulatory Approval**” means, with respect to a country or territory, the approvals (including any applicable governmental price and reimbursement approvals), licenses, registrations or authorizations of Regulatory Authorities necessary for the Commercialization of a pharmaceutical product in such country or territory, including, as applicable, approval of an NDA or comparable filing in the United States or approval of a comparable filing in any other country or jurisdiction, including a marketing authorization approval by the EMA.

1.46 “**Regulatory Authority**” means a federal, national, multinational, state, provincial or local regulatory agency, department, bureau or other governmental entity with authority over the testing, manufacture, use, storage, import, promotion, marketing or sale of a product in the applicable country.

1.47 “**Related Party**” means Licensee’s Affiliates, Sublicensees, and Third Parties granted rights by Licensee or its Affiliates with respect to Licensed Products.

1.48 “**Royalty Term**” shall mean with respect to a Licensed Product in a country, the period commencing on the date of First Commercial Sale of such Licensed Product in such country and ending on the later of (i) the expiration or termination of the last to expire Valid Claim of a patent covering the researching, developing, making, having made, using, selling, having sold, offering for sale, exporting or importing of such Licensed Product in such country and (ii) [\*\*\*] of the date of First Commercial Sale of such Licensed Product in such country, [\*\*\*].

1.49 “**Sale Proceeds**” means the net consideration (after deduction of (a) any commissions, fees, expenses and other charges incurred by Licensee on an arm’s length basis with any non-Affiliate or non-Cullinan Affiliate Person, (b) any fees and expenses incurred on behalf of Licensee under the terms of any management services agreement between Licensee and an Affiliate of Licensee or a Cullinan Affiliate Person and (c) any transaction bonuses, retention payments and other similar compensation, and expense reimbursements in the ordinary course, paid to employees of or consultants to Licensee) actually received by Licensee or any shareholder of Licensee (other than amounts allocable to any equity of Licensee held by Subscribers) in a First Change of Control, including, when and as received, (i) any net consideration received by Licensee or any shareholder of Licensee in such First Change of Control after the date of consummation of such First Change of Control, including milestone payments, royalties, escrow payments released back or refunded, earnout payments and other contingent payments (other than amounts allocable to any equity of Licensee held by Subscribers), and (ii) any net consideration received by Licensee or any shareholder of Licensee in each transaction that is a part of a First Change of Control that is a series of related transactions.

1.50 “**Sublicensee**” shall have the meaning set forth in Section 2.2(a).

1.51 “**Subscription Agreements**” means collectively the Subscription Agreements in the applicable form attached hereto as Exhibit E, entered into by and between Licensee and the applicable Subscriber in connection with the issuance of equity securities by Licensee under Section 4.2.

1.52 “**Subscribers**” means DKFZ and UFE.

1.53 “**Technical Information**” means all non-public Know-How Controlled by Licensor that is reasonably necessary to enable skilled employees of Licensee to use the Licensed IP Rights pursuant to the licenses granted herein and/or to use the Technology Transfer Materials, including any information described on Exhibit C.

1.54 “**Technology Transfer Materials**” means embodiments of the Licensed Patent Rights and Licensed Know-How, including nucleic acids, proteins, plasmids and cell lines, reasonably necessary to enable skilled employees of or consultants to Licensee to use the Licensed IP Rights pursuant to the licenses granted herein.

1.55 “**Term**” means the term of this Agreement as provided in Section 9.1.

1.56 “**Territory**” means worldwide.

1.57 “**Third Party**” means any Person other than a Party or any of its Affiliates.

1.58 “**Valid Claim**” means (a) a pending claim of a patent application included within the Licensed Patent Rights that has been neither abandoned, nor finally rejected without the possibility of appeal or refiling or without such appeal having been taken or refiling having been made within the applicable time so allowed, nor pending for more than [\*\*\*] years from the priority date of such patent application or (b) an issued and unexpired claim of a patent included within the Licensed Patent Rights that has not been (i) abandoned or disclaimed or rendered unenforceable through disclaimer or otherwise or (ii) permanently revoked, withdrawn, canceled or disclaimed or held unenforceable, unpatentable, or invalid by a court or governmental authority of competent jurisdiction in an unappealable decision or unappealed in the time allowed for appeal.

1.59 Additional Definitions. Each of the following definitions is set forth in the section of this Agreement indicated below:

<u>Definition</u>	<u>Section</u>
<b>Anti-Dilution Shares</b>	4.2(a)
<b>Bankruptcy Code</b>	2.5(a)
<b>Cullinan Affiliate Persons</b>	1.3
<b>Deemed Calculation</b>	1.49
<b>Enforcement Notice</b>	5.3(b)
<b>Enforcement Right</b>	5.3(b)

<u>Definition</u>	<u>Section</u>
<b>Indemnified Party</b>	8.3
<b>Indemnifying Party</b>	8.3
<b>Joint Inventions</b>	5.1
<b>Joint Patent Rights</b>	5.1
<b>Performance Benchmark</b>	3.1(b)
<b>Performance Date</b>	3.1(b)
<b>PhD Research</b>	2.7
<b>PhD Student</b>	2.7
<b>Prosecuting Party</b>	5.2(b)
<b>Publication</b>	6.4
<b>SEC Filing</b>	6.5(d)
<b>Shares</b>	4.2(a)
<b>Third Party Payments</b>	4.4(a)

**ARTICLE 2**  
**Grant of License; Technology Transfer**

2.1 License Grant. Licensor hereby grants to Licensee (i) an exclusive (even as to Licensor, UFE and its and their Affiliates), worldwide, milestone- and royalty-bearing, license under the Licensed IP Rights, with the right to grant sublicenses through multiple tiers in accordance with Section 2.2, to research, develop, make, have made, use, sell, have sold, offer to sell, import, export, Commercialize or otherwise exploit Licensed Products, itself and through its Affiliates and Third Parties, within the Field.

2.2 Sublicensing.

(a) Licensee shall have the right to grant sublicenses under the license granted to it under Section 2.1 hereof to Affiliates and Third Parties (each, a “**Sublicensee**”) through multiple tiers; *provided* that (i) any such sublicense granted to a Third Party shall be pursuant to a written agreement and each sublicense shall be subject to all relevant provisions, restrictions and limitations set forth in this Agreement and (ii) any such sublicense shall be granted for consideration negotiated by the parties on an arm’s length basis. Licensee shall be responsible for each of its Sublicensee’s complying with all obligations of Licensee under this Agreement that are applicable to sublicenses.

(b) If this Agreement is terminated for any reason other than by Licensee pursuant to Section 9.4 (Termination for Convenience), then, at the option of any Sublicensee not in default of the applicable sublicense (or any provision of this Agreement applicable to such Sublicensee) and subject to the prior written consent of Licensor, not to be unreasonably withheld, conditioned or delayed, it shall become a direct licensee under, and subject to the terms and conditions of, this Agreement, subject only to modifications with respect to territory, field and exclusivity so as to accommodate all such Sublicensees and without application of Section 4.2 to any such Sublicensee.

2.3 Affiliates. Licensee may exercise or perform, or have exercised or performed on its behalf, some or all of its rights or obligations under this Agreement by one or more of Licensee's Affiliates. Licensee shall be responsible for each of its Affiliates' compliance with all obligations of Licensee under this Agreement.

2.4 Subcontractors. Licensee may exercise or perform some or all of its rights or obligations under this Agreement by subcontracting the exercise or performance of all or any portion of such rights and obligations on Licensee's behalf, provided that Licensee shall be responsible for each of its subcontractors complying with all obligations of Licensee under this Agreement.

2.5 Section 365(n) of the Bankruptcy Code.

(a) All rights and licenses granted under or pursuant to any section of this Agreement are and will otherwise be deemed to be for purposes of Section 365(n) of the United States Bankruptcy Code (Title 11, U.S. Code), as amended or any comparable Law outside the United States (the "**Bankruptcy Code**"), licenses of rights to "intellectual property" as defined in Section 101(35A) of the Bankruptcy Code. Licensor agrees that Licensee, as licensee of such rights under this Agreement, will retain and may fully exercise all of its rights and elections under the Bankruptcy Code or any other provisions of Law outside the United States that provide similar protection for "intellectual property." Any agreement supplemental hereto will be deemed to be "agreements supplementary to" this Agreement for purposes of Section 365(n) of the Bankruptcy Code.

(b) In the event that, as a result of bankruptcy, insolvency, or other similar proceeding by or against Licensor, Licensee is unable to obtain or retain the licenses set forth in Section 2.1 of this Agreement under Section 365(n) of the Bankruptcy Code or provisions of applicable federal, state or foreign law analogous to Section 365(n) of the Bankruptcy Code, Licensee shall have a right to purchase Licensor's right, title and interest in and to the Licensed IP Rights at fair market value, provided that Licensee gives Licensor written notice of such intention no later than four (4) weeks after Licensee becomes aware of the commencement of such bankruptcy proceeding. The fair market value of the Licensed IP Rights shall be determined by an assessment made by a mutually agreed upon third party, or, if the Parties do not agree within thirty (30) days of Licensee's written notice, a third party reasonably selected by Licensee with a background in conducting such assessments. The costs of any such assessment shall be borne equally by the Parties.

2.6 Technology Transfer. Promptly following the Effective Date and payment by Licensee of the amount provided in Section 4.1, Licensor will convey to Licensee the Technical Information and Technology Transfer Materials in the Control of any Inventor as of the Effective Date that have not been conveyed to Licensee prior to the Effective Date in connection with the Exclusive Option Agreement. During the Term, Licensor will from time to time promptly convey to Licensee any additional Technical Information and Technology Transfer Materials that are generated, developed, invented or conceived by any Inventor or that come under the Control of any Inventor after the Effective Date. Licensor will also provide Licensee with reasonable, mutually agreed upon access (which may include, at Licensee's request, access by phone or in person at Licensor's facilities or at Licensee's facilities) to Licensor personnel involved in the research and development of any Licensed IP Rights in order to enable skilled employees of or consultants to Licensee to practice the licenses granted herein. Licensor shall not be required to incur any out-of-pocket expenses to conduct any of the above transfers or provide technical assistance; any such reasonable, documented expenses shall be reimbursed by Licensee.

2.7 Additional Covenants. During the Term, except in connection with the fulfillment of any obligations of Licensor to Licensee under this Agreement or another written agreement between the Parties, Licensor shall not permit either of the Inventors to, research, develop, manufacture, use, import, export, offer to sell, sell, have sold or Commercialize any Competitive Product, and shall not grant any Third Party any right or license, or any option or other right to acquire a right or license, to research, develop, make, have made, use, import, export, offer to sell, sell, have sold or Commercialize any Competitive Product anywhere in the world. For clarity, this Section 2.7 imposes no restrictions on any employee or member of the faculty or staff of Licensor, other than the Inventors. The Parties agree that the provisions of Section 2.7 do not restrict customary supervision by [\*\*\*].

2.8 Permitted Research. Notwithstanding Section 2.7 to the contrary, if during the Term, Licensee approves the conduct of any research of a Competitive Product as proposed by the Inventors, such approval shall be set forth in a written agreement signed by Licensee and Licensor that sets forth in reasonable detail the scope of such research. Any such research shall be strictly non-commercial, and no Third Party shall have any rights in or to the results of such research. Licensor shall provide Licensee with semi-annual, written reports of planned experiments within the scope of the approved research and the results of completed experiment. The Parties agree that the provisions of this Section 2.8 do not require a further written approval by Licensee in connection with the conduct of the PhD Research by the PhD Student, and that in lieu of the semi-annual reports provided above in this Section 2.8, Licensor shall provide Licensee with a copy of the final results of the PhD Research, including a copy of the resulting thesis as submitted by the Student. Any publications related to such approved research or the PhD Research or the results thereof shall be subject to pre-publication review and delay on the terms provided in Section 6.4.

**ARTICLE 3**  
**Development and Commercialization**

3.1 Diligence.

(a) General. Licensee shall use commercially reasonable efforts, either itself or through its Affiliates and Sublicensees, to research and develop [\*\*\*] Licensed Product for use in the Field and to obtain Regulatory Approval of [\*\*\*] Licensed Product for use in the Field in a country in the Territory. For each Licensed Product that obtains Regulatory Approval in a country in the Territory, Licensee shall use commercially reasonable efforts to make such product available to patients.

(b) Performance Objectives. Licensee shall achieve, either itself or through its Affiliates and Sublicensees, each of the benchmarks set forth on Exhibit D (each, a “**Performance Benchmark**”) by the date specified for such benchmark on Exhibit D (each, a “**Performance Date**”). If a Performance Benchmark is not achieved by the applicable Performance Date, Licensee may, at its option, extend the Performance Date for achievement of such Performance Benchmark by [\*\*\*] by providing written notice to Licensor, such notice setting forth in reasonable detail the reasons for such delay and a plan for achieving such Performance Benchmark, and paying to Licensor a non-refundable, non-creditable extension fee of [\*\*\*] per each such extension. Licensee may extend the Performance Date for any single Performance Benchmark up to [\*\*\*] times; provided that the total number of extensions available under this Agreement is [\*\*\*] extensions. The extension of the Performance Date for a Performance Benchmark shall also extend, automatically and without further action or payment by Licensee, all subsequent Performance Dates for subsequent Performance Benchmarks. If a Performance Benchmark is not achieved by the applicable Performance Date as adjusted to the maximum extent provided above in this Section 3.1(b), Licensee may seek a further extension by providing written notice to Licensor, such notice setting forth in reasonable detail the reasons for such delay and a plan for achieving such Performance Benchmark, and any such extension shall be subject to the prior written approval of Licensor, such approval not to be unreasonably withheld or delayed.

3.2 Progress Reports. Until the First Commercial Sale of a Licensed Product in any country, for so long as Licensee or any of its Affiliates or Sublicensees is developing Licensed Products, Licensee shall provide, within [\*\*\*] after the end of each Calendar Year, a written progress report to Licensor that summarizes in reasonable detail the status of Licensee’s development efforts with respect to Licensed Products during such Calendar Year.

3.3 Compliance. Licensee shall, and shall ensure that its Affiliates and Sublicensees, and its and their subcontractors, conduct all development, manufacture and Commercialization of Licensed Products in compliance with all Laws.

3.4 Clinical Sites. Licensee shall use commercially reasonable efforts to offer DKFZ and/or University of Tübingen an opportunity to act as clinical trial sites in each clinical trial of a Licensed Product that will be conducted under a Clinical Trial Application (“CTA”) in the European Union. DKFZ and University of Tübingen acknowledge and agree that such efforts of Licensee are not a guarantee that DKFZ and/or University of Tübingen will, in fact, be chosen as



clinical trial sites, and that any selection of DKFZ and/or University of Tübingen as clinical trial sites is subject to a determination of the suitability in all respects of DKFZ and/or University of Tübingen to act as a clinical trial site for such clinical trial. The rights of DKFZ and University of Tübingen set forth in this Section 3.4 shall terminate and be of no further force or effect immediately before the closing of the First Change of Control.

**ARTICLE 4**  
**Payments and Payment Terms**

4.1 Option Exercise Payment. Licensee shall pay to Licensor a non-refundable, non-creditable option exercise fee Six Hundred Thousand U.S. Dollars (\$600,000). Licensor shall provide an invoice for such option exercise fee promptly upon request of Licensee.

4.2 Equity.

(a) Issuances. In accordance with the terms of the Subscription Agreements, as applicable, Licensee has issued to Subscribers, on or before the Effective Date and as partial consideration for the licenses granted hereunder, 725,118 shares of common stock of Licensee (which shares shall be allocated among DKFZ and UFE on a Pro Rata Basis), representing collectively eight percent (8%) of Licensee's outstanding capital stock on a Fully-Diluted Basis as of the date of such issuance after giving effect to such issuance (the "**Shares**"). For clarity, University of Tübingen, as a Licensor, has agreed that any rights to receive its portion of the Shares as consideration as a Licensor shall be provided to UFE and UFE shall hold [\*\*\*] % of the Shares instead of University of Tübingen. The Parties agree that the Shares have a value as of the Effective Date of \$[\*\*\*].

(b) Board Member. For so long as Subscribers hold of record at least [\*\*\*] of the shares of capital stock issued to Subscribers in accordance with this Section 4.2, DKFZ and UFE, acting jointly, shall have the right to appoint [\*\*\*] to serve as a voting member of the Board, subject to the provisions of this Agreement or any voting or investors' rights agreement to which Subscribers become a party, provided that at such time as Licensee has issued debt, equity, derivative or convertible securities in a financing of Licensee after the achievement of the Financing Threshold, such right to appoint such representative shall expire and service of such representative shall continue at the discretion of the Board and stockholders of Licensee.

4.3 Milestones. Licensee shall pay to Licensor non-refundable, non-creditable milestone payments in the following amounts after the occurrence of the following events, whether triggered by Licensee, its Affiliates or Sublicensees in connection with the first achievement by a Licensed Product of the respective milestones set forth below:

<u>Milestone Event</u>	<u>Milestone Payment</u>
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(a) For purposes of the milestone events set forth above, [\*\*\*].

(b) Each of the above milestone payments shall be due and payable within [\*\*\*] after the occurrence of the applicable event by Licensee or its Affiliates and within [\*\*\*] after the occurrence of the applicable event by a Sublicensee. Licensor shall provide an invoice for each milestone payment promptly upon request of Licensee.

(c) Each of the foregoing milestone payments is paid one time only, and the aggregate amount of all milestones payments payable to Licensor is [\*\*\*].

4.4 Royalties. Subject to the adjustments provided in Sections 4.4(a) and 4.4(b) below and the limitations provided in Section 4.4(c) below, Licensee shall pay to Licensor a running royalty on Net Sales of each Licensed Product in each country in the Territory during the applicable Royalty Term for such Licensed Product in such country, with the royalty percentage calculated on a Licensed Product-by-Licensed Product basis in accordance with the table set forth below within [\*\*\*] following the last day of the Calendar Year in which such royalty accrues:

For that portion of worldwide Net Sales of a Licensed Product in such calendar year on a Licensed Product-by-Licensed Product basis that is:	Royalty Percentage
Less than or equal to [***]	[***]
Greater than [***]	[***]

(a) Third Party Payment Offset. In the event that Licensee, in order to exploit the licenses granted to it under this Agreement, makes running royalty payments on net sales of a Licensed Product in any country to one or more third parties (“**Third Party Payments**”) as consideration for a license to intellectual property rights held by such parties that Company believes in good faith claim are necessary to Commercialize a Licensed Product in such country, Company shall have the right, on a country-by-country basis, to reduce the royalty payments otherwise due to Licensor under this Section 4.4(a) for such Licensed Product by [\*\*\*] of such Third Party Payments

(b) Absence of Patent Coverage. In the event that a Licensed Product at the time of sale during the Royalty Term in a given country is a Licensed Product due only to the application of clause (ii) of the definition of Licensed Product set forth in Section 1.33 and not clause (i) thereof, then the royalty rate provided for such Licensed Product in such country shall be reduced by [\*\*\*] from that set forth in the table above in this Section 4.4(b) for such portions of the Royalty Term for such Licensed Product in such country.

(c) Maximum Reduction. Notwithstanding anything in Section 4.4(a) or 4.4(b) above to the contrary, in no event shall the aggregate, worldwide royalties due to Licensor for Net Sales of any Licensed Product in a Calendar Year be reduced to an amount less than the amount that would be calculated using the following minimum royalty percentages:

For that portion of Net Sales of a Licensed Product in such calendar year on a Licensed Product-by-Licensed Product basis that is:	Minimum Royalty Percentage
Less than or equal to [***]	[***]
Greater than [***]	[***]

(d) Reports. Licensee shall deliver to DKFZ within [\*\*\*] after the end of each Calendar Year beginning with the first Calendar Year for which royalties are due pursuant to this Sections 4.4 a royalty report setting forth for such Calendar Year, on a Licensed Product-by-Licensed Product basis, the following: the gross sales of Licensed Product; the Net Sales of Licensed Product; and, if applicable, the currency conversion rates used to convert Net Sales of Licensed Product in currencies other than the US Dollar into US Dollars.

4.5 Success Fee. Upon the First Change of Control, Licensee shall pay a non-refundable, non-creditable "Success Fee" equal to the Sale Proceeds, when and as received (including, in the case of a First Change of Control that is a series of related transactions, when and as received in each transaction that is a part of such First Change of Control), multiplied by the applicable Success Percentage set forth in the table set forth below:

For a First Change of Control that closes:	Success Percentage
Prior to Licensee's having incurred aggregate expenses since inception of at [***]	[***]
After Licensee's having incurred aggregate expenses since inception of at [***]	[***]

Such payment shall be accompanied by a report setting forth in reasonable detail the calculation of Sale Proceeds. The rights of Licensor set forth in this Sections 4.5 shall terminate and be of no further force or effect, and no Success Fee shall be due or payable hereunder, upon the earliest to occur of:

(i) immediately before the consummation of the First IPO, (ii) immediately before Licensee becomes a reporting company under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder; or (iii) immediately after payment of amounts due hereunder in connection with the closing of the First Change of Control, provided that such termination in the case of a First Change of Control shall not alter or terminate Licensor's right to receive pursuant to this Section 4.5 amounts due to Licensor on account of receipt of Sale Proceeds after the date of consummation of such First Change of Control.

#### 4.6 Payment Provisions.

(a) Payments. Each element of consideration set forth in this Article 4 shall be provided by Licensee to DKFZ in accordance with the payment methods set forth herein, except that the Shares shall be issued to DKFZ and UFE on a Pro Rata Basis in accordance with Section 4.2(a).

(b) Late Payments. Unless otherwise expressly provided herein, all payments by Licensee shall be due [\*\*\*] after the date on which such payment obligation arises. Licensee shall pay interest to Licensor on the aggregate amount of any payment that is not paid on or before the date such payment is due under this Agreement at a rate of [\*\*\*] above the basic rate of interest announced from time to time by the Deutsche Bundesbank as required pursuant to Section 247 of the German Civil Code (*Bürgerliches Gesetzbuch*), or any successor law, per annum for the period during which such payment remains overdue.

(c) Mode of Payment; Currency Conversion. All payments under this Agreement, shall be made by deposit of U.S. Dollars in the requisite amount to such bank account as each of DKFZ and University of Tübingen, as Licensor, may from time to time designate by notice to Licensee. All sums due under this Agreement shall be payable in U.S. dollars, and Licensor shall bear any exchange fees as a result of the conversion of U.S. dollars into any other currency in which such bank account may be denominated.

(d) Blocked Payments. In the event that, by reason of applicable Laws or regulations in any country, it becomes impossible or illegal for Licensee or its Affiliates to transfer, or have transferred on its behalf, payments due hereunder to Licensor, such payments shall be deposited in local currency in the relevant country to the credit of Licensor in a recognized banking institution designated by Licensor or, if none is designated by Licensor within a period of [\*\*\*], in a recognized banking institution selected by Licensee or its Affiliates.

(e) Taxes. Indirect taxes (such as sales tax, consumption tax and other similar taxes) in connection with this Agreement shall be borne by Licensor, and Licensee may deduct, withhold or offset from any payments hereunder any sales taxes, or other similar taxes or governmental charges and any penalties levied thereon, however value added tax (VAT) shall economically be borne by the Party whose jurisdiction of domicile imposes such VAT (e.g., Licensee shall bear any VAT imposed by the United States on payments to Licensor hereunder and shall not deduct such amount from any payment to Licensor). Income taxes based upon a payment hereunder as income of Licensor shall be solely the responsibility of Licensor. If Licensee is required to withhold taxes imposed upon payments to Licensor due hereunder (other than any VAT imposed by the United States on payments to Licensor hereunder), then Licensee may deduct from such payments to Licensor any such withholding taxes and shall pay such withheld amounts to the proper tax authorities for credit to the tax account of Licensor. Licensee shall provide to Licensor receipts of payment of any such withholding taxes promptly after payment. Licensee shall provide Licensor with reasonable assistance in efforts by Licensor to reduce any withholding taxes as far as possible under the provisions of any relevant tax treaty or other statutory or regulatory provision.

#### 4.7 Records; Audit Rights.

(a) Records. Licensee shall keep, and shall cause its Affiliates and Sublicensees to keep, complete and accurate books and records of all Licensed Products sold which enable the royalties and other amounts payable hereunder to be verified. Licensee shall maintain (and shall cause its Affiliates and its and their Sublicensees to maintain) such records for at least three (3) Calendar Years following the end of the Calendar Year to which they pertain.

(b) Audits of Licensee. During the Term and for [\*\*\*] thereafter, upon the written request of DKFZ and not more than [\*\*\*] in each Calendar Year, Licensee shall permit, and shall cause its relevant Affiliate(s) to permit, an independent certified public accounting firm of internationally recognized standing selected by DKFZ, and reasonably acceptable to Licensee or such relevant Affiliate(s), to have access to and to review, during normal business hours upon reasonable prior written notice, the applicable records of Licensee or its Affiliates, as applicable, to verify the accuracy of the royalty reports and payments under Section 4.4. Such review shall consist solely of a review of the information and reports in the possession of Licensee or such relevant Affiliate(s) relating to Net Sales in any Calendar Year ending not more than [\*\*\*] prior to the date of such request. Such accounting firm shall disclose to DKFZ and Licensee only whether the royalty reports and related amounts paid are correct or incorrect and the specific details concerning any discrepancies. No other information shall be provided to DKFZ.

(c) Audits of Sublicensees. Licensee shall ensure that any sublicense granted under Section 2.2 shall include audit provisions consistent in all material respects to those set forth in this Section 4.7(c) and Section 4.7(d). During the term of each such sublicense and for [\*\*\*] thereafter, upon the written request of DKFZ and not more than [\*\*\*] in each Calendar Year, Licensee shall direct, and shall cause, each of its Sublicensees to permit, an independent certified public accounting firm of nationally recognized standing selected by DKFZ, and reasonably acceptable to Licensee and such Sublicensee, to have access to and to review, during normal business hours upon reasonable prior written notice, the applicable records of such Sublicensee to verify the accuracy of the royalty reports and applicable payments provided under Section 4.4. Such review may cover the records for Licensed Product sales made in any Calendar Year ending not more than [\*\*\*] prior to the date of such request. Such accounting firm shall disclose to Licensee and such Sublicensee whether the royalty reports and related amounts paid are correct or incorrect and the specific details concerning any discrepancies.

(d) Audit Terms of General Application. (i) If an accounting firm performing an audit pursuant to Section 4.7(b) or 4.7(c) concludes that additional payments were owed to Licensor during an audited period, Licensee shall pay such additional payments within [\*\*\*] after the date DKFZ delivers to Licensee such accounting firm's written report identifying such underpayment. For clarity, in the case of a sublicense, Licensor shall have no obligation to seek payment from the applicable Sublicensee, and it shall be Licensee's responsibility to collect any amounts owed by such Sublicensee. If such accounting firm concludes that an overpayment was made, such overpayment shall be fully creditable against amounts payable to Licensor in subsequent payment periods (or fully refundable, if no future amounts are payable to Licensor). DKFZ shall pay for the cost of any such audit conducted by, on behalf of or upon the request of Licensor pursuant to Section 4.7(b) or 4.7(c), unless Licensee has underpaid Licensor by [\*\*\*] or more, in which case Licensee shall pay for the costs of such audit.

(e) Licensor shall treat all information that it receives under this Section 4.7 as Confidential Information of Licensee subject to the confidentiality provisions of Article 6 and shall cause its accounting firm to enter into a confidentiality agreement with, and reasonably acceptable to, Licensee or the Sublicensee, as applicable, obligating such firm to retain all such information in confidence pursuant to terms at least as protective of Licensee or such Sublicensee as those contained herein, provided that such obligation shall not restrict the right of such accounting firm to disclose such information to Licensor to the extent necessary for Licensor to enforce its rights under this Agreement.

## ARTICLE 5

### Intellectual Property Protection and Related Matters

5.1 Ownership. As between the Parties, each Party shall solely own all Intellectual Property, including Patent Rights related thereto, made, conceived, reduced to practice, or otherwise discovered, whether prior to, on or after the Effective Date, solely by employees, agents and consultants of such Party or its Affiliates. In the case of Licensor as the Party owning any such Patent Rights or other Intellectual Property that are: (y) derived from the Licensed Patent Rights; or (z) derived from Licensed Know-How, Licensor shall promptly notify Licensee of such Patent Rights (and provide Licensee with a copy of any filings related thereto promptly after filing) or other Intellectual Property. Each Party shall own an equal, undivided interest in all Intellectual Property, including Patent Rights related thereto, made, conceived, reduced to practice, or otherwise discovered in the course of conducting such Party's obligations or exercising its rights under this Agreement, jointly by or on behalf of each Party (or their respective Affiliates, independent contractors or sublicensees (including Sublicensees) or its or their respective directors, officers, employees or agents) (collectively, "**Joint Inventions**") and the Patent Rights based on or Covering such Joint Inventions, the "**Joint Patent Rights**"). Each Party shall have full rights to license, assign and exploit such Party's interest in such Joint Inventions and Joint Patent Rights anywhere in the world, without any requirement of gaining the consent of, or accounting to, the other Party, subject to the licenses granted herein and subject to any other intellectual property held by such other Party. Each Party shall promptly disclose to the other all Joint Inventions, in each case, including all invention disclosures or other similar documents submitted to such Party by its, or its Affiliates', independent contractors' or sublicensees' (including Sublicensees') directors, officers, employees or agents describing such Joint Inventions. For purposes of determining ownership under this Section 5.1, inventorship shall be determined in accordance with the applicable Laws. The rights of Licensor in any Joint Inventions shall become Licensed Know-How hereunder, and the rights of Licensor in any Joint Patent Rights shall become Licensed Patent Rights hereunder, in each case without any further action by the Parties.

### 5.2 Prosecution and Maintenance of Licensed Patent Rights.

(a) From and after the Effective Date, Licensee shall assume responsibility – including, but not limited to, fiscal responsibility – for the Prosecution and Maintenance of all Licensed Patent Rights worldwide and, unless otherwise provided in this Agreement, shall have

the sole right, at its discretion, to Prosecute and Maintain all Licensed Patent Rights worldwide. Licensor shall use its commercially reasonable efforts to transition the Prosecution and Maintenance of all Licensed Patent Rights to Licensee promptly after the Effective Date and to reasonably assist Licensee in such transition and assumption. Licensee shall pay for all reasonable and documented out-of-pocket costs associated with such transition, including any costs to Licensor's extant patent attorneys and staff but excluding any amounts for reimbursement of past expenses. Unless otherwise provided in this Agreement, Licensee shall have the sole right, but not the obligation, to Prosecute and Maintain any patent contained in the Licensed Patent Rights in a country. If Licensee elects to cease the Prosecution or Maintenance of a Licensed Patent Right, including a Joint Patent Right, Licensee shall provide Licensor with written notice immediately upon the decision to discontinue the Prosecution or Maintenance of such Patent Right, as the case may be, in any event, however, not later than ninety (90) calendar days before any relevant deadline relating to or any public disclosure of the relevant Patent Rights. In such event, Licensee shall permit Licensor, at Licensor's sole discretion but after discussion with Licensee and in good faith consideration of the reasons of Licensee for ceasing the Prosecution or Maintenance of such Licensed Patent Right, to take over or continue, as the case may be, the Prosecution and Maintenance of such Patent Right at Licensor's own expense. Licensee shall execute such documents and perform such acts, at the Licensor's expense, as may be reasonably necessary to permit Licensor to take over and continue the Prosecution and Maintenance of such Patent Right on behalf and in the name of Licensee. Any such Patent Rights shall remain Licensed Patent Rights.

(b) The Party controlling the Prosecution and Maintenance of the applicable Licensed Patent Rights or Joint Patent Rights in accordance with Section 5.2(a) is referred to as the "**Prosecuting Party**". With respect to the Prosecution and Maintenance of Licensed Patent Rights, the Prosecuting Party shall: (i) choose patent counsel reasonably acceptable to the other Party; (ii) instruct such patent counsel to furnish the other Party with copies of all correspondence relating to the Licensed Patent Rights received from the United States Patent and Trademark Office and any other patent office promptly after receipt; (iii) instruct such patent counsel to furnish the other Party with copies of all correspondence relating to the Licensed Patent Rights sent to the United States Patent and Trademark Office and any other patent office promptly after it is sent; and (iv) to the extent practicable, instruct such patent counsel to furnish the other Party with copies of all proposed filings or other correspondence to the United States Patent and Trademark Office and any other patent office sufficiently in advance of such filing to permit the other Party a reasonable opportunity to review and comment on such response. The Prosecuting Party shall consider in good faith the comments and requests of the other Party with respect to the Prosecution and Maintenance of the applicable Licensed Patent Rights and shall communicate such comments and requests to its patent counsel.

(c) All non-public information exchanged between the Parties regarding Prosecution, Maintenance and enforcement of the Licensed Patent Rights, and all shared information regarding analyses or opinions of third party intellectual property, shall be deemed Confidential Information of the disclosing Party (except in the case of Licensed Patent Rights that are Joint Patent Rights, in which case such non-public information shall be deemed the Confidential Information of both Parties). In addition, the Parties acknowledge and agree that, with regard to Prosecution, Maintenance and enforcement of the Licensed Patent Rights, the interests of the Parties as licensor and licensee are to obtain the strongest patent protection

possible, and as such, are aligned and are legal in nature. The Parties agree and acknowledge that they have not waived, and nothing in this Agreement constitutes a waiver of, any legal privilege concerning the Licensed Patent Rights or the Confidential Information, including privilege under the common interest doctrine and similar or related doctrines.

(d) Each Party shall cooperate with the Prosecuting Party and its patent counsel in Prosecution and Maintenance of the Licensed Patent Rights in all countries, including, as applicable, (i) providing the Prosecuting Party and its patent counsel with data and other information as appropriate with respect thereto, (ii) providing any necessary powers of attorney (including limited powers of attorney) and (iii) executing any other required documents or instruments for such Prosecution and Maintenance.

(e) Licensee shall be responsible for all fees and costs charged by patent counsel with respect to the Prosecution and Maintenance of the Licensed Patent Rights at Licensee's request and all other out-of-pocket costs and expenses incurred by Licensee as Prosecuting Party in connection with such Prosecution and Maintenance of the Licensed Patent Rights during the Term. For clarity, such expenses shall not include any expenses of Licensor incurred by Licensor in connection with (i) its rights to review and comment on patent prosecution, (ii) its rights to undertake enforcement actions, or (iii) any actions undertaken by Licensor other than at Licensee's request.

### 5.3 Third Party Infringement.

(a) Each Party shall notify the other Party promptly of any knowledge it acquires of any actual or potential (i) infringements of the Licensed Patent Rights or (ii) unauthorized use or misappropriation of any of the Licensed Know-How, in each case of (i) and (ii), with respect to any activities of a Third Party in the Field in any country in the world and shall provide the other Party with all available evidence regarding such known or suspected infringement or unauthorized use.

#### (b) Right of Enforcement.

(i) Unless otherwise provided in this Agreement, Licensee shall have the sole right, but not the obligation, to initiate a lawsuit or take other reasonable action to enforce the Licensed Patent Rights and to defend the Licensed Know-How ("**Enforcement Right**"). Licensor shall cooperate fully in the prosecution of any such suit or action as may be reasonably requested by Licensee upon notifying Licensor in writing of making use of its Enforcement Right (such written notice the "**Enforcement Notice**"), including joining any action as party-plaintiff if required by law, regulation or court or administrative order; provided that Licensee shall promptly reimburse all out-of-pocket expenses (including reasonable counsel fees and expenses) actually incurred by Licensor in connection with such cooperation. Should Licensee make use of the Enforcement Right, (i) Licensee shall have the sole and exclusive right to select counsel for any suit or action initiated by it pursuant to this Section 5.3(b) and shall bear its own out-of-pocket costs incurred in any such suit or action, including the fees and expenses of the counsel selected by it, and (ii) any amount recovered in any suit or action or settlement of any such suit or action brought pursuant to this Section 5.3(b)(i) shall be applied first to reimburse Licensee in an amount equal to its out-of-pocket costs and expenses of the suit or



action, with the remainder to be divided as follows: [\*\*\*] to Licensee; and [\*\*\*] to Licensor. Notwithstanding anything in the foregoing to the contrary, Licensee shall not settle or compromise any suit or action brought pursuant to this Section 5.3(b)(i) in a manner that imposes any limitations or restrictions on the Licensed IP Rights, without Licensor's written consent.

(ii) If Licensee after notification pursuant to Section 5.3(b) does not provide Licensor with an Enforcement Notice within three (3) months after a respective request by Licensor (which request shall state with reasonable specificity the nature of the alleged infringement of the Licensed Patent Rights and/or alleged misappropriation of the Licensed Know-How in the case at hand and the name of the person or entity engaging in such alleged infringement and/or alleged misappropriation), the Parties shall meet promptly to discuss the reasons for Licensee's failure to provide such Enforcement Notice and the potential economic or other effects on Licensee and Licensor of any enforcement action or failure to take such action. If within four (4) weeks after such meeting the Parties have not agreed on whether or not Licensee will exercise the Enforcement Right and Licensee still does not provide Licensor with an Enforcement Notice, then Licensor may notify Licensee that Licensor will be exercising the Enforcement Right, at Licensor's sole expense, with respect to the alleged infringement and/or alleged misappropriation in the case at hand. Prior to exercising the Enforcement Right, Licensor shall discuss with Licensee and consider in good faith the reasons of Licensee for its not exercising the Enforcement Right. Upon such notice, the Enforcement Right of Licensee with respect to the alleged infringement and/or alleged misappropriation in the case at hand (and not with respect to any other case of alleged infringement and/or alleged misappropriation) shall terminate. Should Licensor make use of the Enforcement Right, (i) Licensor shall have the sole and exclusive right to select counsel for the applicable suit or action initiated by it pursuant to this Section 5.3(b)(ii) and shall bear its own out-of-pocket costs incurred in any such suit or action, including the fees and expenses of the counsel selected by it, (ii) Licensor shall keep Licensee reasonably informed of the progress and status of any such lawsuit or other action and shall consider in good faith the comments of Licensee with respect to such lawsuit or other action and the settlement or other disposition thereof, and (iii) any amount recovered in any suit or action or settlement of any such suit or action brought pursuant to this Section 5.3(b)(ii) shall be applied first to reimburse each Party in an amount equal to its out-of-pocket costs and expenses of the suit or action, with the remainder to be divided as follows: [\*\*\*] to Licensor; and [\*\*\*] to Licensee. Notwithstanding anything in the foregoing to the contrary, Licensor shall not settle or compromise any suit or action brought pursuant to this Section 5.3(b)(ii) in a manner that imposes any limitations or restrictions on the rights and licenses granted to Licensee under this Agreement, without Licensee's written consent.

5.4 Patent Invalidation Claim. During the Term, Licensor shall promptly notify Licensee in the event of any legal or administrative action by any Third Party against a Licensed Patent Right of which Licensor becomes aware, including any nullity, revocation, reexamination or compulsory license proceeding or similar proceeding. Unless otherwise provided in this Agreement, Licensee shall have the sole right, but not the obligation, to defend or take any other action with respect to such legal or administrative action by a Third Party. Licensor shall cooperate fully with Licensee in preparing and formulating a response to such legal or administrative action and taking any further defense or other actions with respect thereto. If Licensee elects to cease the defense of a Licensed Patent Right described above, Licensee shall provide Licensor with written notice immediately upon the decision to discontinue the defense of

such Patent Right, as the case may be, in any event, however, not later than [\*\*\*] before any relevant deadline relating to or any public disclosure of the relevant Patent Rights. In such event, Licensee shall permit Licensor, at Licensor's sole discretion, to take over or continue, as the case may be, the defense of such Patent Right at Licensor's own expense. Licensee shall execute such documents and perform such acts, at the Licensor's expense, as may be reasonably necessary to permit Licensor to take over and continue the defense of such Patent Right on behalf and in the name of Licensee.

5.5 Patent Term Extensions. Licensee shall have the sole right to obtain patent term extensions or supplemental protection certificates or their equivalents with respect to any Licensed Patent Right in any country worldwide, including with respect to any Licensed Product in the Field, and Licensor shall reasonably cooperate with Licensee in connection therewith.

5.6 Joint IP Rights. During the term of this Agreement, and subject to the rights, licenses and obligations (including royalty obligations) of Licensee hereunder with respect to Licensor's rights in Joint Inventions and Joint Patent Rights: (a) Licensee is entitled to practice Joint Inventions and Joint Patent Rights for all purposes on a worldwide basis and license Joint Inventions and Joint Patent Rights without consent of and without a duty of accounting to Licensor; and (b) Licensor will grant and hereby does grant all permissions, consents and waivers with respect to, and all licenses under, the Joint Inventions and Joint Patent Rights, throughout the world, necessary to provide Licensee with such rights of use and exploitation of the Joint Inventions and Joint Patent Rights, and will execute documents as necessary to accomplish the foregoing. In the event of any expiration or termination of this Agreement: (A) both Parties are entitled to practice Joint Inventions and Joint Patent Rights for all purposes on a worldwide basis and license Joint Inventions and Joint Patent Rights without consent of and without a duty of accounting to the other Party; and (B) each Party will grant and hereby does grant all permissions, consents and waivers with respect to, and all licenses under, the Joint Inventions and Joint Patent Rights, throughout the world, necessary to provide the other Party with such rights of use and exploitation of the Joint Inventions and Joint Patent Rights, and will execute documents as necessary to accomplish the foregoing.

## **ARTICLE 6**

### **Confidentiality**

6.1 Confidential Obligations. Each Party shall (a) maintain in strict confidence the Confidential Information of the other Party to the same extent such Party maintains its own confidential information, but in no event less than a reasonable degree of care, (b) not disclose such Confidential Information to any Third Party without the prior written consent of the other Party (except as permitted pursuant to Section 6.3 below), and (c) not use such Confidential Information for any purpose except those expressly permitted by this Agreement. The obligations of confidentiality, non-disclosure and non-use under this Section 6.1 shall be in full force during the Term and for a period of [\*\*\*] thereafter. Each Party, upon the request of the other Party, will return all copies of or destroy (and certify such destruction in writing) the Confidential Information disclosed or transferred to it by the other Party pursuant to this Agreement, within [\*\*\*] of such request or, if earlier, the termination or expiration of this Agreement; provided however that a Party may retain (i) Confidential Information of the other Party which expressly survives such termination pursuant to this Agreement, and (ii) one (1)

copy of all other Confidential Information in archives solely for the purpose of establishing the contents thereof; provided, further, that a Party is not required to return or destroy Confidential Information contained in electronic back-ups unless and until such Confidential Information is accessed. The Confidential Information of Licensee includes (w) the Licensed Know-How insofar as it relates to researching, developing, using, manufacturing, selling, offering to sell, importation, exportation, Commercializing or otherwise exploiting Licensed Products, (x) the Licensed Information, (y) the identity, function, molecular mechanism and/or stage of development of a Licensed Product, and (z) any reports or other information provided to Licensor hereunder, including the information provided pursuant to Section 3.2, or 3.4.

6.2 Exceptions to Confidentiality. Notwithstanding the foregoing, the obligations of confidentiality set forth in Section 6.1 shall not apply to information that, in each case as demonstrated by competent written documentation:

(a) is publicly disclosed or made generally available to the public by the disclosing Party, either before or after it becomes known to the receiving Party;

(b) was known to the receiving Party, without any obligation to keep it confidential, prior to the date of first disclosure by the disclosing Party to the receiving Party, as shown by the receiving Party's files and records;

(c) is subsequently disclosed to the receiving Party by a Third Party lawfully in possession thereof without obligation to keep it confidential and without a breach of such Third Party's obligations of confidentiality;

(d) has been publicly disclosed or made generally available to the public other than through any act or omission of the receiving Party or its Affiliates in breach of this Agreement; or

(e) has been independently developed by the receiving Party without the aid, application or use of the disclosing Party's Confidential Information (the competent written proof of which must be contemporaneous with such independent development).

6.3 Authorized Disclosure. Notwithstanding Section 6.1, a Party may disclose Confidential Information of the other Party to the extent such disclosure is reasonably necessary in the following instances:

(a) Prosecuting and Maintaining Patent Rights in accordance with this Agreement; *provided* that the non-filing Party whose Confidential Information is being disclosed is given a reasonable opportunity to review the proposed disclosure of such Confidential Information and the filing Party considers in good faith any comments provided by the non-filing Party;

(b) communicating and making filings with Regulatory Authorities or otherwise complying with applicable Laws or submitting information to tax or other governmental authorities; *provided* that if a Party is required by Law to make any public disclosure of Confidential Information of the other Party, to the extent it may legally do so, it will give reasonable advance written notice to the other Party of such disclosure and will use its reasonable efforts to secure confidential treatment of such Confidential Information prior to its disclosure (whether through protective orders or otherwise);

(c) for Regulatory Approval of Licensed Products or to research, develop, make, have made, use, have used, offer to sell, sell, import, export, Commercialize or otherwise exploit Licensed Products in accordance with this Agreement;

(d) to its Affiliates, and to prospective and actual acquirers, lenders, licensees, and sublicensees, and to each of their employees, consultants, contractors, agents, accountants, lawyers, advisors, investors and underwriters, on a need to know basis, each of whom, in the case of Third Parties, prior to disclosure must be bound by written or professional ethical obligations of confidentiality and non-use equivalent in scope to those set forth in this Article 6; or

(e) to the extent mutually agreed to in writing by the Parties.

6.4 Scientific Publications. Licensor shall provide Licensee with a copy of any manuscript, abstract or other proposed publication relating to a Competitive Product, Licensed IP Rights, Licensed Information or Technology Transfer Materials on which any Inventor or any member of the laboratory of either of the Inventors is an author or any research permitted by Licensee in accordance with Section 2.8 (each, a “**Publication**”), prior to submission thereof to a publisher or to any Third Party, and in any case, not less than [\*\*\*] prior to any public disclosure, for the purposes of (a) protecting disclosure of Licensed Information or Confidential Information of Licensee that might be contained in such Publication and (b) securing patent protection for any patentable inventions described in such Publication. Following receipt of such proposed Publication, Licensee shall, within [\*\*\*] after receipt of the Publication, have the right to recommend any deletions it reasonably believes are necessary to remove from public disclosure any Licensed Information or Confidential Information of Licensee, and Licensor shall make such deletions. In addition, Licensee shall, within [\*\*\*] after receipt of the Publication, have the right to cause Licensor to delay such submission or public disclosure for a period of up to [\*\*\*], in order to provide Licensor and Licensee time to obtain appropriate intellectual property protection of any patentable inventions described in such Publication. Licensor shall cooperate reasonably with any request by Licensee to obtain such intellectual property protection during such [\*\*\*] period. Licensor shall not disclose, and shall not permit the disclosure, in any Publication any Licensed Information or Confidential Information of Licensee without Licensee’s prior written consent.

#### 6.5 Press Releases and Other Permitted Disclosures.

(a) Licensor and Licensee each agree not to disclose any of the terms and conditions of this Agreement to any Third Party, except as described below in this Section 6.5 or as otherwise agreed in writing by the Parties. If requested by any Party, the Parties will, in good faith, agree on a press release to be issued by Licensee announcing this Agreement; provided that the timing of the publication and release of such press release is in the sole discretion of Licensee. Subject to the other provisions of this Agreement, no other press release, public statement or public disclosure concerning the existence or terms of this Agreement shall be made, either directly or indirectly, by a Party without the prior written approval of the other

Party. If disclosure of the terms and conditions of this Agreement, including the amount of any payment, or its filing publicly is required by applicable Law or applicable stock exchange regulation, or by order or other ruling of a competent court or governmental authority, as set forth in Section 6.5(d), then Licensor or Licensee, as the case may be, may also disclose such terms or this Agreement in a public statement or disclosure. Once any public statement or public disclosure has been approved in accordance with this Section 6.5, then either Party may appropriately communicate information contained in such permitted statement or disclosure.

(b) Licensee may disclose the terms and conditions of this Agreement to (i) its Affiliates, employees, consultants, agents or professional advisors (including attorneys, accountants and actual and prospective investment bankers), (ii) actual or potential investors, lenders, Sublicensees, licensees, licensors or collaborators, or (iii) acquirers or merger partners that have entered into a letter of intent or are actively negotiating a license, acquisition or merger agreement with Licensee; in each case under the foregoing clause (i), (ii) or (iii), under obligations of confidentiality materially consistent with those set forth herein (other than with respect to duration of confidentiality obligations, with respect to which Licensee may agree to a shorter period), and solely in connection with Licensee performing its obligations or exercising its rights under this Agreement or for the purpose of assisting the recipient with evaluating and entering into a transaction with Licensee.

(c) Licensor may disclose the terms and conditions of this Agreement under obligations of confidentiality materially consistent with those set forth herein to (i) its Affiliates, employees, consultants, agents or professional advisors (including attorneys, accountants and actual and prospective investment bankers) solely in connection with Licensor performing its obligations or exercising its rights under this Agreement or for the purpose of assisting the recipient with evaluating and entering into a transaction with Licensor; provided, however, that Licensor shall redact financial terms from any such disclosure made to any actual or potential licensee, and (ii) [\*\*\*] solely in connection with Licensor performing its obligations under the terms of any agreement regarding the funding of research from which the Licensed IP Rights were generated.

(d) Notwithstanding the foregoing provisions of this Article 6, a Party may disclose the existence and terms of this Agreement where required, as reasonably determined by the legal counsel of the disclosing Party, by applicable Law, by applicable stock exchange regulation or by order or other ruling of a competent court or other governmental authority, although, to the extent practicable, the other Party shall be given at least [\*\*\*] advance written notice of any such legally required disclosure to comment and the disclosing Party shall reasonably consider such comments provided by such other Party on the proposed disclosure. In case either Party is obliged to publicly disclose or file this Agreement as a “material agreement” in accordance with applicable Law or applicable stock exchange regulations (“**SEC Filing**”), this Agreement shall be redacted by the filing Party to the extent permissible upon the advice of legal counsel, and the filing Party shall provide the other Party a copy of such redacted Agreement in advance of such SEC Filing to enable the other Party to review and comment on the scope of such redaction; *provided* that the filing Party shall consider in good faith any comments provided by such other Party.

**ARTICLE 7**  
**Representations, Warranties and Covenants**

7.1 Representations of Authority. Each Party represents and warrants to the other that as of the Effective Date it has full right, power and authority to enter into this Agreement and to perform its respective obligations under this Agreement.

7.2 Consents. Each Party represents and warrants that as of the Effective Date all necessary consents, approvals and authorizations of all government authorities and other Persons required to be obtained by such Party in connection with execution, delivery and performance of this Agreement have been obtained.

7.3 No Conflict. Each Party represents and warrants that, as of the Effective Date, the execution and delivery of this Agreement and the performance of such Party's obligations hereunder (a) do not conflict with or violate any requirement of applicable Laws and (b) do not conflict with, violate or breach or constitute a default of, or require any consent under, any contractual obligations of such Party, except such consents as have been obtained as of the Effective Date.

7.4 Employee, Consultant and Advisor Obligations. Each Party represents and warrants that, as of the Effective Date, each of its and its Affiliates' employees, consultants and advisors who may receive Confidential Information of the other Party under this Agreement has executed an agreement or has an existing obligation under law obligating such employee, consultant or advisor to maintain the confidentiality of Confidential Information to the extent required under Article 6.

7.5 Intellectual Property.

(a) Licensor represents and warrants to Licensee that (i) Licensor owns the entire right, title and interest in and to the Licensed IP Rights, Technical Information and Technology Transfer Materials, free and clear of all liens, charges and encumbrances, (ii) Licensor has the right to grant to Licensee the rights and licenses under the Licensed IP Rights, Technical Information and Technology Transfer Materials granted in this Agreement and has not previously assigned, transferred, conveyed or otherwise encumbered its right, title and interest in Licensed IP Rights, Technical Information or Technology Transfer Materials in any manner inconsistent with the terms hereof, and will not take any of the foregoing actions in any manner inconsistent with the terms hereof, (iii) none of the Licensed Patent Rights was fraudulently procured from the relevant governmental patent granting authority, (iv) as of the Effective Date, and, to the Knowledge of Licensor, there is no claim or demand of any Person pertaining to, or any proceeding which is pending or threatened, that asserts the invalidity, misuse or unenforceability of the Licensed Patent Rights or misappropriation of the Licensed Know-How, Technical Information or Technology Transfer Materials or challenges Licensor's ownership of the Licensed Patent Rights, Licensed Know-How, Technical Information or Technology Transfer Materials or makes any adverse claim with respect thereto, including any claim the exercise of the Licensed Patent Rights, or the exercise or use of the Licensed Know-How, Technical Information or Technology Transfer Materials, infringes or misappropriates Intellectual Property of any Third Party, and, to the Knowledge of Licensor, there is no basis for

any such claim, demand or proceeding, (v) to the Knowledge of Licensor, as of the Effective Date, the Licensed Patent Rights are not being infringed by any Third Party and neither the Licensed Know-How, Technical Information or Technology Transfer Materials is being misappropriated by any Third Party, and (vi) as of the Effective Date, the Licensed Patent Rights include all Patent Rights Controlled by Licensor that Cover the Asset.

(b) Licensor shall not, during the Term, sell, assign, transfer, license, pledge, fail to maintain Control of, otherwise dispose of, or grant any option or other right, title or interest in to or under, or incur any lien or encumbrance on, any Licensed IP Rights, Technical Information or Technology Transfer Materials.

7.6 Third Party Agreements. Licensor represents and warrants to Licensee that it has made available to Licensee true, correct and complete copies of all agreements with Third Parties relating to the Licensed IP Rights, Technical Information or Technology Transfer Materials effective at any time prior to the Effective Date, including any and all material transfer agreements, subject to the confidentiality agreement requirements therein. Further, Licensor shall deliver to Licensee any and all data and reports received from Third Parties regarding the Asset pursuant to such agreements, subject to the confidentiality requirements therein.

7.7 No Warranties. **EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN AND TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES MAKE NO REPRESENTATIONS AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR NON-MISAPPROPRIATION OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT AND TO THE FULLEST EXTENT PERMITTED BY LAW, ALL REPRESENTATIONS AND WARRANTIES, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, ARE HEREBY EXPRESSLY EXCLUDED.**

## ARTICLE 8

### Indemnification; Insurance; and Limitation on Damages

8.1 By Licensee. Licensee agrees to defend Licensor, its Affiliates and their respective directors, officers, employees, consultants and agents at Licensee's cost and expense, and shall indemnify and hold harmless Licensor and its Affiliates and their respective directors, officers, employees, consultants and agents from and against any liabilities, losses, costs, damages, reasonable fees or expenses arising out of any Third Party claim, suit, action or demand relating to (i) any breach by Licensee of any of its representations, warranties or obligations pursuant to this Agreement or (ii) personal injury, property damage or other damage resulting from the research, development, making, having made, using, selling, having sold, importing exporting or Commercialization Licensed Products by or on behalf of Licensee or its Affiliates or Sublicensees.

8.2 By Licensor. Licensor agrees to defend Licensee, its Affiliates and their respective directors, officers, employees, consultants and agents at Licensor's cost and expense, and shall indemnify and hold harmless Licensee and its Affiliates and their respective directors,

officers, employees, consultants and agents from and against any liabilities, losses, costs, damages, reasonable fees or expenses arising out of any Third Party claim, suit, action or demand relating to (i) any breach by Licensor of any of its representations, warranties or obligations pursuant to this Agreement or (ii) personal injury, property damage or other damage resulting from the research and development of Licensed Products by or on behalf of Licensor or its Affiliates.

8.3 **Procedures.** A Person entitled to indemnification under this Article 8 (an “**Indemnified Party**”) shall give prompt written notification to the Party from whom indemnification is sought (the “**Indemnifying Party**”) of any claim, suit, action or demand for which indemnification is sought under this Agreement; provided, however, that no delay or failure on the part of an Indemnified Party in so notifying the Indemnifying Party shall relieve the Indemnifying Party of any liability or obligation hereunder except to the extent of any damage or liability caused by or arising out of such delay or failure. Within [\*\*\*] after delivery of such notification, the Indemnifying Party may, upon written notice thereof to the Indemnified Party, assume control of the defense of such claim, suit, action or demand with counsel reasonably satisfactory to the Indemnified Party. If the Indemnifying Party does not assume control of such defense, the Indemnified Party shall control such defense. The Party not controlling such defense may participate therein with counsel of its own choosing at its own expense; *provided* that, the Indemnified Party shall have the right to retain its own counsel, at the expense of the Indemnifying Party, if representation of such Indemnified Party by the counsel retained by the Indemnifying Party would be inappropriate because of actual or potential differences in the interests of such Indemnified Party and any other party represented by such counsel. The Indemnified Party shall not agree to any settlement of such action, suit, proceeding or claim without the prior written consent of the Indemnifying Party, which shall not be unreasonably withheld, delayed or conditioned.

8.4 **Insurance.** Licensee shall procure and maintain insurance or self-insurance, including general liability insurance and, starting at the time at which a Licensed Product first enters clinical testing in human subjects by or on behalf of Licensee or its Affiliates or Sublicensees, product liability insurance, in each case adequate to cover its obligations hereunder and consistent with normal business practices of prudent companies similarly situated, which insurance shall identify Licensor as an additional insured starting at the time at which a Licensed Product first enters clinical testing in human subjects by or on behalf of Licensee or its Affiliates or Sublicensees. It is understood that any such insurance shall not be construed to create a limit of liability with respect to the indemnification obligations under this Article 8. Licensee shall provide Licensor with written evidence of such insurance upon request. Licensee shall provide Licensor with written notice at least thirty (30) days prior to the cancellation, non-renewal or material change in such insurance or self-insurance which could adversely affect rights hereunder.

8.5 **No Consequential or Punitive Damages; Limitation of Liability.** **EXCEPT WITH RESPECT TO (A) THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF EITHER PARTY UNDER THIS AGREEMENT WITH RESPECT TO THIRD PARTY CLAIMS, SUITS, ACTIONS OR DEMANDS, (B) A BREACH OF THE CONFIDENTIALITY OBLIGATIONS OF ARTICLE 6, OR (C) A PARTY’S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY HERETO WILL BE LIABLE FOR:**



(a) **INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, OR**

(b) **LOSS OF PROFITS, DATA, GOODWILL OR REPUTATION, WHETHER DIRECT OR INDIRECT,**

**ARISING FROM OR RELATING TO THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF SUCH DAMAGES.**

**EXCEPT WITH RESPECT TO WILLFUL MISCONDUCT BY LICENSOR, THE LIABILITY OF LICENSOR UNDER THIS AGREEMENT IS LIMITED TO A MAXIMUM OF [\*\*\*] OR THE TOTAL AMOUNT LICENSOR HAS RECEIVED PURSUANT TO THIS AGREEMENT FROM THE EFFECTIVE DATE UP TO THE DATE THE DAMAGE OCCURRED, WHICHEVER IS LESS.**

**EXCEPT WITH RESPECT TO LIMITATION OF LICENSOR'S LIABILITY AS SET FORTH IN THE LAST PRECEDING PARAGRAPH, NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED SO AS TO LIMIT OR EXCLUDE A PARTY'S LIABILITY FOR DEATH OR PERSONAL INJURY CAUSED BY ITS NEGLIGENCE. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED SO AS TO LIMIT OR EXCLUDE A PARTY'S LIABILITY CAUSED BY FRAUD OR ANY OTHER LIABILITY THAT CANNOT BE EXCLUDED BY LAW.**

## **ARTICLE 9**

### **Term and Termination**

9.1 Term. This Agreement shall become effective as of the Effective Date and unless earlier terminated as set forth in this Article 9, shall otherwise remain in effect on a perpetual basis (the "**Term**").

9.2 Termination for Material Breach. Upon any material breach of this Agreement by either Party, the other Party may terminate this Agreement by providing [\*\*\*] prior written notice ([\*\*\*] prior written notice with respect to a payment breach) to the breaching Party, specifying the material breach. The termination shall become effective at the end of the [\*\*\*] (or [\*\*\*], as applicable) period unless the breaching Party cures such breach during such [\*\*\*] (or [\*\*\*], as applicable) period.

9.3 Termination for Insolvency Event. To the extent allowed under applicable Law, a Party shall have the right to terminate this Agreement in the event that (a) the other Party becomes unable to pay its debts as they fall due, or the value of its assets is less than the amount of its liabilities taking into account its contingent and prospective liabilities, (b) in relation to the other Party, a statutory demand is served, a receiver is appointed or any insolvency procedure is instituted or occurs (other than pursuant to a corporate restructuring) that is not dismissed or otherwise disposed of within [\*\*\*] thereafter and/or the relevant administrator, liquidator or receiver has not, within [\*\*\*] after the receipt of an inquiry from the other Party, confirmed that

it (on behalf of the affected Party) will adopt this Agreement, or (c) any order is made for or there occur proceedings constituting main proceedings in relation to the other Party in any member state of the European Union, or (d) any analogous demand, appointment or procedure is instituted or occurs in relation to the other Party in any jurisdiction in which the other Party carries on business.

9.4 Termination for Convenience. Licensee may terminate this Agreement, at any time and for any reason or no reason after the first filing for IND or CTA, by providing [\*\*\*] prior written notice to Licensor. The termination shall become effective at the end of the [\*\*\*] period.

9.5 Termination for Challenge of Licensed Patent Rights. If Licensee or any of its Affiliates (directly or upon its instruction, individually or in association with any other person or entity) challenges the validity of the Licensed Patent Rights in a legal proceeding or knowingly supports a Third Party in the challenge of a Licensed Patent Right in a legal proceeding (in each case before a court of competent jurisdiction) (each, a “**Patent Challenge**”), Licensor may terminate this Agreement upon [\*\*\*] prior written notice. Any such termination shall only become effective if Licensee or its Affiliate has not withdrawn such action upon notification by Licensor before the end of the above notice period. In the event a Sublicensee of Licensee (directly or upon its instruction, individually or in association with any other person or entity) initiates a Patent Challenge, Licensor may terminate this Agreement hereunder upon [\*\*\*] prior written notice. Any such termination shall only become effective if Licensee does not reasonably assert its rights under the applicable sublicense agreement to terminate such sublicense before the end of the above notice period; provided, however, that Licensee shall not be required to assert a right to terminate the applicable sublicense, and Licensor shall have no right to terminate this Agreement, if Licensee does not assert its rights under the applicable sublicense agreement to terminate such sublicense upon advice of reputable intellectual property counsel to Licensee that such rights, or asserting or seeking to assert such rights, are contrary to applicable law or are unenforceable against such Sublicensee. For clarity, a Patent Challenge shall not include: (1) arguments that distinguish the inventions claimed in patents or patent applications owned or controlled by Licensee, its Affiliate or relevant Sublicensee (“**Licensee Patents**”) from those claimed in the License Patent Rights under applicable patent laws, regulations or administrative rules, in each case (i) in the ordinary course of ex parte prosecution of the Licensee Patents or (ii) in inter partes proceedings before the United States Patent and Trademark Office or other agency or tribunal in any jurisdiction, or in arbitration, wherein the Licensee Patents have been challenged; (2) arguments or assertions as to whether the Licensed Patent Rights claim a given product; (3) payments of patent costs to another licensor or assignor of Licensee Patents as required by the agreement under which rights to such patent rights were obtained, even if such other licensor or assignor is engaging in behavior or presenting arguments that would themselves be considered a Patent Challenge if done by the Licensee, its Affiliate or relevant Sublicensee; or (4) Licensee, its Affiliate or relevant Sublicensee being named as an essential party, real party in interest or other status similar to either of the foregoing in an adversarial proceeding or making such filings or responses as may be legally required in a proceeding not initiated by Licensee, its Affiliate or relevant Sublicensee.

9.6 [Reserved].

9.7 Continued Sales. For a period of [\*\*\*] after the effective date of termination of this Agreement, if such termination occurs after Regulatory Approval of a Licensed Product, Licensee and its Affiliates and Sublicensees shall be entitled to finish work in progress and to sell any of the Licensed Products remaining in inventory in accordance with the terms of this Agreement to the extent such Licensed Products were being sold at the time of termination, *provided* that such sales and related activities shall be subject to the terms and conditions of this Agreement.

9.8 Effects of Termination.

(a) Generally. Expiration or termination of this Agreement shall not relieve the Parties of any obligation accruing prior to such expiration or termination. Any expiration or termination of this Agreement shall be without prejudice to the rights of either Party against the other accrued or accruing under this Agreement prior to expiration or termination. Termination of this Agreement shall be in addition to, and shall not prejudice, the Parties' remedies at law or in equity, including the Parties' ability to receive legal damages or equitable relief with respect to any breach of this Agreement, regardless of whether or not such breach was the reason for the termination. In the event of any termination of this Agreement, the Parties will work together in good faith to determine and implement reasonable wind-down procedures with respect to relevant Licensed Product- related activities ongoing at the time of such termination, which shall include continuation of the licenses granted to Licensee hereunder (and subject to the continuing terms and conditions of this Agreement) to permit Licensee and its Affiliates and Sublicensees to continue and complete any ongoing clinical trials of Licensed Products and to make or have made such Licensed Products as necessary to continue and complete such clinical trials; *provided, however,* in that the event such termination is by Licensor pursuant to Section 9.2, and 9.4, such activities shall be limited to those necessary for Licensee to comply with regulatory obligations, or medical or ethical obligations to patients consistent with industry standards.

(b) Rights and Licenses. In the event of any termination of this Agreement by Licensor pursuant to Section 9.2, 9.3 or 9.5, or by Licensee pursuant to Section 9.4, upon the effective date of such termination: (i) all rights and licenses granted herein to Licensee shall terminate with respect to the terminated Licensed Product(s) and all such rights and licenses granted by Licensor to Licensee shall revert to Licensor, other than any continuing rights provided in Section 9.7 or 9.8(a); and (ii) Licensee shall return or destroy all Confidential Information of Licensor; and (iii) Licensee shall free of charge provide Licensor with access to all data, including but not limited to all development information, formulation data, manufacturing processes, regulatory approvals and clinical data, in its possession generated by or on behalf of Licensee on Licensed Product(s) researched, developed, manufactured or Commercialized under this Agreement, subject to the terms of any applicable confidentiality agreements; and (iv) Licensee shall negotiate in good faith, expeditiously and with the intention of enabling the continued development of Licensed Products on an uninterrupted basis with Licensor the terms, such terms being customary in the market, under which Licensee would grant, and shall grant in accordance with such terms, to Licensor (A) a non-exclusive, perpetual and worldwide license (with the right to sublicense in multiple tiers) (1) under the Licensee Technology to the extent such Licensee Technology has been used for the development, manufacture or Commercialization of the Licensed Products and (2) to all data, including but not limited to all development information, formulation data, manufacturing processes, regulatory

approvals and clinical data, in Licensee's possession generated by or on behalf of Licensee on Licensed Product(s) researched, developed, manufactured or Commercialized under this Agreement, and (B) an assignment to Licensor of any regulatory approvals and materials, including but not limited to cell lines, drug substances and drug products, in its possession generated by or on behalf of Licensee on Licensed Product(s) researched, developed, manufactured or Commercialized under this Agreement (provided that Licensee may not charge Licensor an amount more than Licensee's cost plus [\*\*\*] for any such materials), in each instance of the foregoing clauses (A) and (B) for the continued development, manufacture or Commercialization of the Licensed Products and subject to any restrictions, limitations and obligations provided under the terms of any agreement pursuant to which Licensee has obtained rights or licenses in or to any Licensee Technology, such data, regulatory approvals or materials. Licensee shall undertake to take any actions and execute any instruments, assignments and documents as may be reasonably necessary to affect the aforementioned license and assignment to Licensor. In the event of any termination of this Agreement by Licensee pursuant to Section 9.2 or 9.3, upon the effective date of such termination: (i) all rights and licenses granted herein to Licensee shall terminate with respect to the terminated Licensed Product(s) and all such rights and licenses granted by Licensor to Licensee shall revert to Licensor, other than any continuing rights provided in Section 9.7 or 9.8(a) and (ii) Licensee shall return or destroy all Confidential Information of Licensor.

9.9 Survival. The following provisions shall survive the expiration or termination of this Agreement: Article 1 (Definitions) (to the extent necessary to give effect to other surviving provisions), Article 6 (Confidentiality), Article 8 (Indemnification; Insurance; and Limitation on Damages) (other than Section 8.4 (Insurance)) and Article 10 (Miscellaneous Provisions), and Sections 2.2 (Sublicensing) (and such other provisions of this Agreement as are necessary to give effect to the continuing licenses contemplated under Section 2.2), 4.5 (Success Fee) (until all amounts payable in accordance with its terms are paid), 4.7 (Reports; Audit Rights) (for a period of [\*\*\*] after expiration or termination), 5.1 (Ownership), 5.6 (Joint IP Rights), 9.7 (Continued Sales) (for the period set forth therein), 9.8 (Effects of Termination) and this Section 9.9 (Survival).

## **ARTICLE 10**

### **Miscellaneous Provisions**

10.1 Governing Law; Language. This Agreement and all disputes arising out of or related to this Agreement, whether of a contractual or non-contractual nature, shall be construed and the respective rights of the Parties determined in accordance with the laws of Germany, without reference to any rules of conflict of laws and the UN Law on the International Sale of Goods (CISG). This Agreement and all communications related to it, or to any dispute or controversy arising out of it, shall be conducted in English.

10.2 Notice. All notices required to be given under this Agreement shall be in writing and addressed to a Party at its address set forth beneath its signature below, and shall be sufficiently given (a) upon receipt, (b) [\*\*\*] (calculated at the location of the recipient) after deposit with a reputable, international express courier service for next or second Business Day delivery, or [\*\*\*] after being deposited with the applicable postal service if sent by prepaid, express, first class, certified or registered mail, return receipt requested. A Party may change its

address for the giving of notices hereunder by written notice given in accordance with the terms of this Section 10.2. With respect to any notice given to Licensor or to any or all of DKFZ, University of Tübingen or UFE hereunder, such notice shall be given by Licensee to DKFZ, with a copy to each of University of Tübingen and UFE.

10.3 Assignment. Neither Party may, without the consent of the other Party, assign or transfer any of its rights and obligations hereunder; *provided* that (a) each Party may assign and transfer this Agreement, in its entirety, without the consent of the other Party, in connection with a sale or transfer of all or substantially all of its business and assets to which this Agreement relates, including by way of merger, consolidation, transfer, or sale of assets related to this Agreement, except to Affiliates of Licensee, and (b) Licensee may assign and transfer this Agreement, in its entirety, subject to the prior written consent of the Licensor (such consent not to be unreasonably withheld, conditioned or delayed), to an Affiliate so long as, prior to the First Change of Control, Licensee and such Affiliate assignee arrange to preserve or duplicate, the anti-dilution protection and other rights provided to Licensor under this Agreement (including, but not limited to, the Success Fee set forth in Section 4.5 hereof), the Subscription Agreements and any other corporate documentation entered into by Subscribers in connection with the Subscription Agreements (inclusive of any investors' rights agreement, right of first refusal and co-sale agreement, voting agreement or other similar corporate document). Any assignment or transfer in circumvention of the foregoing shall be void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

10.4 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior agreements or understandings between the Parties relating to its subject matter, including without limitation the Exclusive Option Agreement.

10.5 Interpretation. The captions and headings to this Agreement are for convenience only, and are to be of no force or effect in construing or interpreting any of the provisions of this Agreement. Unless specified to the contrary, references to Articles, Sections or Exhibits mean the particular Articles, Sections or Exhibits to this Agreement and references to this Agreement include all Exhibits hereto. Unless context otherwise clearly requires, whenever used in this Agreement: (a) the words "include" or "including" shall be construed as incorporating, also, "but not limited to" or "without limitation;" (b) the word "day" or "year" means a calendar day or year unless otherwise specified; (c) the word "notice" shall mean notice in writing (whether or not specifically stated) and shall include notices, consents, approvals and other written communications contemplated under this Agreement; (d) the words "hereof," "herein," "hereby" and derivative or similar words refer to this Agreement (including any Exhibits); (e) the word "or" shall be construed as the inclusive meaning identified with the phrase "and/or;" (f) provisions that require that a Party or the Parties hereunder "agree," "consent" or "approve" or the like shall require that such agreement, consent or approval be specific and in writing, whether by written agreement, letter or otherwise; (g) words of any gender include the other gender; (h) words using the singular or plural number also include the plural or singular number, respectively; and (i) the word "law" (or "laws") when used herein means any applicable, legally binding statute, ordinance, resolution, regulation, code, guideline, rule, order, decree, judgment, injunction, mandate or other legally binding requirement of a government entity, together with

any then-current modification, amendment and re-enactment thereof, and any legislative provision substituted therefor. The Parties and their respective counsel have had an opportunity to fully negotiate this Agreement. If any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

10.6 Amendment and Waiver. This Agreement may be amended, supplemented, or otherwise modified only by means of a written instrument signed by both Parties. Any waiver of any right or failure to act in a specific instance shall relate only to such instance and shall not be construed as an agreement to waive any right or fail to act in any other instance, whether or not similar.

10.7 Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any other provision of this Agreement. The Parties shall consult one another and use reasonable efforts to agree upon a valid and enforceable provision that is a reasonable substitute for the invalid or unenforceable provision.

10.8 Use of Name. Neither Party shall use the other Party's name (except in connection with disclosures permitted under Article 6) or logo without the other Party's express prior written consent, which consent may be granted in the context of the Parties mutually approving a press release or other public disclosure related to this Agreement.

10.9 Counterparts. This Agreement may be executed in counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

10.10 Force Majeure. Neither Party will be responsible for delays resulting from causes beyond the reasonable control of such Party, including pandemic, fire, explosion, flood, war, strike, or riot, *provided* that the nonperforming Party uses commercially reasonable efforts to avoid or remove such causes of nonperformance and continues performance under this Agreement with reasonable dispatch whenever such causes are removed. For the avoidance of doubt, the COVID-19 pandemic as occurring at the Effective Date shall not be deemed a Force Majeure event under this Section 10.10

10.11 Dispute Resolution.

(a) Escalation. If any dispute arises out of or relates to this Agreement, the Parties agree to first seek to resolve such dispute by referring such dispute to the respective Chief Executive Officers of Licensor and Licensee for resolution. Such referral shall take place within [\*\*\*] after a written request by either Party to the other Party that resolution by the Chief Executive Officers be attempted. If, after an additional [\*\*\*], the Chief Executive Officers of Licensor and Licensee have not succeeded in negotiating a resolution of the dispute, and a Party wishes to pursue the matter, such Party may initiate binding arbitration in accordance with Section 10.11(b).

(b) Alternative Dispute Resolution. Any dispute arising out of or relating to this Agreement, including a dispute as to the validity or existence of this Agreement, that has not been resolved pursuant to Section 10.11(a) shall be resolved through binding arbitration in Munich, Germany by a single arbitrator pursuant to the Arbitration Rules of the Deutsche Institution für Schiedsgerichtsbarkeit e.V. (“**DIS Rules**”) and unless agreed by the Parties, or the arbitrator rules otherwise, the following shall apply:

(i) A Party may submit such dispute to arbitration by notifying the other Party, in writing, of such dispute.

(ii) The arbitration will be heard and determined by one (1) arbitrator, who will be jointly selected by the Parties.

(iii) If, within [\*\*\*] following the date upon which a claim is received by the respondent, the Parties cannot agree on a single arbitrator, the arbitration will be heard and determined by three (3) arbitrators, with one arbitrator being appointed by each Party and the third arbitrator being selected by the two Party-appointed arbitrators. If either Party fails to select an arbitrator, or if the Party-appointed arbitrators cannot agree on a third arbitrator within [\*\*\*] of the respondent receiving the claim, such arbitrator will be appointed in accordance with the DIS Rules.

(iv) The arbitrator shall use his or her best efforts to make an award on each disputed issue within [\*\*\*] after the completion of the arbitration. The determination of the arbitrator as to the resolution of any dispute shall be binding and conclusive upon all Parties. All rulings of the arbitrator shall be in writing and shall be delivered to the Parties.

(v) The attorneys’ fees of the Parties in any arbitration, fees of the arbitrator, and costs and expenses of the arbitration shall be borne by the Parties as determined by the arbitrator.

(vi) Any arbitration pursuant to this Section 10.11 shall be conducted in Munich, Germany. Any arbitration award may be entered in and enforced by any court of competent jurisdiction.

(c) No Limitation. Nothing in this Section 10.11 shall be construed as limiting in any way the right of a Party to seek an injunction or other equitable relief with respect to any actual or threatened breach of this Agreement or to bring an action in aid of arbitration. Should any Party seek an injunction or other equitable relief, or bring an action in aid of arbitration, then for purposes of determining whether to grant such injunction or other equitable relief, or whether to issue any order in aid of arbitration, the dispute underlying the request for such injunction or other equitable relief, or action in aid of arbitration, may be heard by the court in which such action or proceeding is brought.

10.12 Offset Rights. Notwithstanding anything to the contrary in this Agreement, neither Party may, at any time or for any reason, offset any payments due to the other Party or its Affiliates under this Agreement.

10.13 No Third Party Beneficiaries. No Person other than Licensee, Licensor and their respective Affiliates, successors and permitted assignees hereunder, shall be deemed an intended beneficiary hereunder or have any right to enforce any obligation of this Agreement.

10.14 Independent Contractors. It is expressly agreed that Licensee and Licensor shall be independent contractors and that the relationship between Licensee and Licensor shall not constitute a partnership, joint venture or agency. Neither Licensee nor Licensor shall have the authority to make any statements, representations, or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior written consent of such other Party.

10.15 Further Assurances. Each Party shall at its own cost from time to time, on being required to do so by the other Party, do or procure the doing of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to the other Party for giving full effect to this Agreement and securing to the other Party the full benefit of the rights, powers, privileges and remedies conferred upon the other Party in this Agreement.

*[remainder of page intentionally left blank; signature page follows]*



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CULLINAN FLORENTINE CORP.

By: /s/ Philipp Matthias Seimel  
Name: Philipp Matthais Seimel  
Title: \_\_\_\_\_  
Date: August 31, 2020  
Address: [\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]

EBERHARD KARLS UNIVERSITY  
OF TUEBINGEN, FACULTY  
OF MEDICINE

By: /s/ Tobias Anton Schneider  
Name: Dr. Tobias Anton Schneider  
Title: \_\_\_\_\_  
Date: August 31, 2020  
Address: [\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]

DEUTSCHES KREBSFORSCHUNGSZENTRUM

By: /s/ Dirk Kuck  
Name: Dr. Dirk Kuck  
Title: \_\_\_\_\_  
Date: August 31, 2020  
Address: [\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]

UNIVERSITÄTSMEDIZIN  
GESELLSCHAFT FÜR FORSCHUNG  
UND ENTWICKLUNG MBH, TÜBINGEN

By: /s/ Tobias Anton Schneider  
Name: Dr. Tobias Anton Schneider  
Title: \_\_\_\_\_  
Date: August 31, 2020  
Address: [\*\*\*]  
[\*\*\*]  
[\*\*\*]  
[\*\*\*]

***[SIGNATURE PAGE TO EXCLUSIVE LICENSE AGREEMENT]***

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**Exhibit A**

Licensed Patent Rights

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**Exhibit B**

Licensed Know-How

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**Exhibit C**

Technical Information

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**Exhibit D**

Performance Benchmarks

<b>Event</b>	<b>Timing</b>
Creation of Master Cell Bank	12 months from the Effective Date
***	***
***	***
***	***

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**Exhibit E**

Subscription Agreements

[See attached pages]

June 16, 2017

BY EMAIL  
Leigh Zawel

Dear Leigh,

On behalf of Cullinan Management, Inc. (hereinafter referred to as the "Company"), I am pleased to set forth the terms of your employment with the Company, should you accept our offer:

1. You will be employed to serve as the Chief Scientific Officer - SME, working alongside the Company's Chief Scientific Officer - Biologics, and reporting to the Company's Chief Executive Officer. You will be responsible for duties that are consistent with such a position; such duties are attached as an Exhibit to this offer. While you shall devote substantially all your business time and efforts to the Company, it is agreed and acknowledged that in the future you may also spend a portion of your business time assisting MPM Capital and its affiliated funds and companies, and will enter into a separate contract with MPM. You agree to abide by the rules, regulations, instructions, personnel practices and policies of the Company and any changes therein that may be adopted from time to time by the Company. We would of course like your start date to be as soon as possible; in any event, your start date shall be no later than August 1, 2017.

2. Your base salary will be at the monthly rate of \$28,750.00 per month (annualized to \$345,000.00), less all applicable taxes and withholdings, to be paid in installments, in accordance with the Company's regular payroll practices. Such base salary may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company.

3. Following the end of each fiscal year and subject to the approval of the Company's Board of Directors, you will be eligible for a retention and performance bonus of up to 30% of your base salary, based on your individual performance and the Company's performance during the applicable fiscal year, as determined by the Board in its sole discretion in accordance with certain milestones to be mutually agreed upon between you and the Board each year. You must be an active employee of the Company on the date any bonus is distributed in order to be eligible for and to earn a bonus award, as it also serves as an incentive to remain employed by the Company.

4. Subject to the terms and conditions thereof and all eligibility requirements, you may participate in any and all benefit programs that the Company establishes and makes available to its employees from time to time. You will also be eligible for vacation in accordance with the Company's vacation policy. The benefit programs made available by the Company, and the rules, terms and conditions for participation in such benefit programs, may be changed by the Company at any time without advance notice. You will be indemnified to the fullest extent of the law under the Company's constituent documents. If your employment is terminated by the Company without Cause, and provided you enter into a release of claims in a form provided by the Company, you will be eligible to receive as severance pay six months of your base salary. Such severance pay (less all applicable taxes and withholdings) will be paid ratably in accordance with the Company's regular payroll practices beginning on the Company's

first regular payroll cycle after the Release Agreement becomes effective. "Cause" shall mean any of the following: (i) dishonesty, embezzlement, misappropriation of assets or property of the Company; (ii) negligence, misconduct, neglect of duties, theft, fraud, or breach of fiduciary duty to the Company; (iii) failure to perform adequately your role at the Company, as determined in good faith by the Board of Directors; (v) material breach of any agreement with the Company; and (vi) the conviction of a felony, or any crime involving moral turpitude.

5. Subject to the approval of the Board of Directors of Cullinan Pharmaceuticals LLC (the "LLC"), the LLC will grant you incentive units (the "Units") under the LLC's Profits Interest Plan (the "Plan") equating to an ownership interest entitling you to 1.0% of the distributions made by the LLC with respect to the Common Units of the LLC in excess of the strike price associated with your Units, up to an aggregate initial seed and Series A equity investment of \$150-200MM. The strike price of each Unit will be determined by the LLC's Board of Directors on the date such Units are granted and shall be equal to the amount that would be distributed in respect of a Common Unit of the LLC in a hypothetical liquidation of the LLC on the date of issuance of such Unit. The Units will be evidenced in writing by, and subject to the terms of the Plan and a Unit Grant Agreement provided by the LLC, which agreement will specify monthly vesting over four (4) years with a one (1) year cliff.

6. In certain instances in which an "asset subsidiary" is formed and invested in by the LLC, your equity grant target (at the time of the initial financing by the LLC) will be .15% of such asset subsidiary's fully-diluted capitalization; for the avoidance of doubt, your equity grant may in some cases be lower (e.g., depending on how much equity needs to be allocated to founders, universities and the like). Such equity grant will be evidenced in writing, which agreement will specify monthly vesting over four (4) years with a one (1) year cliff.

7. You will be required to execute the Company's standard form of Employee Invention, Non-Disclosure and Non-Solicitation Agreement (the "Employee Agreement") as a condition of your employment.

8. You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this letter.

9. This letter shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at will, under which both you and the Company remain free to terminate the employment relationship for any reason, with or without cause, at any time, and with or without notice. Similarly, nothing in this letter shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company, except to the extent specifically set forth above.

10. If you agree with the employment provisions of this letter, please sign the enclosed duplicate of this letter in the space provided below and return it to me along with a signed copy of the Employee Agreement.



---

Very Truly Yours,

/s/ Owen Hughes

Owen Hughes

CEO

Cullinan Management Inc.

The foregoing correctly sets forth the terms of my at-will employment by Cullinan. I am not relying on any representations other than those set forth above.

By: /s/ Leigh Sawel

Name: Leigh Sawel

Date:

May 1, 2017

BY EMAIL  
Owen Hughes

Dear Owen,

On behalf of Cullinan Management, Inc. (hereinafter referred to as the "Company"), I am pleased to set forth the terms of your employment with the Company, should you accept our offer:

1. You will be employed to serve as Chief Executive Officer of the Company, reporting to the Company's Board of Directors and responsible for such duties as are consistent with such position, plus such other duties as may from time to time be assigned to you by the Board of Directors. You shall also serve as a member of the Company's Board of Directors. While you shall devote substantially all your business time and efforts to the Company, it is agreed and acknowledged that in the future you may also spend a limited portion of your business time assisting MPM Capital and its affiliated funds and companies. You agree to abide by the rules, regulations, instructions, personnel practices and policies of the Company and any changes therein that may be adopted from time to time by the Company. We would of course like your start date to be as soon as possible; in any event, your start date shall be no later than July 1, 2017.

2. Your base salary will be at the monthly rate of \$37,500.00 per month (annualized to \$450,000.00), less all applicable taxes and withholdings, to be paid in installments, in accordance with the Company's regular payroll practices. Such base salary may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company.

3. Following the end of each fiscal year and subject to the approval of the Company's Board of Directors, you will be eligible for a retention and performance bonus of up to 30% of your base salary, based on your individual performance and the Company's performance during the applicable fiscal year, as determined by the Board in its sole discretion in accordance with certain milestones to be mutually agreed upon between you and the Board each year. You must be an active employee of the Company on the date any bonus is distributed in order to be eligible for and to earn a bonus award, as it also serves as an incentive to remain employed by the Company.

4. Subject to the terms and conditions thereof and all eligibility requirements, you may participate in any and all benefit programs that the Company establishes and makes available to its employees from time to time. You will also be eligible for vacation in accordance with the Company's vacation policy. The benefit programs made available by the Company, and the rules, terms and conditions for participation in such benefit programs, may be changed by the Company at any time without advance notice. You will be indemnified to the fullest extent of the law under the Company's constituent documents. If your employment is terminated by the Company without Cause, and provided you enter into a release of claims in a form provided by the Company, you will be eligible to receive as severance pay six months of your base salary. Such severance pay (less all applicable taxes and withholdings) will be paid ratably in accordance with the Company's regular payroll practices beginning on the Company's first regular payroll cycle after the Release Agreement becomes effective.

“Cause” shall mean any of the following: (i) dishonesty, embezzlement, misappropriation of assets or property of the Company; (ii) negligence, misconduct, neglect of duties, theft, fraud, or breach of fiduciary duty to the Company; (iii) failure to perform adequately your role at the Company, as determined in good faith by the Board of Directors; (v) material breach of any agreement with the Company; and (vi) the conviction of a felony, or any crime involving moral turpitude.

5. Subject to the approval of the Board of Directors of Cullinan Pharmaceuticals LLC (the “LLC”), the LLC will grant you incentive units (the “Units”) under the LLC’s Profits Interest Plan (the “Plan”) equating to an ownership interest entitling you to 3.9% of the distributions made by the LLC with respect to the Common Units of the LLC in excess of the strike price associated with your Units, up to an aggregate initial seed and Series A equity investment of \$150-200MM. The strike price of each Unit will be determined by the LLC’s Board of Directors on the date such Units are granted and shall be equal to the amount that would be distributed in respect of a Common Unit of the LLC in a hypothetical liquidation of the LLC on the date of issuance of such Unit. The Units will be evidenced in writing by, and subject to the terms of the Plan and a Unit Grant Agreement provided by the LLC, which agreement will specify monthly vesting over four (4) years with a one (1) year cliff.

6. In each instance in which an “asset subsidiary” is formed and invested in by the LLC, your equity grant target (at the time of the initial financing by the LLC) will be 2% of such asset subsidiary’s fully-diluted capitalization; for the avoidance of doubt, your equity grant may in some cases be lower (e.g., depending on how much equity needs to be allocated to founders, universities and the like). Such equity grant will be evidenced in writing, which agreement will specify monthly vesting over four (4) years with a one (1) year cliff.

7. You will be required to execute the Company’s standard form of Employee Invention, Non-Disclosure and Non-Solicitation Agreement (the “Employee Agreement”) as a condition of your employment.

8. You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this letter.

9. This letter shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company’s policy of employment at will, under which both you and the Company remain free to terminate the employment relationship for any reason, with or without cause, at any time, and with or without notice. Similarly, nothing in this letter shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company, except to the extent specifically set forth above.

10. If you agree with the employment provisions of this letter, please sign the enclosed duplicate of this letter in the space provided below and return it to me along with a signed copy of the Employee Agreement.

---

Very Truly Yours,

/s/ Ansbert Gadicke

Ansbert Gadicke

Director

Cullinan Management Inc.

The foregoing correctly sets forth the terms of my at-will employment by Cullinan. I am not relying on any representations other than those set forth above.

By: /s/ Owen Hughes

Name: Owen Hughes

Date: May 2, 2017

August 25, 2020

BY EMAIL

Mr. Jeffrey Trigilio

Dear Jeff,

On behalf of Cullinan Management, Inc. (hereinafter referred to as the "Company"), I am pleased to set forth the terms of your employment with the Company:

1. You will be employed to serve as, the Chief Financial Officer, reporting to the Company's Chief Executive Officer. You will be responsible for duties that are consistent with such a position. You agree to abide by the rules, regulations, instructions, personnel practices and policies of the Company and any changes therein that may be adopted from time to time by the Company. Your anticipated start date is September 8, 2020, or sooner by mutual agreement.

2. Your base salary will be \$375,000 on an annualized basis, payable in installments in accordance with the Company's customary payroll procedures and applicable law, and subject to deductions and withholdings as required by law.

3. Following the end of each fiscal year and subject to the approval of the Company's Board of Directors, you will be eligible for a performance bonus of up to 30% of your base salary, based on your individual performance and the Company's performance during the applicable fiscal year, as determined by the Board in its sole discretion in accordance with certain milestones to be mutually agreed upon between you and the Board each year. You must be an active employee of the Company on the date any bonus is distributed in order to be eligible for and to earn a bonus award.

4. Subject to the terms and conditions thereof and all eligibility requirements, you may participate in any and all benefit programs that the Company establishes and makes available to its employees from time to time, including but not limited to: medical, dental, vision, 401(k), group and AD&D insurance, short-term disability, long-term disability, and EAP / Travel Assistance. You will also be eligible for vacation in accordance with the Company's current vacation policy. The benefit programs made available by the Company, and the rules, terms and conditions for participation in such benefit programs, may be changed by the Company at any time without advance notice.

5. Subject to the approval of the Board of Directors of Cullinan Oncology LLC (the "LLC"), the LLC will grant you incentive units (the "Units") under the LLC's Profits Interest Plan (the "Plan") equating to an ownership interest entitling you to 100 basis points (1.00%) of the distributions made by the LLC with respect to the Common Units of the LLC in excess of the strike price associated with your Units. The strike price of each Unit will be determined by the LLC's Board of Directors on the date such Units are granted and shall be equal to the amount that would be distributed in respect of a Common Unit of the LLC in a hypothetical liquidation of the LLC on the date of issuance of such Unit. The Units will be evidenced in writing by, and subject to the terms of the Plan and a Unit Grant Agreement provided by the LLC, which agreement will specify monthly vesting over four (4) years with a one (1) year cliff.

6. You will be required to execute the Company's standard form of Employee Invention, Non-Disclosure and Non-Solicitation Agreement (the "Employee Agreement") as a condition of your employment.

7. You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this letter.

8. This letter shall not be construed as an agreement, either expressed or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at will, under which both you and the Company remain free to terminate the employment relationship for any reason, with or without cause, at any time, and with or without notice. Similarly, nothing in this letter shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company, except to the extent specifically set forth above.

If you agree with the provisions of this letter, please sign in the space provided below and return it to me along with a signed copy of the Employee Agreement.

Very truly yours,

Agreed to and accepted by:

/s/ Owen Hughes

/s/ Jeffrey Trigilio

Owen Hughes  
Chief Executive Officer  
Cullinan Management Inc.

Mr. Jeffrey Trigilio

## EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is made between Cullinan Management, Inc., a Delaware corporation (the “Company”), and (the “Executive”) and is effective as of the closing of the Company’s first underwritten public offering of its equity securities pursuant to an effective registration statement under the Securities Act of 1933, as amended (the “Effective Date”). Except with respect to the Equity Documents (as defined below) and subject to Section 10 below, this Agreement supersedes in all respects all prior agreements between the Executive and the Company regarding the subject matter herein, including without limitation (i) the Employment Agreement between the Executive and the Company dated (the “Prior Agreement”), and (ii) any offer letter, employment agreement or severance agreement.

WHEREAS, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company on the new terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The Company shall employ the Executive and the Executive shall be employed by the Company pursuant to this Agreement commencing as of the Effective Date and continuing until such employment is terminated in accordance with the provisions hereof (the “Term”). The Executive’s employment with the Company shall continue to be “at will,” meaning that the Executive’s employment may be terminated by the Company or the Executive at any time and for any reason subject to the terms of this Agreement.

(b) Position and Duties. The Executive shall serve as the [Title] of the Company and shall have such powers and duties as may from time to time be prescribed by the [**Board of Directors of the Company (the “Board”)]<sup>1</sup>/Chief Executive Officer (the “CEO”) or other duly authorized executive].<sup>2</sup> [**In addition, the Company shall cause the Executive to be nominated for election to the Board and to be recommended to the stockholders for election to the Board as long as the Executive remains the Chief Executive Officer of the Company (the “CEO”), provided that the Executive shall be deemed to have resigned from the Board and from any related positions upon ceasing to serve as CEO for any reason.**]<sup>3</sup> The Executive shall devote the Executive’s full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with the approval of the Board [**of Directors of the Company (the “Board”)]<sup>4</sup>, or engage in religious, charitable or other community activities as long as such services and activities do not interfere with the Executive’s performance of the Executive’s duties to the Company.****

<sup>1</sup> NTD: For the CEO.

<sup>2</sup> NTD: For non-CEO executives.

<sup>3</sup> NTD: For the CEO.

<sup>4</sup> NTD: For non-CEO executives.



2. Compensation and Related Matters.

(a) Base Salary. The Executive's initial base salary shall be paid at the rate of \$[ ] per year. The Executive's base salary shall be subject to periodic review by the Board or the Compensation Committee of the Board (the "Compensation Committee"). The base salary in effect at any given time is referred to herein as "Base Salary." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices for executive officers.

(b) Incentive Compensation. The Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. Commencing January 1, 2021, the Executive's initial target annual incentive compensation shall be [ ] percent of the Executive's Base Salary. The target annual incentive compensation in effect at any given time is referred to herein as "Target Bonus." The actual amount of the Executive's annual incentive compensation, if any, shall be determined in the sole discretion of the Board or the Compensation Committee, subject to the terms of any applicable incentive compensation plan that may be in effect from time to time. Except as otherwise provided herein, as may be provided by the Board or the Compensation Committee or as may otherwise be set forth in the applicable incentive compensation plan, the Executive must be employed by the Company on the date such incentive compensation is paid in order to earn or receive any annual incentive compensation.

(c) Expenses. The Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its executive officers.

(d) Location. [The Executive shall work at the Company's main office, currently located in Cambridge, MA, *provided* that the Executive may be required to travel for business as necessary.]<sup>5</sup>

[It is understood and agreed upon that the Executive will work remotely for a substantial period of time each month, and will work at the Company's main office, currently located in Cambridge, MA, as necessary and mutually agreed upon with the Company's CEO. It is acknowledged and agreed that the Executive will not relocate to Boston, MA. Furthermore, the Company will cover all customary travel-related expenses and lodging from the office/home of the Executive in Frederick, MD to Cambridge, MA. For purposes of clarity, such expenses shall not include living expenses other than lodging during the Executive's stay in Cambridge, MA. The Executive also may be required to travel for business as necessary.]<sup>6</sup>

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<sup>5</sup> NTD: For executives other than Jon Wigginton and Jeff Trigilio.

<sup>6</sup> NTD: For Jon Wigginton.

[It is understood and agreed that the Executive will work remotely, *provided* that the Executive shall be required to travel to the Company's main office, currently located in Cambridge, MA, on a regular basis and as necessary and may also be required to travel for business as necessary.]<sup>7</sup>

(e) Other Benefits. The Executive shall be eligible to participate in or receive benefits under the Company's employee benefit plans in effect from time to time, subject to the terms of such plans.

(f) Paid Time Off. The Executive shall be entitled to take paid time off in accordance with the Company's applicable paid time off policy for executives, as may be in effect from time to time.

(g) Equity. The equity awards held by the Executive shall continue to be governed by the terms and conditions of the Company's applicable equity incentive plan(s) and the applicable award agreement(s) (collectively, the "Equity Documents"); *provided, however*, and notwithstanding anything to the contrary in the Equity Documents, (i) in the event that the Date of Termination (as defined below) is a result of the Executive's death pursuant to Section 3(a) or disability pursuant to Section 3(b), 25% of the Executive's then-unvested stock options and other stock-based awards held by the Executive, including, without limitation, any awards that are subject to performance-based vesting, except to the extent otherwise provided in the applicable option agreement that governs such performance-based award (the "Equity Awards"), plus an additional 5% for each full year of the Executive's service to the Company, shall immediately accelerate and become fully vested and exercisable or nonforfeitable on the Date of Termination, and (ii) in the event that the Date of Termination is a result of a termination by the Company without Cause under Section 3(d) or a termination by the Executive for Good Reason under Section 3(e), in each case during the Change in Control Period (as such terms are defined below), then any outstanding Equity Awards shall immediately accelerate and become fully vested and exercisable or nonforfeitable on the Date of Termination.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon death.

(b) Disability. The Company may terminate the Executive's employment if the Executive is disabled and unable to perform or expected to be unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is

<sup>7</sup> NTD: For Jeff Trigilio.

expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.* and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(c) Termination by the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause. For purposes of this Agreement, "Cause" shall mean any of the following:

(i) conduct by the Executive constituting a material act of misconduct in connection with the performance of the Executive's duties, including, without limitation, (A) willful failure or refusal to perform material responsibilities that have been requested by the [Board]<sup>8</sup> [CEO]<sup>9</sup>; (B) dishonesty to the [Board]<sup>10</sup> [CEO]<sup>11</sup> with respect to any material matter; or (C) misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and *de minimis* use of Company property for personal purposes;

(ii) the commission by the Executive of acts satisfying the elements of (A) any felony or (B) a misdemeanor involving moral turpitude, deceit, dishonesty or fraud;

(iii) any misconduct by the Executive, regardless of whether or not in the course of the Executive's employment, that would reasonably be expected to result in material injury or reputational harm to the Company or any of its subsidiaries or affiliates if the Executive were to continue to be employed in the same position;

(iv) continued non-performance by the Executive of the Executive's duties hereunder (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice of such non-performance from the [Board]<sup>12</sup> [CEO]<sup>13</sup>;

(v) a breach by the Executive of any of the provisions contained in Section 8 of this Agreement or the Restrictive Covenants Agreement (as defined below);

(vi) a material violation by the Executive of any of the Company's written employment policies; or

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<sup>8</sup> NTD: For CEO.

<sup>9</sup> NTD: For non-CEO Executive.

<sup>10</sup> NTD: For CEO.

<sup>11</sup> NTD: For non-CEO Executive.

<sup>12</sup> NTD: For CEO.

<sup>13</sup> NTD: For non-CEO Executive.

(vii) the Executive's failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(d) Termination by the Company without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate employment hereunder at any time for any reason, including but not limited to, Good Reason. For purposes of this Agreement, "Good Reason" shall mean that the Executive has completed all steps of the Good Reason Process (hereinafter defined) following the occurrence of any of the following events without the Executive's consent (each, a "Good Reason Condition"):

- (i) a material diminution in the Executive's responsibilities, authority or duties;
- (ii) a material diminution in the Executive's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company;
- (iii) a material change in the geographic location of the principal office of the Company to which the Executive is assigned, such that there is an increase of at least thirty (30) miles of driving distance to such location from the Executive's principal residence as of such change; or
- (iv) a material breach of this Agreement by the Company.

The "Good Reason Process" consists of the following steps:

- (i) the Executive reasonably determines in good faith that a Good Reason Condition has occurred;
- (ii) the Executive notifies the Company in writing of the first occurrence of the Good Reason Condition within 60 days of the first occurrence of such condition;
- (iii) the Executive cooperates in good faith with the Company's efforts, for a period of not less than 30 days following such notice (the "Cure Period"), to remedy the Good Reason Condition;
- (iv) notwithstanding such efforts, the Good Reason Condition continues to exist at the end of the Cure Period; and

- (v) the Executive terminates employment within 60 days after the end of the Cure Period.

If the Company cures the Good Reason Condition during the Cure Period, Good Reason shall be deemed not to have occurred.

4. Matters related to Termination.

(a) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(b) Date of Termination. "Date of Termination" shall mean: (i) if the Executive's employment is terminated by death, the date of death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive's employment is terminated by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given or the date otherwise specified by the Company in the Notice of Termination; (iv) if the Executive's employment is terminated by the Executive under Section 3(e) other than for Good Reason, 30 days after the date on which a Notice of Termination is given, and (v) if the Executive's employment is terminated by the Executive under Section 3(e) for Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(c) Accrued Obligations. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 2(c) of this Agreement); and (iii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Obligations").

(d) Resignation of All Other Positions. To the extent applicable, the Executive shall be deemed to have resigned from all officer and board member positions that the Executive holds with the Company or any of its respective subsidiaries and affiliates upon the termination of the Executive's employment for any reason. The Executive shall execute any documents in reasonable form as may be requested to confirm or effectuate any such resignations.

5. Severance Pay and Benefits Upon Termination by the Company without Cause or by the Executive for Good Reason Outside the Change in Control Period. If the Executive's

employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates employment for Good Reason as provided in Section 3(e), in each case outside of the Change in Control Period, then, in addition to the Accrued Obligations, and subject to (i) the Executive signing a separation agreement and release in a form and manner satisfactory to the Company, which shall include, without limitation, a general release of claims against the Company and all related persons and entities, a reaffirmation of all of the Executive's Continuing Obligations (as defined below), and, in the Company's sole discretion, a one-year post-employment noncompetition agreement, and shall provide that if the Executive breaches any of the Continuing Obligations, all payments of the Severance Amount shall immediately cease (the "Separation Agreement"), and (ii) the Separation Agreement becoming irrevocable, all within 60 days after the Date of Termination (or such shorter period as set forth in the Separation Agreement):

(a) the Company shall pay the Executive an amount equal to the sum of (A) [ ]<sup>14</sup> months of the Executive's Base Salary plus (B) a pro-rata portion of the Target Bonus based on the Date of Termination (the "Severance Amount"); and

(b) subject to the Executive's copayment of premium amounts at the applicable active employees' rate and the Executive's proper election to receive benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company shall pay to the group health plan provider or the COBRA provider a monthly payment equal to the monthly employer contribution that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company until the earliest of (A) the [ ]<sup>15</sup> month anniversary of the Date of Termination; (B) the date that the Executive becomes eligible for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's health continuation rights under COBRA; *provided, however*, that if the Company determines that it cannot pay such amounts to the group health plan provider or the COBRA provider (if applicable) without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company shall convert such payments to payroll payments directly to the Executive for the time period specified above. Such payments to the Executive shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates.

The amounts payable under Section 5, to the extent taxable, shall be paid out in substantially equal installments in accordance with the Company's payroll practice over [ ]<sup>16</sup> months commencing within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, such payments, to the extent they qualify as "non-qualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), shall begin to be paid in the second calendar year by the last day of such 60-day period; *provided, further*, that the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Date of Termination. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).

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14 NTD: 9 months for non-CEO executives; 12 months for CEO.

15 NTD: 9 months for non-CEO executives; 12 months for CEO.

16 NTD: 9 months for non-CEO executives; 12 months for CEO.

6. Severance Pay and Benefits Upon Termination by the Company without Cause or by the Executive for Good Reason within the Change in Control Period. The provisions of this Section 6 shall apply in lieu of, and expressly supersede, the provisions of Section 5 if (i) the Executive's employment is terminated either (a) by the Company without Cause as provided in Section 3(d), or (b) by the Executive for Good Reason as provided in Section 3(e), and (ii) the Date of Termination is within the Change in Control Period. These provisions shall terminate and be of no further force or effect after the Change in Control Period.

(a) If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates employment for Good Reason as provided in Section 3(e) and in each case the Date of Termination occurs during the Change in Control Period, then, in addition to the Accrued Obligations, and subject to the signing of a general release of claims against the Company and all related persons and entities (the "Release") by the Executive and the Release becoming fully effective, all within the time frame set forth in the Release but in no event more than 60 days after the Date of Termination:

(i) the Company shall pay the Executive a lump sum in cash in an amount equal to the sum of (A) [ ]<sup>17</sup> months of the Executive's then-current Base Salary (or the Executive's Base Salary in effect immediately prior to the Change in Control, if higher) plus (B) [ ]<sup>18</sup> times the Executive's Target Bonus for the then-current year (or the Executive's Target Bonus in effect immediately prior to the Change in Control, if higher); and

(ii) subject to the Executive's copayment of premium amounts at the applicable active employees' rate and the Executive's proper election to receive benefits under COBRA, the Company shall pay to the group health plan provider or the COBRA provider a monthly payment equal to the monthly employer contribution that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company until the earliest of (A) the [ ]<sup>19</sup> month anniversary of the Date of Termination; (B) the date that the Executive becomes eligible for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's health continuation rights under COBRA; *provided, however*, that if the Company determines that it cannot pay such amounts to the group health plan provider or the COBRA provider (if applicable) without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company shall convert such payments to payroll payments directly to the Executive for the time period specified above. Such payments to the Executive shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates.

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17 NTD: 12 months for non-CEO executives; 18 months for CEO.

18 NTD: 1.0 times for non-CEO executives; 1.5 times for CEO.

19 NTD: 12 months for non-CEO executives; 18 months for CEO.

The amounts payable under this Section 6(a), to the extent taxable, shall be paid or commence to be paid within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, such payments to the extent they qualify as “non-qualified deferred compensation” within the meaning of Section 409A of the Code, shall be paid or commence to be paid in the second calendar year by the last day of such 60-day period.

(b) Additional Limitation.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Code, and the applicable regulations thereunder (the “Aggregate Payments”), would be subject to the excise tax imposed by Section 4999 of the Code, then the Aggregate Payments shall be reduced (but not below zero) so that the sum of all of the Aggregate Payments shall be \$1.00 less than the amount at which the Executive becomes subject to the excise tax imposed by Section 4999 of the Code; *provided* that such reduction shall only occur if it would result in the Executive receiving a higher After Tax Amount (as defined below) than the Executive would receive if the Aggregate Payments were not subject to such reduction. In such event, the Aggregate Payments shall be reduced in the following order, in each case, in reverse chronological order beginning with the Aggregate Payments that are to be paid the furthest in time from consummation of the transaction that is subject to Section 280G of the Code: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits; *provided* that in the case of all the foregoing Aggregate Payments all amounts or payments that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c).

(ii) For purposes of this Section 6(b), the “After Tax Amount” means the amount of the Aggregate Payments less all federal, state, and local income, excise and employment taxes imposed on the Executive as a result of the Executive’s receipt of the Aggregate Payments. For purposes of determining the After Tax Amount, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes.

(iii) The determination as to whether a reduction in the Aggregate Payments shall be made pursuant to Section 6(b)(i) shall be made by a nationally recognized accounting firm selected by the Company (the “Accounting Firm”), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.



(c) Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(i) “Change in Control” shall mean a “Sale Event” as defined in the Company’s [Name of Equity Incentive Plan].

(ii) “Change in Control Period” shall mean the period commencing on the occurrence of the first event constituting a Change in Control and ending twelve (12) months after the occurrence of the first event constituting a Change in Control.

7. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive’s separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement or otherwise on account of the Executive’s separation from service would be considered deferred compensation otherwise subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive’s separation from service, or (B) the Executive’s death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes “non-qualified deferred compensation” under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive’s termination of employment, then such payments or benefits shall be payable only upon the Executive’s “separation from service.” The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

#### 8. Continuing Obligations.

(a) Restrictive Covenants Agreement. As a condition of the Executive's continued employment, the Executive is required to enter into the Employee Confidentiality, Assignment and Nonsolicitation Agreement attached hereto as Exhibit A (the "Restrictive Covenants Agreement"). For purposes of this Agreement, the obligations in this Section 8 and those that arise in the Restrictive Covenants Agreement and any other agreement relating to confidentiality, assignment of inventions, or other restrictive covenants shall collectively be referred to as the "Continuing Obligations."

(b) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information, other than confidentiality restrictions (if any), or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(c) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company, including in (i) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company, and (ii) the investigation, whether internal or external, of any matters about which the Company believes the Executive may have knowledge

or information. The Executive's full cooperation in connection with such claims, actions or investigations shall include, but not be limited to, being available to meet with counsel to answer questions or to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 8(c).

(d) Relief. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the Continuing Obligations, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of the Continuing Obligations, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

9. Consent to Jurisdiction. The parties hereby consent to the jurisdiction of the state and federal courts of the Commonwealth of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the exclusive personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

10. Integration. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter, including the Prior Agreement, *provided* that the Equity Documents and any obligations regarding confidentiality and invention assignment remain in full force and effect.

11. Withholding; Tax Effect. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

12. Assignment; Successors and Assigns. Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; *provided, however*, that the Company may assign its rights and obligations under this Agreement (including the Restrictive Covenants Agreement) without the Executive's consent to any affiliate or to any person or entity with whom the Company shall hereafter effect a reorganization or consolidation, into which the Company merges or to whom it transfers all or substantially all of its properties or assets; *provided further* that if the Executive remains employed or becomes employed by the Company, the purchaser or any of their affiliates in connection with any such transaction, then the

Executive shall not be entitled to any payments, benefits or vesting pursuant to Section 2(g), Section 5 or Section 6 of this Agreement solely as a result of such transaction. This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of the Executive's and the Company's respective successors, executors, administrators, heirs and permitted assigns. In the event of the Executive's death after the Executive's termination of employment but prior to the completion by the Company of all payments due to the Executive under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to the Executive's death (or to the Executive's estate, if the Executive fails to make such designation).

13. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

15. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

16. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

17. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

18. Effect on Other Plans and Agreements. An election by the Executive to resign for Good Reason under the provisions of this Agreement shall not be deemed a voluntary termination of employment by the Executive for the purpose of interpreting the provisions of any of the Company's benefit plans, programs or policies. Nothing in this Agreement shall be construed to limit the rights of the Executive under the Company's benefit plans, programs or policies except as otherwise provided in Section 8 hereof, and except that the Executive shall have no rights to any severance benefits under any Company severance pay plan, offer letter or otherwise. In the event that the Executive is party to an agreement with the Company providing for payments or benefits under such plan or agreement and under this Agreement, the terms of this Agreement shall govern and the Executive may receive payment under this Agreement only

and not both. Further, Section 5 and Section 6 of this Agreement are mutually exclusive and in no event shall the Executive be entitled to payments or benefits pursuant to both Section 5 and Section 6 of this Agreement.

19. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles thereof. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

20. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the Effective Date.

**CULLINAN MANAGEMENT, INC.**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXECUTIVE**

\_\_\_\_\_  
[Name]

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**Exhibit A**

**Restrictive Covenants Agreement**

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the “Agreement”), made as of January 1, 2019 is entered into by Cullinan Management, Inc. a Delaware corporation (the “Company”), and Corinne Savill (the “Consultant”).

## INTRODUCTION

The Company and the Consultant desire to establish the terms and conditions under which the Consultant will provide Services to the Company. In consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties agree as follows:

1. Services. The Consultant agrees to perform such consulting, advisory and related services to and for the Company as may be reasonably requested from time to time by the officers of the Company (the “Services”). The Consultant will not be expected to relocate her residence.
2. Term. This Agreement shall commence on the date hereof and shall terminate on the last date on which Consultant provides Services to the Company under this Agreement (the “Consultation Period”).
3. Compensation.
  - 3.1. Consulting Fees. Your consulting fee will be at the monthly rate of \$31,666.66 per month (annualized to \$380,000.00), less all applicable taxes and withholdings, to be paid in installments, in accordance with the Company’s regular payroll practices. Such base consulting fee may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company.
  - 3.2. Bonus. Following the end of each fiscal year and subject to the approval of the Company’s Board of Directors, you will be eligible for a retention and performance bonus of up to 30% of your annualized base consulting fee, based on your individual performance and the Company’s performance during the applicable fiscal year, as determined by the Board in accordance with certain milestones to be mutually agreed upon between you and the Board each year. You must be an active consultant of the Company on the date any bonus is distributed in order to be eligible for and to earn a bonus award, as it also serves as an incentive to remain engaged by the Company.
  - 3.3. Equity. Subject to the approval of the Board of Directors, the Company will grant you incentive units (the “Units”) under the Cullinan Oncology LLC (the “LLC”) Profits Interest Plan (the “Plan”) equating to an ownership interest entitling you to 1.5% of the distributions made by the LLC with respect to the Common Units of the LLC in excess of the strike

price associated with your Units, up to an aggregate initial seed and Series A equity investment of \$150-200MM. The strike price of each Unit will be determined by the LLC's Board of Directors on the date such Units are granted and shall be equal to the amount that would be distributed in respect of a Common Unit of the LLC in a hypothetical liquidation of the LLC on the date of issuance of such Unit. The Units will be evidenced in writing by, and subject to the terms of the Plan and a Unit Grant Agreement provided by the LLC, which agreement will specify monthly vesting over four (4) years with a one (1) year cliff.

4. Proprietary Information and Inventions.

4.1. Proprietary Information.

(a) The Consultant acknowledges that Consultant's relationship with the Company is one of high trust and confidence and that in the course of Consultant's service to the Company, will have access to and contact with Proprietary Information (*as defined below in Section 4.1(b)*) of both the Company and any company or other entity that Cullinan Oncology, LLC has invested in or is considering for investment (a "Portfolio Company"). While Consultant is providing Services to the Company, and for three (3) years following the expiration of the Consultation Period, Consultant will not disclose or deliver to anyone, except as authorized by the Company, or use in any way other than to provide the Services, any Proprietary Information of the Company or a Portfolio Company. The restrictions set forth in this Section 4 will not apply to Information which (a) Consultant is required to disclose by an order of a court of competent jurisdiction, provided Consultant has provided all reasonable and practicable notice to the Company prior to such order being imposed, and at the request and cost of the Company, Consultant will promptly do all such reasonable acts or things as the Company and its duly authorized officers may reasonably require to defend in any proceeding, judicial or otherwise, such confidences and disclosures, or (b) becomes generally known to the public or in the trade, unless such knowledge results from an unauthorized disclosure by the Consultant.

(b) For purposes of this Agreement, "Proprietary Information" shall mean, by way of illustration and not limitation, all information, whether or not in writing, whether or not patentable and whether or not copyrightable, of a private, secret or confidential nature, owned, possessed or used by the Company or any Portfolio Company, concerning the business, business relationships or financial affairs, including, without limitation, any Invention, formula, vendor information, customer information, apparatus, equipment, trade secret, process, research, report; technical or research data, clinical data; know-how, computer program, software, software documentation, hardware design, technology, product, processes, methods, techniques, formulas, compounds, projects, developments, marketing or business plan, forecast, unpublished financial statement, budget, license, price, cost, customer, supplier or personnel information or employee lists concerning either the Company, one of its



affiliated entities, or a Portfolio Company that is communicated to, learned of, developed or otherwise acquired by the Consultant in the course of Consultant's Service as a consultant under this Agreement to the Company.

(c) The Consultant agrees that all files, documents, letters, memoranda, reports, records, data sketches, drawings, models, laboratory notebooks, program listings, computer equipment or devices, computer programs or other written, photographic, or other tangible material containing Proprietary Information, whether created by the Consultant or others, which shall come into her custody or possession, shall be and are the exclusive property of either the Company or a Portfolio Company, and are to be used by the Consultant only in the performance of Consultant's duties under this Agreement and shall not be copied or removed from the Company's or Portfolio Company's premises except in the pursuit of the Services. All such materials or copies thereof and all tangible property of the Company or Portfolio Company in the custody or possession of the Consultant shall, unless otherwise agreed to by the Company or Portfolio Company in writing, be delivered to the Company or Portfolio Company upon the earlier of (i) a request by the Company or Portfolio Company, (ii) the termination of this Agreement or (iii) the expiration of the Consultation Period. After such delivery, the Consultant shall not retain any such materials or copies thereof or any such tangible property.

(d) The Consultant agrees that Consultant's obligation not to disclose or to use information and materials of the types set forth in paragraphs (b) and (c) above, and Consultant's obligation to return materials and tangible property set forth in paragraph (c) above extends to such types of information, materials and tangible property of customers of the Company, a Portfolio Company, suppliers to the Company or other third parties who may have disclosed or entrusted the same to the Company, a Portfolio Company or the Consultant. In addition, the Consultant may disclose Proprietary Information pursuant to a subpoena or other order issued by a court of competent jurisdiction or governmental agency, but only if the Consultant advises the Company or Portfolio Company in writing in advance of such intended disclosure and cooperates with the Company or Portfolio Company in the event the Company or Portfolio Company elects to legally contest and avoid such disclosure. In any event, the Consultant may disclose only such portion of the Proprietary Information that Consultant is legally required to disclose.

(e) The Consultant acknowledges that the Company from time to time may have agreements with other persons or with the United States Government, or agencies thereof, that impose obligations or restrictions on the Company or Portfolio Company regarding inventions made during the course of work under such agreements or regarding the confidential nature of such work. The Consultant agrees to be bound by all such obligations and restrictions that are known to him and to take all action necessary to discharge the obligations of the Company under such agreements.

#### 4.2. Inventions.

(a) All inventions, ideas, creations, discoveries, computer programs, works of authorship, data, developments, technology, designs, innovations and improvements (whether or not patentable and whether or not copyrightable) which are made, conceived, reduced to practice, created, written, designed or developed by the Consultant, solely or jointly with others or under her direction and whether during normal business hours or otherwise, (i) during the Consultation Period and in the course of performing Services hereunder or (ii) during or after the Consultation Period if resulting or directly derived from Proprietary Information (as defined below) (collectively under clauses (i) and (ii), "Inventions"), shall be the sole property of the Company or Portfolio Company. The Consultant hereby assigns and in the future will assign to the Company or Portfolio Company all Inventions and any and all related patents, copyrights, trademarks, trade names, and other industrial and intellectual property rights and applications therefor, in the United States and elsewhere and appoints any officer of the Company or Portfolio Company as his duly authorized attorney to execute, file, prosecute and protect the same before any government agency, court or authority. However, this paragraph shall not apply to Inventions which do not relate to the Company's or Portfolio Company's business or research and development conducted or planned to be conducted by the Company at the time such Invention is created, made, conceived or reduced to practice and which are made and conceived by the Consultant not during normal working hours, not on the Company's or Portfolio Company's premises and not using the Company's or Portfolio Company's tools, devices, equipment or Proprietary Information.

(b) Upon the request of the Company or Portfolio Company and at the Company's or Portfolio Company's expense, the Consultant shall execute such further assignments, documents and other instruments as may be necessary or desirable to fully and completely assign all Inventions to the Company or Portfolio Company and to assist the Company or Portfolio Company in applying for, obtaining and enforcing patents or copyrights or other rights in the United States and in any foreign country with respect to any Invention. The Consultant also hereby waives all claims to moral rights in any Inventions.

(c) The Consultant shall promptly disclose to the Company or Portfolio Company all Inventions and will maintain adequate and current written records (in the form of notes, sketches, drawings and as may be specified by the Company or Portfolio Company) to document the conception and/or first actual reduction to practice of any Invention. Such written records shall be available to and remain the sole property of the Company at all times.

#### 5. Independent Contractor Status.

5.1. The Consultant shall perform all Services under this Agreement as an "independent contractor" and not as an employee or agent of the Company or a Portfolio Company. The Consultant is not authorized to

assume or create any obligation or responsibility, express or implied, on behalf of, or in the name of, the Company or a Portfolio Company or to bind the Company or a Portfolio Company in any manner.

- 5.2. The Consultant shall have the right to control and determine the time, place, methods, manner and means of performing the Services. In performing the Services, the amount of time devoted by the Consultant on any given day will be entirely within the Consultant's control, and the Company or a Portfolio Company will rely on the Consultant to put in the amount of time necessary to fulfill the requirements of this Agreement. The Consultant will provide all equipment and supplies required to perform the Services. The Consultant is not required to attend regular meetings at the Company or a Portfolio Company. However, upon reasonable notice, the Consultant shall meet with representatives of the Company or a Portfolio Company at a location to be designated by the parties to this Agreement.
  - 5.3. In the performance of the Services, the Consultant has the authority to control and direct the performance of the details of the Services, the Company or a Portfolio Company being interested only in the results obtained. However, the Services contemplated by the Agreement must meet the Company's or a Portfolio Company's standards and approval and shall be subject to the Company's or a Portfolio Company's general right of inspection and supervision to secure their satisfactory completion.
  - 5.4. The Consultant shall not use the Company's or a Portfolio Company's trade names, trademarks, service names or servicemarks without the prior approval of the Company or a Portfolio Company.
  - 5.5. The Consultant shall be solely responsible for all state and federal income taxes, unemployment insurance and social security taxes in connection with this Agreement and for maintaining adequate workers' compensation insurance coverage.
6. Remedies. The Consultant acknowledges that any breach of the provisions of Section 4 of this Agreement is likely to result in serious and irreparable injury to the Company or a Portfolio Company for which the Company or a Portfolio Company cannot be adequately compensated by monetary damages alone. The Consultant agrees, therefore, that, in addition to any other remedy it may have, the Company or a Portfolio Company is entitled to seek to enforce the specific performance of this Agreement by the Consultant and to seek both temporary and permanent injunctive relief (to the extent permitted by law) without the necessity of proving actual damages or posting a bond.
7. Indemnification. The Consultant shall be solely liable for, and shall indemnify, defend and hold harmless the Company or a Portfolio Company and its successors and assigns from and against any claim or liability of any kind (including penalties, fees or charges)

resulting from the Consultant's failure to pay the taxes, penalties, and payments referenced in Section 5 of this Agreement. The Consultant shall further indemnify, defend and hold harmless the Company or a Portfolio Company and its successors and assigns from and against any and all loss or damage resulting from any misrepresentation, or any non-fulfillment of any representation, responsibility, covenant or agreement on her part, as well as any and all acts, suits, proceedings, demands, assessments, penalties, judgments of or against the Company or a Portfolio Company arising out of the Consultant's gross negligence in the provision of Services hereunder.

8. Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and the Consultant.
9. Non-Assignability of Contract. This Agreement is personal to the Consultant and the Consultant shall not have the right to assign any of her rights or delegate any of her duties without the express written consent of the Company. Any non-consented-to assignment or delegation, whether express or implied or by operation of law, shall be void and shall constitute a breach and a default by the Consultant.
10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts without giving effect to any choice or conflict of law provision or rule that would cause the application of laws of any other jurisdiction.
11. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, both parties and their respective successors and assigns, including any corporation with which, or into which, the Company may be merged or which may succeed to its assets or business, provided, however, that the obligations of the Consultant are personal and shall not be assigned by him.
12. Third Party Beneficiaries. Consultant and the Company acknowledge and agree that any Portfolio Company is an intended third-party beneficiary of this Agreement to the extent such provisions cover or are applicable to any Portfolio Company. The Portfolio Company shall have the right to enforce such provisions of this Agreement against the Consultant, as though the Portfolio Company was a party thereto, with respect to such provisions.
13. Interpretation. If any restriction set forth in Section 4 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend only over the maximum period of time, range of activities or geographic area as to which it may be enforceable.
14. Survival. Sections 4 through 15 shall survive the expiration or termination of this Agreement.
15. Miscellaneous.

- 15.1. No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.
- 15.2. The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.
- 15.3. In the event that any provision of this Agreement shall be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

**CULLINAN MANAGEMENT, INC**

By: /s/ Owen Hughes  
Name: Owen Hughes  
Title: CEO

**CONSULTANT**

By: /s/ Corinne Savill  
Name: Corinne Savill

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the "Agreement"), made as of January 1, 2019 is entered into by Cullinan Management, Inc. a Delaware corporation (the "Company"), and Patrick Baeuerle (the "Consultant").

## INTRODUCTION

The Company and the Consultant desire to establish the terms and conditions under which the Consultant will provide Services to the Company. In consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties agree as follows:

1. Services. The Consultant agrees to perform such consulting, advisory and related services to and for the Company as may be reasonably requested from time to time by the officers of the Company (the "Services"). The Consultant will not be expected to relocate his residence.
2. Term. This Agreement shall commence on the date hereof and shall terminate on the last date on which Consultant provides Services to the Company under this Agreement (the "Consultation Period").
3. Compensation.
  - 3.1. Consulting Fees. Your consulting fee be at the monthly rate of EUR30,833.33 per month (annualized to EUR370,000.00), less all applicable taxes and withholdings, to be paid in installments, in accordance with the Company's regular payroll practices. Such base consulting fee may be adjusted from time to time in accordance with normal business practice and in the sole discretion of the Company.
  - 3.2. Bonus. Following the end of each fiscal year and subject to the approval of the Company's Board of Directors, you will be eligible for a retention and performance bonus of up to 33% of your annualized base consulting fee, based on your individual performance and the Company's performance during the applicable fiscal year, as determined by the Board in accordance with certain milestones to be mutually agreed upon between you and the Board each year. You must be an active consultant of the Company on the date any bonus is distributed in order to be eligible for and to earn a bonus award, as it also serves as an incentive to remain engaged by the Company.
  - 3.3. Equity. Subject to the approval of the Board of Directors, the Company will grant you incentive units (the "Units") under the Cullinan Oncology, LLC (the "LLC") Profits Interest Plan (the "Plan") equating to an ownership interest entitling you to 2.5% of the distributions made by the LLC with respect to the Common Units of the LLC in excess of

the strike price associated with your Units, up to an aggregate initial seed and Series A equity investment of USD\$150-200M. The strike price of each such Unit will be determined by the LLC Board of Directors on the date such Units are granted and shall be equal to the amount that would be distributed in respect of a Common Unit of the LLC in a hypothetical liquidation of the LLC on the date of issuance of such Unit. In addition, provided you remain employed by the Company through the applicable grant date, you will be eligible for one or more additional incentive unit grants, to be determined based on future financing rounds and corporate structure. Any such additional grant(s) will be subject to requisite LLC Board of Director approval. The Units, and any additional grants, will be evidenced in writing by, and subject to the terms of the Plan and a Unit Grant Agreement provided by the LLC, which agreement will specify monthly vesting over four (4) years with a one (1) year cliff.

4. Proprietary Information and Inventions.

4.1. Proprietary Information.

(a) The Consultant acknowledges that Consultant's relationship with the Company is one of high trust and confidence and that in the course of Consultant's service to the Company, will have access to and contact with Proprietary Information (*as defined below in Section 4.1(b)*) of both the Company and any company or other entity that Cullinan Oncology, LLC has invested in or is considering for investment (a "Portfolio Company"). While Consultant is providing Services to the Company, and for three (3) years following the expiration of the Consultation Period, Consultant will not disclose or deliver to anyone, except as authorized by the Company, or use in any way other than to provide the Services, any Proprietary Information of the Company or a Portfolio Company. The restrictions set forth in this Section 4 will not apply to Information which (a) Consultant is required to disclose by an order of a court of competent jurisdiction, provided Consultant has provided all reasonable and practicable notice to the Company prior to such order being imposed, and at the request and cost of the Company, Consultant will promptly do all such reasonable acts or things as the Company and its duly authorized officers may reasonably require to defend in any proceeding, judicial or otherwise, such confidences and disclosures, or (b) becomes generally known to the public or in the trade, unless such knowledge results from an unauthorized disclosure by the Consultant.

(b) For purposes of this Agreement, "Proprietary Information" shall mean, by way of illustration and not limitation, all information, whether or not in writing, whether or not patentable and whether or not copyrightable, of a private, secret or confidential nature, owned, possessed or used by the Company or any Portfolio Company, concerning the business, business relationships or financial affairs, including, without limitation, any Invention, formula, vendor information, customer information, apparatus, equipment, trade secret, process, research, report; technical or research data, clinical data; know-how, computer



program, software, software documentation, hardware design, technology, product, processes, methods, techniques, formulas, compounds, projects, developments, marketing or business plan, forecast, unpublished financial statement, budget, license, price, cost, customer, supplier or personnel information or employee lists concerning either the Company, one of its affiliated entities, or a Portfolio Company that is communicated to, learned of, developed or otherwise acquired by the Consultant in the course of Consultant's Service as a consultant under this Agreement to the Company.

(c) The Consultant agrees that all files, documents, letters, memoranda, reports, records, data sketches, drawings, models, laboratory notebooks, program listings, computer equipment or devices, computer programs or other written, photographic, or other tangible material containing Proprietary Information, whether created by the Consultant or others, which shall come into her custody or possession, shall be and are the exclusive property of either the Company or a Portfolio Company, and are to be used by the Consultant only in the performance of Consultant's duties under this Agreement and shall not be copied or removed from the Company's or Portfolio Company's premises except in the pursuit of the Services. All such materials or copies thereof and all tangible property of the Company or Portfolio Company in the custody or possession of the Consultant shall, unless otherwise agreed to by the Company or Portfolio Company in writing, be delivered to the Company or Portfolio Company upon the earlier of (i) a request by the Company or Portfolio Company, (ii) the termination of this Agreement or (iii) the expiration of the Consultation Period. After such delivery, the Consultant shall not retain any such materials or copies thereof or any such tangible property.

(d) The Consultant agrees that Consultant's obligation not to disclose or to use information and materials of the types set forth in paragraphs (b) and (c) above, and Consultant's obligation to return materials and tangible property set forth in paragraph (c) above extends to such types of information, materials and tangible property of customers of the Company, a Portfolio Company, suppliers to the Company or other third parties who may have disclosed or entrusted the same to the Company, a Portfolio Company or the Consultant. In addition, the Consultant may disclose Proprietary Information pursuant to a subpoena or other order issued by a court of competent jurisdiction or governmental agency, but only if the Consultant advises the Company or Portfolio Company in writing in advance of such intended disclosure and cooperates with the Company or Portfolio Company in the event the Company or Portfolio Company elects to legally contest and avoid such disclosure. In any event, the Consultant may disclose only such portion of the Proprietary Information that Consultant is legally required to disclose.

(e) The Consultant acknowledges that the Company from time to time may have agreements with other persons or with the United States Government, or agencies thereof, that impose obligations or restrictions on the Company or Portfolio Company regarding inventions made during the course of

work under such agreements or regarding the confidential nature of such work. The Consultant agrees to be bound by all such obligations and restrictions that are known to him and to take all action necessary to discharge the obligations of the Company under such agreements.

#### 4.2. Inventions.

(a) All inventions, ideas, creations, discoveries, computer programs, works of authorship, data, developments, technology, designs, innovations and improvements (whether or not patentable and whether or not copyrightable) which are made, conceived, reduced to practice, created, written, designed or developed by the Consultant, solely or jointly with others or under her direction and whether during normal business hours or otherwise, (i) during the Consultation Period and in the course of performing Services hereunder or (ii) during or after the Consultation Period if resulting or directly derived from Proprietary Information (as defined below) (collectively under clauses (i) and (ii), "Inventions"), shall be the sole property of the Company or Portfolio Company. The Consultant hereby assigns and in the future will assign to the Company or Portfolio Company all Inventions and any and all related patents, copyrights, trademarks, trade names, and other industrial and intellectual property rights and applications therefor, in the United States and elsewhere and appoints any officer of the Company or Portfolio Company as his duly authorized attorney to execute, file, prosecute and protect the same before any government agency, court or authority. However, this paragraph shall not apply to Inventions which do not relate to the Company's or Portfolio Company's business or research and development conducted or planned to be conducted by the Company at the time such Invention is created, made, conceived or reduced to practice and which are made and conceived by the Consultant not during normal working hours, not on the Company's or Portfolio Company's premises and not using the Company's or Portfolio Company's tools, devices, equipment or Proprietary Information.

(b) Upon the request of the Company or Portfolio Company and at the Company's or Portfolio Company's expense, the Consultant shall execute such further assignments, documents and other instruments as may be necessary or desirable to fully and completely assign all Inventions to the Company or Portfolio Company and to assist the Company or Portfolio Company in applying for, obtaining and enforcing patents or copyrights or other rights in the United States and in any foreign country with respect to any Invention. The Consultant also hereby waives all claims to moral rights in any Inventions.

(c) The Consultant shall promptly disclose to the Company or Portfolio Company all Inventions and will maintain adequate and current written records (in the form of notes, sketches, drawings and as may be specified by the Company or Portfolio Company) to document the conception and/or first actual reduction to practice of any Invention. Such written records shall be available to and remain the sole property of the Company at all times.

5. Independent Contractor Status.

- 5.1. The Consultant shall perform all Services under this Agreement as an “independent contractor” and not as an employee or agent of the Company or a Portfolio Company. The Consultant is not authorized to assume or create any obligation or responsibility, express or implied, on behalf of, or in the name of, the Company or a Portfolio Company or to bind the Company or a Portfolio Company in any manner.
- 5.2. The Consultant shall have the right to control and determine the time, place, methods, manner and means of performing the Services. In performing the Services, the amount of time devoted by the Consultant on any given day will be entirely within the Consultant’s control, and the Company or a Portfolio Company will rely on the Consultant to put in the amount of time necessary to fulfill the requirements of this Agreement. The Consultant will provide all equipment and supplies required to perform the Services. The Consultant is not required to attend regular meetings at the Company or a Portfolio Company. However, upon reasonable notice, the Consultant shall meet with representatives of the Company or a Portfolio Company at a location to be designated by the parties to this Agreement.
- 5.3. In the performance of the Services, the Consultant has the authority to control and direct the performance of the details of the Services, the Company or a Portfolio Company being interested only in the results obtained. However, the Services contemplated by the Agreement must meet the Company’s or a Portfolio Company’s standards and approval and shall be subject to the Company’s or a Portfolio Company’s general right of inspection and supervision to secure their satisfactory completion.
- 5.4. The Consultant shall not use the Company’s or a Portfolio Company’s trade names, trademarks, service names or servicemarks without the prior approval of the Company or a Portfolio Company.
- 5.5. The Consultant shall be solely responsible for all state and federal income taxes, unemployment insurance and social security taxes in connection with this Agreement and for maintaining adequate workers’ compensation insurance coverage.

6. Remedies. The Consultant acknowledges that any breach of the provisions of Section 4 of this Agreement is likely to result in serious and irreparable injury to the Company or a Portfolio Company for which the Company or a Portfolio Company cannot be adequately compensated by monetary damages alone. The Consultant agrees, therefore, that, in addition to any other remedy it may have, the Company or a Portfolio Company is entitled to seek to enforce the specific performance of this Agreement by the Consultant and to seek both temporary and permanent injunctive relief (to the extent

permitted by law) without the necessity of proving actual damages or posting a bond.

7. Indemnification. The Consultant shall be solely liable for, and shall indemnify, defend and hold harmless the Company or a Portfolio Company and its successors and assigns from and against any claim or liability of any kind (including penalties, fees or charges) resulting from the Consultant's failure to pay the taxes, penalties, and payments referenced in Section 5 of this Agreement. The Consultant shall further indemnify, defend and hold harmless the Company or a Portfolio Company and its successors and assigns from and against any and all loss or damage resulting from any misrepresentation, or any non-fulfillment of any representation, responsibility, covenant or agreement on her part, as well as any and all acts, suits, proceedings, demands, assessments, penalties, judgments of or against the Company or a Portfolio Company arising out of the Consultant's gross negligence in the provision of Services hereunder.
8. Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and the Consultant.
9. Non-Assignability of Contract. This Agreement is personal to the Consultant and the Consultant shall not have the right to assign any of her rights or delegate any of her duties without the express written consent of the Company. Any non-consented-to assignment or delegation, whether express or implied or by operation of law, shall be void and shall constitute a breach and a default by the Consultant.
10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts without giving effect to any choice or conflict of law provision or rule that would cause the application of laws of any other jurisdiction.
11. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, both parties and their respective successors and assigns, including any corporation with which, or into which, the Company may be merged or which may succeed to its assets or business, provided, however, that the obligations of the Consultant are personal and shall not be assigned by him.
12. Third Party Beneficiaries. Consultant and the Company acknowledge and agree that any Portfolio Company is an intended third-party beneficiary of this Agreement to the extent such provisions cover or are applicable to any Portfolio Company. The Portfolio Company shall have the right to enforce such provisions of this Agreement against the Consultant, as though the Portfolio Company was a party thereto, with respect to such provisions.
13. Interpretation. If any restriction set forth in Section 4 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend only over the maximum period of time, range of activities or geographic area as to which it may be enforceable.

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14. Survival. Sections 4 through 15 shall survive the expiration or termination of this Agreement.

15. Miscellaneous.

- 15.1. No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.
- 15.2. The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.
- 15.3. In the event that any provision of this Agreement shall be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

*[Remainder of Page Intentionally Left Blank]*

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

**CULLINAN MANAGEMENT, INC**

By: /s/ Owen Hughes

Name: Owen Hughes

Title: CEO

**CONSULTANT**

By: /s/ Patrick Baeuerle

Name: Patrick Baeuerle

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the “Agreement”), made as of April 1, 2020 is entered into by Cullinan Management, Inc. a Delaware corporation (the “Company”), and Globeways Holdings Limited, a British Virgin Islands corporation (the “Consultant”).

## INTRODUCTION

The Company and the Consultant desire to establish the terms and conditions under which the Consultant will provide Services to the Company. In consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties agree as follows:

1. Services. The Consultant agrees to perform such consulting, advisory and related services to and for the Company as may be reasonably requested from time to time by the Chief Executive Officer of the Company (the “Services”) provided however that the Consultant shall not be required to perform the Services in the United States.
2. Term. This Agreement shall commence on the date hereof and shall terminate on the first anniversary (the “Consultation Period”).
3. Compensation.
  - 3.1. Consulting Fees. Your consulting fee will be at the rate of \$25,000.00 per month (annualized to \$300,000) to be paid in monthly installments in advance.
4. Proprietary Information and Inventions.
  - 4.1. Proprietary Information.

(a) The Consultant acknowledges that Consultant’s relationship with the Company is one of high trust and confidence and that in the course of Consultant’s service to the Company, will have access to and contact with Proprietary Information (*as defined below in Section 4.1(b)*) of both the Company and any company or other entity that Cullinan Oncology, LLC has invested in or is considering for investment (a “Portfolio Company”). While Consultant is providing Services to the Company, and for three (3) years following the expiration of the Consultation Period, Consultant will not disclose or deliver to anyone, except as authorized by the Company, or use in any way other than to provide the Services, any Proprietary Information of the Company or a Portfolio Company. The restrictions set forth in this Section 4 will not apply to Information which (a) Consultant is required to disclose by an order of a court of competent jurisdiction, provided Consultant has provided all reasonable and practicable notice to the Company prior to such order being imposed, and at the

request and cost of the Company, Consultant will promptly do all such reasonable acts or things as the Company and its duly authorized officers may reasonably require to defend in any proceeding, judicial or otherwise, such confidences and disclosures, or (b) becomes generally known to the public or in the trade, unless such knowledge results from an unauthorized disclosure by the Consultant.

(b) For purposes of this Agreement, "Proprietary Information" shall mean, by way of illustration and not limitation, all information, whether or not in writing, whether or not patentable and whether or not copyrightable, of a private, secret or confidential nature, owned, possessed or used by the Company or any Portfolio Company, concerning the business, business relationships or financial affairs, including, without limitation, any Invention, formula, vendor information, customer information, apparatus, equipment, trade secret, process, research, report; technical or research data, clinical data; know-how, computer program, software, software documentation, hardware design, technology, product, processes, methods, techniques, formulas, compounds, projects, developments, marketing or business plan, forecast, unpublished financial statement, budget, license, price, cost, customer, supplier or personnel information or employee lists concerning either the Company, one of its affiliated entities, or a Portfolio Company that is communicated to, learned of, developed or otherwise acquired by the Consultant in the course of Consultant's Service as a consultant under this Agreement to the Company.

(c) The Consultant agrees that all files, documents, letters, memoranda, reports, records, data sketches, drawings, models, laboratory notebooks, program listings, computer equipment or devices, computer programs or other written, photographic, or other tangible material containing Proprietary Information, whether created by the Consultant or others, which shall come into her custody or possession, shall be and are the exclusive property of either the Company or a Portfolio Company, and are to be used by the Consultant only in the performance of Consultant's duties under this Agreement and shall not be copied or removed from the Company's or Portfolio Company's premises except in the pursuit of the Services. All such materials or copies thereof and all tangible property of the Company or Portfolio Company in the custody or possession of the Consultant shall, unless otherwise agreed to by the Company or Portfolio Company in writing, be delivered to the Company or Portfolio Company upon the earlier of (i) a request by the Company or Portfolio Company, (ii) the termination of this Agreement or (iii) the expiration of the Consultation Period. After such delivery, the Consultant shall not retain any such materials or copies thereof or any such tangible property.

(d) The Consultant agrees that Consultant's obligation not to disclose or to use information and materials of the types set forth in paragraphs (b) and (c) above, and Consultant's obligation to return materials and tangible property set forth in paragraph (c) above extends to such types of information, materials and tangible property of customers of the Company, a Portfolio



Company, suppliers to the Company or other third parties who may have disclosed or entrusted the same to the Company, a Portfolio Company or the Consultant. In addition, the Consultant may disclose Proprietary Information pursuant to a subpoena or other order issued by a court of competent jurisdiction or governmental agency, but only if the Consultant advises the Company or Portfolio Company in writing in advance of such intended disclosure and cooperates with the Company or Portfolio Company in the event the Company or Portfolio Company elects to legally contest and avoid such disclosure. In any event, the Consultant may disclose only such portion of the Proprietary Information that Consultant is legally required to disclose.

(e) The Consultant acknowledges that the Company from time to time may have agreements with other persons or with the United States Government, or agencies thereof, that impose obligations or restrictions on the Company or Portfolio Company regarding inventions made during the course of work under such agreements or regarding the confidential nature of such work. The Consultant agrees to be bound by all such obligations and restrictions that are known to him and to take all action necessary to discharge the obligations of the Company under such agreements.

#### 4.2. Inventions.

(a) All inventions, ideas, creations, discoveries, computer programs, works of authorship, data, developments, technology, designs, innovations and improvements (whether or not patentable and whether or not copyrightable) which are made, conceived, reduced to practice, created, written, designed or developed by the Consultant, solely or jointly with others or under her direction and whether during normal business hours or otherwise, (i) during the Consultation Period and in the course of performing Services hereunder or (ii) during or after the Consultation Period if resulting or directly derived from Proprietary Information (as defined below) (collectively under clauses (i) and (ii), "Inventions"), shall be the sole property of the Company or Portfolio Company. The Consultant hereby assigns and in the future will assign to the Company or Portfolio Company all Inventions and any and all related patents, copyrights, trademarks, trade names, and other industrial and intellectual property rights and applications therefor, in the United States and elsewhere and appoints any officer of the Company or Portfolio Company as his duly authorized attorney to execute, file, prosecute and protect the same before any government agency, court or authority. However, this paragraph shall not apply to Inventions which do not relate to the Company's or Portfolio Company's business or research and development conducted or planned to be conducted by the Company at the time such Invention is created, made, conceived or reduced to practice and which are made and conceived by the Consultant not during normal working hours, not on the Company's or Portfolio Company's premises and not using the Company's or Portfolio Company's tools, devices, equipment or Proprietary Information.

(b) Upon the request of the Company or Portfolio Company and at the Company's or Portfolio Company's expense, the Consultant shall execute such further assignments, documents and other instruments as may be necessary or desirable to fully and completely assign all Inventions to the Company or Portfolio Company and to assist the Company or Portfolio Company in applying for, obtaining and enforcing patents or copyrights or other rights in the United States and in any foreign country with respect to any Invention. The Consultant also hereby waives all claims to moral rights in any Inventions.

(c) The Consultant shall promptly disclose to the Company or Portfolio Company all Inventions and will maintain adequate and current written records (in the form of notes, sketches, drawings and as may be specified by the Company or Portfolio Company) to document the conception and/or first actual reduction to practice of any Invention. Such written records shall be available to and remain the sole property of the Company at all times.

5. Independent Contractor Status.

- 5.1. The Consultant shall perform all Services under this Agreement as an "independent contractor" and not as an employee or agent of the Company or a Portfolio Company. The Consultant is not authorized to assume or create any obligation or responsibility, express or implied, on behalf of, or in the name of, the Company or a Portfolio Company or to bind the Company or a Portfolio Company in any manner.
- 5.2. The Consultant shall have the right to control and determine the time, place, methods, manner and means of performing the Services. In performing the Services, the amount of time devoted by the Consultant on any given day will be entirely within the Consultant's control, and the Company or a Portfolio Company will rely on the Consultant to put in the amount of time necessary to fulfill the requirements of this Agreement. The Consultant will provide all equipment and supplies required to perform the Services. The Consultant is not required to attend regular meetings at the Company or a Portfolio Company. However, upon reasonable notice, the Consultant shall meet with representatives of the Company or a Portfolio Company at a location to be designated by the parties to this Agreement.
- 5.3. In the performance of the Services, the Consultant has the authority to control and direct the performance of the details of the Services, the Company or a Portfolio Company being interested only in the results obtained. However, the Services contemplated by the Agreement must meet the Company's or a Portfolio Company's standards and approval and shall be subject to the Company's or a Portfolio Company's general right of inspection and supervision to secure their satisfactory completion.

- 5.4. The Consultant shall not use the Company's or a Portfolio Company's trade names, trademarks, service names or servicemarks without the prior approval of the Company or a Portfolio Company.
- 5.5. The Consultant shall be solely responsible for all state and federal income taxes, unemployment insurance and social security taxes in connection with this Agreement and for maintaining adequate workers' compensation insurance coverage.
6. Remedies. The Consultant acknowledges that any breach of the provisions of Section 4 of this Agreement is likely to result in serious and irreparable injury to the Company or a Portfolio Company for which the Company or a Portfolio Company cannot be adequately compensated by monetary damages alone. The Consultant agrees, therefore, that, in addition to any other remedy it may have, the Company or a Portfolio Company is entitled to seek to enforce the specific performance of this Agreement by the Consultant and to seek both temporary and permanent injunctive relief (to the extent permitted by law) without the necessity of proving actual damages or posting a bond.
7. Indemnification. The Consultant shall be solely liable for, and shall indemnify, defend and hold harmless the Company or a Portfolio Company and its successors and assigns from and against any claim or liability of any kind (including penalties, fees or charges) resulting from the Consultant's failure to pay the taxes, penalties, and payments referenced in Section 5 of this Agreement. The Consultant shall further indemnify, defend and hold harmless the Company or a Portfolio Company and its successors and assigns from and against any and all loss or damage resulting from any misrepresentation, or any non-fulfillment of any representation, responsibility, covenant or agreement on her part, as well as any and all acts, suits, proceedings, demands, assessments, penalties, judgments of or against the Company or a Portfolio Company arising out of the Consultant's gross negligence in the provision of Services hereunder.
8. Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and the Consultant.
9. Non-Assignability of Contract. This Agreement is personal to the Consultant and the Consultant shall not have the right to assign any of her rights or delegate any of her duties without the express written consent of the Company. Any non-consented-to assignment or delegation, whether express or implied or by operation of law, shall be void and shall constitute a breach and a default by the Consultant.
10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts without giving effect to any choice or conflict of law provision or rule that would cause the application of laws of any other jurisdiction.

11. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, both parties and their respective successors and assigns, including any corporation with which, or into which, the Company may be merged or which may succeed to its assets or business, provided, however, that the obligations of the Consultant are personal and shall not be assigned by him.
12. Third Party Beneficiaries. Consultant and the Company acknowledge and agree that any Portfolio Company is an intended third-party beneficiary of this Agreement to the extent such provisions cover or are applicable to any Portfolio Company. The Portfolio Company shall have the right to enforce such provisions of this Agreement against the Consultant, as though the Portfolio Company was a party thereto, with respect to such provisions.
13. Interpretation. If any restriction set forth in Section 4 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend only over the maximum period of time, range of activities or geographic area as to which it may be enforceable.
14. Survival. Sections 4 through 15 shall survive the expiration or termination of this Agreement.
15. Miscellaneous.
  - 15.1. No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.
  - 15.2. The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.
  - 15.3. In the event that any provision of this Agreement shall be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

**CULLINAN MANAGEMENT, INC**

By: /s/ Owen Hughes  
Name: Owen Hughes  
Title: CEO

**CONSULTANT**

By: /s/ Morana Jovan  
Name: Morana Jovan

**SUBLEASE AGREEMENT**

for

One Main Street, Suite 510, Cambridge, Massachusetts 02142

by and between

TEVA PHARMACEUTICALS USA, INC.  
(as Sublandlord)

and

CULLINAN MANAGEMENT, INC.,  
(as Subtenant)

Dated: As of December 14, 2017

**SUBLEASE**

**THIS SUBLEASE** (the “Sublease”) is made effective as of the 14 day of December, 2017, between **TEVA PHARMACEUTICALS USA, INC.**, a Delaware corporation (herein referred to as “Sublandlord”) with an address at 1090 Horsham Road, P.O. Box 1090, North Wales, PA 19454-1090, and **CULLINAN MANAGEMENT, INC.**, a Delaware corporation (herein referred to as “Subtenant”) with an address of 450 Kendall Street, Cambridge, MA 02142.

**PREAMBLE**

**BASIC SUBLEASE PROVISIONS AND DEFINITIONS**

The following terms whenever used in this Sublease shall have the meanings set forth below:

(a) **BROKER(S)** means CBRE, Inc. and Transwestern Consulting Group.

(b) **BUILDING** means the building located at and known as One Main Street, Cambridge, Massachusetts.

(c) **COMMENCEMENT DATE** is the date upon which all of the following have occurred: (i) Sublandlord has substantially completed the Sublandlord’s Work (as defined in Section 2 below), (ii) Prime Landlord has consented to this Sublease in writing, and (iii) Sublandlord has delivered exclusive possession of the Premises to the Subtenant vacant and in broom-clean condition and otherwise in compliance with the terms of this Sublease. The Commencement Date shall be the earlier to occur of (x) February 1, 2018 and (y) the date that Subtenant’s personnel shall first occupy the Premises for the conduct of Subtenant’s business; provided that in no event shall the Commencement Date occur prior to the date that is fifteen (15) days after the later to occur of (A) the execution of this Sublease by Sublandlord and Subtenant, (B) receipt of Prime Landlord’s consent to this Sublease, and (C) Sublandlord’s delivery to Subtenant of exclusive possession the Premises with Sublandlord’s Work substantially complete (clauses (A), (B) and (C) are hereinafter collectively referred to as the “Delivery Condition”). If Sublandlord has not caused the Delivery Condition to have been satisfied on or before January 15, 2018, then for each day thereafter until Sublandlord has caused the Delivery Condition to be satisfied, Subtenant shall receive a credit equal to the amount of one day’s Base Rent, which credit shall be applicable against Base Rent from and after the Rent Commencement Date, and if Sublandlord has not caused the Delivery Condition to have been satisfied on or before February 16, 2018, Subtenant may by written notice to Sublandlord terminate this Sublease.

(d) **DEMISED PREMISES OR PREMISES** means the approximately Seven Thousand Five Hundred Thirty-One (7,531) rentable square foot area of the Building known as Suite 510, as more particularly described in the Prime Lease.

(e) **EXPIRATION DATE** is June 30, 2024.

(f) **BASE RENT** shall be calculated and payable as follows: Initially, Five Hundred Seventy-Two Thousand Three Hundred Fifty-Six Dollars (\$572,356.00) per year, or Forty-Seven Thousand Six Hundred Ninety-Six Dollars and Thirty-Three Cents (\$47,696.33) per month. Base rent will increase by Nine Thousand Four Hundred Thirteen Dollars and Seventy-Five Cents (\$9,413.75) on each anniversary of the Rent Commencement Date.

(g) **PERMITTED USE** shall be office uses as permitted under the Prime Lease.

(h) **PRIME LANDLORD** means RREEF America REIT II Corp. PPPT, a Maryland corporation, the owner of the Building and the current Landlord under the Prime Lease.

(i) **PRIME LEASE** means that certain Office Lease dated as of July 18, 2016 (the "Original Prime Lease"), as amended by that certain First Amendment to Lease dated January 24, 2017 (the "First Amendment to Prime Lease"), between the Prime Landlord, as landlord, and Sublandlord, as tenant, with respect to the Premises.

(j) **RENT COMMENCEMENT DATE** is the date that is thirty (30) days after the Commencement Date of this Sublease.

(k) **SECURITY DEPOSIT** is One Hundred Eighty-Eight Thousand Dollars (\$188,000.00), subject to reduction as provided in Section 14.

(l) **TERM** means the period from the Commencement Date until the Expiration Date.

For and in consideration of the covenants herein contained, and upon the terms and conditions herein set forth, Sublandlord and Subtenant, intending to be legally bound, agree as follows:

1. **Premises.** Sublandlord hereby demises and leases the Premises to Subtenant, and Subtenant hereby leases and takes the Premises from Sublandlord, for the Term and upon the terms, covenants, conditions, and provisions set forth in this Sublease, including the Preamble. Subtenant understands, agrees and acknowledges that the estate of the Sublandlord in the Premises is that of a tenant under the Prime Lease. Subtenant hereby also acknowledges receipt of a copy of the Prime Lease. It is a requirement of this Sublease that Prime Landlord consents to the terms and conditions hereof pursuant to Article 9 of the Prime Lease. Promptly upon the mutual execution and delivery of this Sublease, Sublandlord shall request such consent in accordance with the terms of the Prime Lease and thereafter diligently and in good faith pursue such consent. If the Prime Landlord has not consented to this Sublease within forty-five (45) days after said request by Sublandlord, either party may by written notice to the other party terminate this Sublease. This Sublease is subject and subordinate to the terms and conditions of the Prime Lease. Subtenant covenants and agrees to observe all of the terms and covenants under the Prime Lease which apply to the Building and to the Premises, and except as otherwise provided herein Subtenant shall perform and comply with, and Subtenant shall be subject to, all of the covenants, conditions and agreements undertaken by or required of the tenant under the Prime Lease with respect to the Premises and the Prime Lease. Subtenant acknowledges and agrees that Prime Landlord is responsible for providing all services to the Premises, including but not limited to electricity, heat, light, and plumbing services, and that, except to the extent caused by the gross negligence or willful misconduct of the Sublandlord, Sublandlord shall not be liable for the failure of those services, nor shall Subtenant be entitled to any abatement or reduction in rent by reason thereof nor shall the same give rise to a claim in Subtenant's favor that such absence of building services constitutes actual or constructive, total or partial eviction or renders the Premises untenantable, unless and to the extent Sublandlord is entitled to an abatement or reduction in rent or to such a claim under the Prime Lease due to the failure of such services. Sublandlord agrees however that in the event the Prime Landlord shall fail to provide services or perform the obligations to be provided or performed by it pursuant to the terms of the Prime Lease, Sublandlord shall, upon written notice from Subtenant and at Subtenant's cost, use commercially reasonable efforts to enforce the Prime Landlord's obligations under the Prime Lease, exercise its remedies under the Prime Lease, and to otherwise reasonably cooperate with Subtenant to enforce Prime Landlord's obligations under the Prime Lease.



**2. Condition of Premises.** Sublandlord shall deliver the Premises to Subtenant in its "AS IS" condition, except that (i) Sublandlord shall complete, or cause to be completed, the work set forth on Exhibit A attached hereto (the "Sublandlord's Work"), and shall deliver the Premises vacant and in broom-clean condition, and (ii) Sublandlord represents and warrants that to Sublandlord's knowledge the Premises are in compliance with all applicable ordinances, rules and regulations, including but not limited to the Americans with Disabilities Act and, all building systems serving the Premises are in good working condition. Notwithstanding anything to the contrary in this Sublease, upon the expiration of the Term of this Sublease or early termination of this Sublease, Subtenant shall not be obligated to remove any alterations, installations, additions or improvements in or about the Premises made prior to the Commencement Date (unless otherwise agreed in writing by and between the Sublandlord and Subtenant).

**3. Term.** The Term of this Sublease shall commence on the Commencement Date and, unless sooner terminated as expressly provided in this Sublease, shall continue until the Expiration Date. Subtenant shall be allowed to occupy the Demised Premises from the date Prime Landlord consents to this Sublease through the Commencement Date for purposes of installing any furniture and equipment, subject to all terms and conditions of this Sublease excepting only the obligation to pay Base Rent during such early occupancy.

4. **Rent.** Subtenant shall pay Sublandlord the Base Rent in equal monthly installments, on or before the first day of each month beginning on the Rent Commencement Date. Base Rent shall be prorated based on the number of days in a partial month. The Base Rent payable under this Lease is a gross rent, and Subtenant shall not be responsible for the additional rent or rent adjustments with respect to Expenses, Taxes and Insurance Costs as set forth in Article 4 of the Prime Lease.

**5. Subordination to and Incorporation of Prime Lease.**

(a) This Sublease and all of Subtenant's rights hereunder are and shall remain in all respects subject and subordinate to (i) all of the conditions and provisions of the Prime Lease, a true and complete copy of which (except for the rent and certain other provisions which have been redacted) has been delivered to and reviewed by Subtenant, and is attached hereto as Exhibit B; and (ii) any and all matters to which the tenancy of Sublandlord, as tenant under the Prime Lease, is or may be subordinate. The foregoing provisions shall be self-operative and no further instrument of subordination shall be necessary to effectuate such provisions.

(b) Except as otherwise expressly provided in this Sublease, Subtenant assumes and shall keep, observe and perform every term, provision, covenant and condition on Sublandlord's part pertaining to the Premises which is required to be kept, observed and performed pursuant to the Prime Lease and which arises or accrues during the Term.

(c) Except as otherwise expressly provided in this Sublease or to the extent directly contradicted by the provisions of this Sublease, the terms, provisions, and conditions contained in the Prime Lease are incorporated in this Sublease by reference, and are made a part hereof as if herein set forth at length, Sublease being substituted for "Lease" under the Prime Lease, Sublandlord being substituted for "Landlord" under the Prime Lease, and Subtenant being substituted for "Tenant" under the Prime Lease. Where the terms and provisions of the Prime Lease are inconsistent with the terms of this Sublease, the terms of this Sublease shall control. In addition, the following terms shall be substituted for the definitions provided in the Prime Lease:

(i) "Base Rent" shall have the meaning set forth in this Sublease.

(ii) "Broker" shall have the meaning given to Broker in this Sublease

(iii) "Commencement Date" shall have the meaning set forth in this Sublease.

(iv) "Event of Default" shall mean a breach by Subtenant of any obligation of Subtenant under this Sublease, which breach is not cured within any applicable notice and cure period specified in Article 18 of the Original Prime Lease, as such Article 18 is incorporated into this Sublease.

(v) "Expiration Date" shall have the meaning set forth in this Sublease

(vi) "Rent" shall have the meaning set forth in this Sublease.

(vii) "Security Deposit" shall have the meaning set forth in this Sublease.

(viii) "Term" shall have the meaning set forth in this Sublease.

The following provisions of the Prime Lease shall not be incorporated herein by reference and are expressly excluded from the terms of this Sublease: Article 4, the first sentence of Article 42, and Exhibit B of the Original Prime Lease and Section 2 of the First Amendment to Prime Lease, provided, however, that notwithstanding such non-incorporation, this Sublease remains subject and subordinate to all of the foregoing provisions as provided in Section 5(a) above.

(d) Except to the extent it is otherwise provided in this Sublease and subject to all applicable grace periods, Sublandlord shall have (i) the same rights and remedies and obligations (including but not limited to Prime Landlord's obligation to mitigate damages) with respect to a breach of this Sublease by Subtenant as the Prime Landlord has with respect to a breach of the Prime Lease, as if the same were more fully set forth at length herein, and (ii) with respect to Subtenant, this Sublease and the Premises, all of the rights, powers, privileges and immunities as are had by the Prime Landlord under the Prime Lease. Sublandlord shall not be responsible for any breach of the Prime Lease by the Prime Landlord or any non-performance or non-compliance with any provision thereof by the Prime Landlord.

(e) If the Prime Lease is terminated for any reason whatsoever, whether by operation of law or otherwise, except through the default of Sublandlord under the Prime Lease (in which case Sublandlord shall be liable to Subtenant for damage suffered as a result of such termination), Sublandlord shall not be liable in any manner whatsoever for such termination. Each party hereby waives all claims to punitive, indirect or consequential damages.

(f) Except as otherwise provided for herein, Sublandlord shall not be required to take any actions, nor shall Sublandlord assume any obligation or liability (including, without limitation, the maintenance of any insurance), which the Prime Lease contemplates will be taken or assumed by Prime Landlord.

(g) Sublandlord shall not be required to indemnify Subtenant pursuant to any provision of the Prime Lease; rather the indemnities set forth in this Sublease will control. In all provisions of the Prime Lease requiring Sublandlord (in its capacity as tenant under the Prime Lease) to indemnify Prime Landlord (in its capacity as landlord under the Prime Lease), Subtenant shall be required to indemnify both Prime Landlord and Sublandlord to the extent the indemnification obligation arises out of the use and occupancy of the Subleased Premises by Subtenant.

(h) Except to the extent caused by the negligence or willful misconduct of the Sublandlord, Sublandlord shall have no obligation to Subtenant to restore or reconstruct any portion of the Premises after any destruction and/or taking by eminent domain, it being understood that such restoration and reconstruction obligations shall be held solely by the Prime Landlord as set forth in the Prime Lease. Notwithstanding the foregoing, any remedies with respect to any such destruction and/or taking by eminent domain for Sublandlord's benefit shall be applicable to Subtenant.

(i) Sublandlord represents and warrants to Subtenant that (i) Sublandlord has not received any outstanding written notice of default from Prime Landlord with respect to any Sublandlord's obligations under the Prime Lease and Sublandlord has no knowledge of any fact or circumstance which, with the giving of notice, passage of time or both would constitute an event of default under the Prime Lease, (ii) the Prime Lease is in full force and effect, (iii) attached hereto as Exhibit B is a true and complete copy of the Prime Lease (as redacted), (iv) Sublandlord is authorized to enter into this Sublease, (v) Sublandlord holds 100% of the tenant's interest under the Prime Lease as of the date of this Sublease and as of the date of this Sublease Sublandlord's interest in the Premises is free and clear of any liens, claims, mortgages, charges or encumbrances, subleases and occupancies, other than the Prime Lease and this Sublease, (vi) Sublandlord has no knowledge of any Prime Landlord default under the Prime Lease, and (vii) Sublandlord agrees that it shall not amend, modify, terminate or otherwise alter the Prime Lease in any manner that adversely affects Subtenant's rights or increases Subtenant's obligations under this Sublease without Subtenant's prior written consent, which consent may be granted or withheld in Subtenant's sole and absolute discretion.

(j) Sublandlord covenants that as long as Subtenant shall pay the Base Rent due hereunder and perform all of the terms, covenants and conditions of this Sublease on its part to be performed and observed, Subtenant shall peaceably and quietly have, hold and enjoy the Premises during the Term of the Sublease without molestation or hindrance by Sublandlord, subject to the terms, provisions and conditions of the Prime Lease and this Sublease.

(k) Sublandlord shall not assign or transfer Sublandlord's interest under this Sublease at any time during the Term of this Sublease without the prior written consent of Subtenant, such consent not to be unreasonably withheld, conditioned or delayed.

**6. Utilities, Communications and Security.** The Premises are separately metered for electricity service. Subtenant shall pay for all electricity service to Premises, including lights and plugs and also including electric costs associated with running the supplemental cooling unit in the telephone/data room, if Subtenant elects to run such unit. Subtenant shall also pay for all water charges incurred for water service to the shower room, based on the separate meter for such water service. Subtenant shall be responsible for its communications, information technology, security and alarm services.

7. **Alterations.** Subtenant may make alterations to the Premises in accordance with the provisions of the Prime Lease and subject to obtaining the prior written consent of Prime Landlord and Sublandlord, which consent (as to Sublandlord) will not be unreasonably withheld, conditioned or delayed. Sublandlord shall not charge Subtenant any supervisory fee in connection with any improvements or alterations to be made by Subtenant. Upon the expiration or termination of this Sublease, Subtenant will not be responsible for removing any improvements currently installed in the Premises or Sublandlord's Work, and Subtenant will only be responsible for removing or restoring any improvements or alterations to the Premises made by Subtenant as long as Sublandlord or Prime Landlord advised Subtenant of its obligation to remove or restore such improvements or alterations at the time Sublandlord or Prime Landlord granted its consent to the making of such improvements or alterations.

8. **Signage.** Subtenant shall have the right to signage allocated to Sublandlord under the Prime Lease. Without limiting the foregoing, subject to the terms of the Prime Lease and any required consent of the Prime Landlord, Subtenant shall have the right to install, at Subtenant's cost, signage on tenant directories at the Building and at the entrance to the Premises, and Sublandlord shall use its reasonable efforts to assist with submitting any such Subtenant request to Prime Landlord and obtaining such consent.

9. **Parking.** Subtenant shall have the right to all of the parking spaces allocated to Sublandlord under the Prime Lease. Without limiting the foregoing, subject to the terms of the Prime Lease, Subtenant shall be obligated to lease its pro rata share of unreserved parking spaces for the Building, at a rate of .9 spaces per 1,000 rentable square feet (8 parking spaces based on 7,531 rentable square feet) during the Term at then-current rates.

10. **Limitation of Liability and Indemnity.** Notwithstanding any provision of the Prime Lease to the contrary, but except to the extent caused by the gross negligence or willful misconduct of the Sublandlord, Sublandlord shall not be liable to Subtenant, or any of Subtenant's agents, employees, servants or invitees, for (i) any damage to persons or property due to the condition or design or any defect in the Building or the Premises during the Term of this Sublease, or (ii) due to any work (specifically excluding Sublandlord's Work, however) done or being done in the Premises or in mechanical systems in the Premises or the Building which may exist or subsequently occur. Except to the extent caused by the negligence or willful misconduct of Sublandlord, Subtenant shall indemnify and hold harmless, Sublandlord and its agents, employees, attorneys and contractors from and against all suits, claims, actions, liability, loss, cost and expense (including reasonable attorneys' fees and costs of litigation) of every kind by reason of any breach, violation or nonperformance of any term or condition on the part of Subtenant hereunder, or on account of injuries to persons or damage to property to the extent any such damage or injury may be caused in whole or part, by any act or omission, whether negligent, willful, or otherwise, of Subtenant or any of its agents, servants, employees, contractors, patrons, or invitees entering upon the Premises, or in any other way arising from or

out of the occupancy or use of the Premises by Subtenant, its agents, employees and invitees, including (without limitation) any liability of Sublandlord to the Prime Landlord arising out of or caused by Subtenant's breach of this Sublease. Except to the extent caused by the negligence or willful misconduct of Subtenant, Sublandlord shall indemnify and hold Subtenant harmless from and against any and all suits, claims, actions, liabilities, losses, damages, costs and expenses (including reasonable attorneys' fees and costs of litigation) of every kind to the extent arising out of the gross negligence or willful misconduct of Sublandlord and Sublandlord's agents, employees, attorneys and contractors.

**11. Condition of the Premises.** SUBTENANT SPECIFICALLY ACKNOWLEDGES AND AGREES THAT EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, (i) SUBTENANT SHALL SUBLEASE THE PREMISES FROM SUBLANDLORD "AS IS, WHERE IS" AND WITH ALL FAULTS AND LATENT PATENT DEFECTS, IF ANY, AND (ii) SUBTENANT IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, FROM SUBLANDLORD OR ANY AGENT, REPRESENTATIVE OR EMPLOYEE OF SUBLANDLORD AS TO ANY MATTER CONCERNING THE PREMISES.

**12. Brokers' Commission.** Sublandlord and Subtenant represent and warrant that other than the brokerage commission payable by Sublandlord to the Brokers in accordance with a separate agreement, no brokerage commission or similar compensation is due to any party by reason of this Sublease. Each party hereby agrees to indemnify and hold the other party harmless from and against any and all claims, costs, damages, expenses, judgments or liability resulting from any claim for brokerage commissions or similar compensation made by any party in connection with this Sublease and arising from an act or omission of the indemnifying party.

**13. Notices.** All notices, demands, requests, consents, certificates, and waivers required or permitted hereunder from either party to the other shall be in writing and sent by United States certified mail, return receipt requested, postage prepaid, or by recognized overnight courier, addressed as follows:

If to Subtenant:	Cullinan Management, Inc. 450 Kendall Street Cambridge, MA 02142 Attention: Kristen Laguerre, CFO
With a copy to:	Langer & McLaughlin, LLP 535 Boylston Street, Suite 3 Boston, MA 02116 Attention: Cullinan leasing

If to Sublandlord:                               Teva Pharmaceuticals USA, Inc.  
  c/o Teva North America  
  1090 Horsham Road  
  P.O. Box 1090  
  North Wales, PA 19454-1090  
  
  Attention: Mr. Boaz Cohen, Director,  
  North American Facilities and  
  Assets

With a copy to:                                    Teva North America  
  425 Privet Road  
  Horsham, PA 19044  
  Attention: General Counsel

Either party may at any time, in the manner set forth for giving notices to the other, specify a different address to which notices to it shall thereafter be sent. Each party shall promptly deliver to the other party copies of all notices, requests or demands which relate to the Premises or the use and occupancy thereof after receipt of the same from the Prime Landlord.

**14. Security Deposit.** Upon signing this Sublease, Subtenant shall deposit with Sublandlord as security for the performance of all terms, covenants and conditions of this Sublease, the Security Deposit as set forth in the Preamble. The Security Deposit shall be returned to Subtenant at the expiration of this Sublease, without interest, provided that: (i) the Premises have been vacated; (ii) Sublandlord shall have inspected the Premises after such vacation; and (iii) Subtenant shall have complied with all terms, covenants and conditions of this Sublease. Otherwise, the Security Deposit so paid hereunder may be applied by Sublandlord against any actual loss, damage or injury chargeable to Subtenant, hereunder. Sublandlord's determination of the amount, if any, to be returned to Subtenant shall be final, provided that any such determination shall be commercially reasonable. Upon any default by Subtenant hereunder, all or part of such Security Deposit may, at Sublandlord's sole option, be applied on account of such default, and thereafter Subtenant shall restore the resulting deficiency in such Security Deposit, upon demand. Subtenant hereby waives the benefit of any provision of law requiring such Security Deposit to be held in escrow or in trust, and such Security Deposit may be commingled with Sublandlord's other funds. The Security Deposit is not to be considered as the last (or any) monthly Rent due under this Sublease. As long as no Event of Default then exists under this Sublease, the Security Deposit shall be reduced by Forty-Seven Thousand Dollars (\$47,000.00) on each of the second (2<sup>nd</sup>) and fourth (4<sup>th</sup>) anniversaries of the Rent Commencement Date and Sublandlord shall return to Subtenant the amount of the Security Deposit reduction within five (5) business days after receipt of Subtenant's written request made after such anniversary.

15. **Early Termination Option.** Subtenant shall have the one time right to terminate this Sublease effective as of March 31, 2021, by providing at least nine (9) months' advance written notice to Sublandlord (the "Termination Option"). If Subtenant exercises the Termination Option, Subtenant shall pay to Landlord, at the same time Subtenant provides its advance written notice of termination to Sublandlord, a termination fee in the amount of One Hundred Ten Thousand Dollars (\$110,000.00).

16. **Extension Option.** Subtenant shall not have the right to extend the Term of this Sublease, and Subtenant acknowledges that Sublandlord will not exercise, and Subtenant will not have the right to exercise, the extension option set forth in Article 40 of the Prime Lease.

17. **Miscellaneous.**

(a) **Entire Agreement.** This Sublease represents the entire agreement between the parties hereto and there are no collateral or oral agreements or understandings between Sublandlord and Subtenant with respect to the Premises or the Property. No rights, easements or licenses are acquired in the Property or any land adjacent to the Property by Subtenant by implication or otherwise except as expressly set forth in the provisions of this Sublease.

(b) **Modification.** This Sublease shall not be modified in any manner except by an instrument in writing executed by the parties.

(c) **Interpretation.** The masculine (or neuter) pronoun, singular number, shall include the masculine, feminine and neuter genders and the singular and plural number.

(d) **Exhibits.** Each writing or plan referred to herein as being attached as an Exhibit or otherwise designated herein as an Exhibit hereto is hereby made a part hereof.

(e) **Captions and Headings.** The captions and headings of sections, subsections and the table of contents herein are for convenience only and are not intended to indicate all of the subject matter in the text and they shall not be deemed to limit, construe, affect or alter the meaning of any provisions of this Sublease and are not to be used in interpreting this Sublease or for any other purpose in the event of any controversy.

(f) **Interest.** Wherever interest is required to be paid hereunder, such interest shall be deemed to be limited to the lesser of (i) the interest stated or (ii) the highest interest permitted by law.

(g) **Severability.** If any term or provision of this Sublease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Sublease shall be valid and be enforced to the fullest extent permitted by law.



(h) **Relationship of Parties.** This Sublease shall not create any relationship between the parties other than that of Sublandlord and Subtenant.

(i) **Choice of Law.** The terms of this Sublease shall be construed under the laws of the Commonwealth of Massachusetts, without regard to its law of conflict of laws.

**18. Assignment and Subletting.**

(a) Subtenant shall have the right to assign this Sublease or further sublease the Premises in accordance with the provisions of the Prime Lease and subject to obtaining the prior written consent of Prime Landlord and Sublandlord, which consent (as to Sublandlord) will not be unreasonably withheld, conditioned or delayed.

(b) Notwithstanding the foregoing or anything in this Sublease or the Prime Lease to the contrary (but subject to Prime Landlord's consent if required), Subtenant may provide an occupancy license for up to but not more than twenty-five percent (25%) of the Premises in the aggregate to individuals or entities with whom Tenant's investor, MPM Capital LLC (a Delaware limited liability company) has an ongoing business relationship (a "**Licensee**") subject to the following terms and conditions:

(i) Subtenant shall remain fully liable for all payments of Rent and the performance and observance of all other obligations of Subtenant under this Sublease;

(ii) Each such Licensee shall enter into a written agreement with Subtenant pursuant to which such Licensee shall agree (A) to use the Premises only for the Permitted Use and (B) such license shall in all events be subject and subordinate to the provisions this Sublease; and

(iii) Subtenant shall promptly notify Sublandlord in writing of any occupancy license pursuant to this Section 18 and deliver to Sublandlord a copy of the occupancy license with the Licensee within five (5) business days of the effective date of such license.

*[signatures on following page]*



**IN WITNESS WHEREOF**, and in consideration of the mutual entry into this Sublease and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, each party hereto has caused this Sublease to be duly executed under seal.

**Sublandlord:**

Date Signed: December , 2017

**TEVA PHARMACEUTICALS USA, INC.**

By: \_\_\_\_\_  
Name:

By: \_\_\_\_\_  
Name:  
Title:

**Subtenant:**

Date Signed: December 12, 2017

**CULLINAN MANAGEMENT, INC.**

By: /s/ Kristen Laguerre  
Name: Kristen Laguerre  
Title: CFO

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EXHIBIT A

Sublandlord's Work

Sublandlord will complete the build-out of the Premises by assembling/installing (i) a reception desk in the lobby area, (ii) conference room credenzas and custom glass/magnetic boards, and (iii) a feature wall in the reception area, all using materials and finishes in a manner consistent with other areas of the Premises and all to the reasonable satisfaction of Subtenant. Sublandlord shall deliver to Subtenant all operator manuals (to the extent in Sublandlord's possession) for all equipment in the Premises.

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EXHIBIT B

Prime Lease

*[attached]*

VOTING AGREEMENT

TABLE OF CONTENTS

	<u>Page</u>
1. Voting Provisions Regarding Board of Directors	1
1.1 Size of the Board	1
1.2 Board Composition	2
1.3 Failure to Designate a Board Member	2
1.4 Removal of Board Members	2
1.5 No Liability for Election of Recommended Directors	3
1.6 No “Bad Actor” Designees	3
2. Vote to Increase Authorized Common Stock	3
3. Drag-Along Right	4
3.1 Definitions	4
3.2 Actions to be Taken	4
3.3 Exceptions	5
3.4 Restrictions on Sales of Control of the Company	7
4. Remedies	7
4.1 Covenants of the Company	7
4.2 Irrevocable Proxy and Power of Attorney	7
4.3 Specific Enforcement	8
4.4 Remedies Cumulative	8
5. “Bad Actor” Matters.	8
5.1 Representation	8
5.2 Covenant	9
6. Term	9
7. Miscellaneous	10
7.1 Additional Parties	10
7.2 Transfers	10
7.3 Successors and Assigns	10
7.4 Governing Law	11
7.5 Counterparts	11
7.6 Titles and Subtitles	11
7.7 Notices	11
7.8 Consent Required to Amend, Modify, Terminate or Waive	12
7.9 Delays or Omissions	12
7.10 Severability	13
7.11 Entire Agreement	13
7.12 Share Certificate Legend	13
7.13 Stock Splits, Stock Dividends, etc.	13
7.14 Manner of Voting	13

7.15	Further Assurances	14
7.16	Dispute Resolution	14
7.17	Costs of Enforcement	14
7.18	Aggregation of Stock	15
7.19	Spousal Consent	15
7.20	Other Business Activities of Investors	15

<u>Schedule A</u>	-	Investors
<u>Schedule B</u>	-	Key Holders
<u>Exhibit A</u>	-	Adoption Agreement
<u>Exhibit B</u>	-	Consent of Spouse



## VOTING AGREEMENT

THIS VOTING AGREEMENT (this “**Agreement**”), is made and entered into as of [date] (the “**Effective Date**”), by and among [Cullinan Asset Subsidiary], a Delaware corporation (the “**Company**”), each holder of the Company’s Series A Preferred Stock, \$0.0001 par value per share (the “**Series A Preferred Stock**,” together with any future series of preferred stock of the Company, the “**Preferred Stock**”) listed on Schedule A (together with any subsequent investors, or transferees, who become parties hereto as “**Investors**” pursuant to Subsections 7.1(a) or 7.2 below, the “**Investors**”), and those certain stockholders of the Company listed on Schedule B (together with any subsequent stockholders, or any transferees, who become parties hereto as “**Key Holders**” pursuant to Subsections 7.1(b) or 7.2 below, the “**Key Holders**,” and together collectively with the Investors, the “**Stockholders**”).

### RECITALS

A. The Company and the Investors intend to enter into a Series A Preferred Stock Purchase Agreement (the “**Purchase Agreement**”) providing for the sale of shares of the Company’s Series A Preferred Stock and in connection with that agreement the parties desire to provide the Investors with the right, among other rights, to designate the election of certain members of the board of directors of the Company (the “**Board**”) in accordance with the terms of this Agreement.

B. The Certificate of Incorporation of the Company (as it may be amended and/or restated from time to time, the “**Restated Certificate**”) currently provides that the holders of record of the shares of Common Stock and of any other class or series of voting stock (including the Series A Preferred Stock), exclusively and voting together as a single class, shall be entitled to elect the total number of directors of the Company.

C. The parties also desire to enter into this Agreement to set forth their agreements and understandings with respect to how shares of the Company’s capital stock held by them will be voted on, or tendered in connection with, an acquisition of the Company and/or an increase in the number of shares of Common Stock required to provide for the conversion of the Company’s Preferred Stock.

NOW, THEREFORE, the parties agree as follows:

#### 1. Voting Provisions Regarding Board of Directors.

1.1 Size of the Board. Each Stockholder agrees to vote, or cause to be voted, all Shares (as defined below) owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that the size of the Board shall be set and remain at such number of directors (initially [three (3)] voting members) as may be determined by, and in such manner as may be proscribed by, the Investors. Initially, any increase or decrease in the size of the Board shall require the affirmative vote or written consent of the Investors holding Preferred Stock representing at least a majority of the shares of Common Stock issuable upon conversion of the then outstanding shares of Preferred Stock (voting as a single separate class and on an as-converted to Common Stock basis). For purposes of this Agreement, the term “Shares” shall mean and include any

securities of the Company the holders of which are entitled to vote for members of the Board, including without limitation, all shares of Common Stock and Preferred Stock, by whatever name called, now owned or subsequently acquired by a Stockholder, however acquired, whether through stock splits, stock dividends, reclassifications, recapitalizations, similar events or otherwise.

1.2 Board Composition. Each Stockholder agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that at each annual or special meeting of stockholders at which an election of directors is held or pursuant to any written consent of the stockholders, subject to Section 5, the following persons shall be elected to the Board:

(a) Two (2) persons designated by the holders of a majority of the shares of Preferred Stock, voting as a single class, who shall initially be [Ansbert Gadicke] and [Morana Jovan].

(b) The Company's Chief Executive Officer (the "**CEO Director**"), who shall initially be Owen Hughes; provided that if for any reason the CEO Director shall cease to serve as the Chief Executive Officer of the Company, each of the Stockholders shall promptly vote their respective Shares (i) to remove the former Chief Executive Officer from the Board if such person has not resigned as a member of the Board; and (ii) to elect such person's replacement as Chief Executive Officer of the Company as the new CEO Director.

To the extent that clauses (a) or (b) above shall not be applicable, any member of the Board who would otherwise have been designated in accordance with the terms thereof shall instead be voted upon by all the stockholders of the Company entitled to vote thereon in accordance with, and pursuant to, the Restated Certificate.

For purposes of this Agreement, an individual, firm, corporation, partnership, association, limited liability company, trust or any other entity (collectively, a "**Person**") shall be deemed an "**Affiliate**" of another Person who, directly or indirectly, controls, is controlled by or is under common control with such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person or any venture capital fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment advisors of, or shares the same management company or investment advisor with, such Person.

1.3 Failure to Designate a Board Member. In the absence of any designation from the Persons or groups with the right to designate a director as specified above, the director previously designated by them and then serving shall be reelected if still eligible to serve as provided herein.

1.4 Removal of Board Members. Each Stockholder also agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that:

(a) no director elected pursuant to Subsections 1.2 or 1.3 of this Agreement may be removed from office other than for cause unless (i) such removal is directed or approved by the affirmative vote of the Person, or of the holders of at least that percentage of shares of stock entitled under Subsection 1.2 to designate that director; or (ii) the Person(s) originally entitled to designate or approve such director or occupy such Board seat pursuant to Subsection 1.2 is no longer so entitled to designate or approve such director or occupy such Board seat;

(b) any vacancies created by the resignation, removal or death of a director elected pursuant to Subsections 1.2 or 1.3 shall be filled pursuant to the provisions of this Section 1; and

(c) upon the request of any party or parties, as applicable, entitled to designate a director as provided in Subsections 1.2(a) to remove such director, such director shall be removed.

All Stockholders agree to execute any written consents required to perform the obligations of this Agreement, and the Company agrees at the request of any party entitled to designate directors to call a special meeting of stockholders for the purpose of electing directors.

1.5 No Liability for Election of Recommended Directors. No Stockholder, nor any Affiliate of any Stockholder, shall have any liability as a result of designating a person for election as a director for any act or omission by such designated person in his or her capacity as a director of the Company, nor shall any Stockholder have any liability as a result of voting for any such designee in accordance with the provisions of this Agreement.

1.6 No "Bad Actor" Designees. Each Person with the right to designate or participate in the designation of a director as specified above hereby represents and warrants to the Company that, to such Person's knowledge, none of the "bad actor" disqualifying events described in Rule 506(d)(1)(i)-(viii) promulgated under the Securities Act of 1933, as amended (the "**Securities Act**") (each, a "**Disqualification Event**"), is applicable to such Person's initial designee named above except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable. Any director designee to whom any Disqualification Event is applicable, except for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable, is hereinafter referred to as a "**Disqualified Designee**". Each Person with the right to designate or participate in the designation of a director as specified above hereby covenants and agrees (A) not to designate or participate in the designation of any director designee who, to such Person's knowledge, is a Disqualified Designee and (B) that in the event such Person becomes aware that any individual previously designated by any such Person is or has become a Disqualified Designee, such Person shall as promptly as practicable take such actions as are necessary to remove such Disqualified Designee from the Board and designate a replacement designee who is not a Disqualified Designee.

2. Vote to Increase Authorized Common Stock. Each Stockholder agrees to vote or cause to be voted all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to increase the number of authorized shares of Common Stock from time to time to ensure that there will be sufficient shares of Common Stock available for conversion of all of the shares of Preferred Stock outstanding at any given time.

### 3. Drag-Along Right

3.1 Definitions. A “**Sale of the Company**” shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from stockholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company (a “**Stock Sale**”); or (b) a transaction that qualifies as a Deemed Liquidation Event (as defined in the Restated Certificate).

3.2 Actions to be Taken. In the event that the holders of a majority of the then outstanding shares of Preferred Stock, voting together as a single class and on an as-converted basis (collectively, the “**Electing Holders**”), approve a Sale of the Company in writing, specifying that this Section 3 shall apply to such transaction, then each Stockholder and the Company hereby agree:

(a) if such transaction requires stockholder approval, with respect to all Shares that such Stockholder owns or over which such Stockholder otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Shares in favor of, and adopt, such Sale of the Company (together with any related amendment or restatement to the Restated Certificate required to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could delay or impair the ability of the Company to consummate such Sale of the Company;

(b) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by such Stockholder as is being sold by the Electing Holders to the Person to whom the Electing Holders propose to sell their Shares, and, except as permitted in Subsection 3.3 below, on the same terms and conditions as the Electing Holders;

(c) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Electing Holders in order to carry out the terms and provision of this Section 3, including, without limitation, executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, any associated indemnity agreement, or escrow agreement, any associated voting, support, or joinder agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances), and any similar or related documents;

(d) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Shares of the Company owned by such party or Affiliate in a voting trust or subject any Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquiror in connection with the Sale of the Company;

(e) to refrain from (i) exercising any dissenters’ rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company, or (ii)

asserting any claim or commencing any suit (x) challenging the Sale of the Company or this Agreement, or (y) alleging a breach of any fiduciary duty of the Selling Investors or any affiliate or associate thereof (including, without limitation, aiding and abetting breach of fiduciary duty) in connection with the evaluation, negotiation or entry into the Sale of the Company, or the consummation of the transactions contemplated thereby;

(f) if the consideration to be paid in exchange for the Shares pursuant to this Section 3 includes any securities and due receipt thereof by any Stockholder would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Stockholder of any information other than such information as a prudent issuer would generally furnish in an offering made solely to “accredited investors” as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Stockholder in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Stockholder, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Stockholder would otherwise receive as of the date of the issuance of such securities in exchange for the Shares; and

(g) in the event that the Electing Holders, in connection with such Sale of the Company, appoint a stockholder representative (the “**Stockholder Representative**”) with respect to matters affecting the Stockholders under the applicable definitive transaction agreements following consummation of such Sale of the Company, (x) to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder’s pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative’s services and duties in connection with such Sale of the Company and its related service as the representative of the Stockholders, and (y) not to assert any claim or commence any suit against the Stockholder Representative or any other Stockholder with respect to any action or inaction taken or failed to be taken by the Stockholder Representative in connection with its service as the Stockholder Representative, absent fraud or willful misconduct.

3.3 Exceptions. Notwithstanding the foregoing, a Stockholder will not be required to comply with Subsection 3.2 above in connection with any proposed Sale of the Company (the “**Proposed Sale**”), unless:

(a) any representations and warranties to be made by such Stockholder in connection with the Proposed Sale are limited to representations and warranties related to authority, ownership and the ability to convey title to such Shares, including, but not limited to, representations and warranties that (i) the Stockholder holds all right, title and interest in and to the Shares such Stockholder purports to hold, free and clear of all liens and encumbrances, (ii) the obligations of the Stockholder in connection with the transaction have been duly authorized, if applicable, (iii) the documents to be entered into by the Stockholder have been duly executed by the Stockholder and delivered to the acquirer and are enforceable against the Stockholder in accordance with their respective terms; and (iv) neither the execution and delivery of documents to be entered into by the Stockholder in connection with the transaction, nor the performance of the Stockholder’s obligations thereunder, will cause a breach or violation of the terms of any agreement to which the Stockholder is a party, or any law or judgment, order or decree of any court or governmental agency that applies to the Stockholder;

(b) the Stockholder shall not be liable for the inaccuracy of any representation or warranty made by any other Person in connection with the Proposed Sale, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any stockholder of any of identical representations, warranties and covenants provided by all stockholders);

(c) the liability for indemnification, if any, of such Stockholder in the Proposed Sale and for the inaccuracy of any representations and warranties made by the Company or its Stockholders in connection with such Proposed Sale, is several and not joint with any other Person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any stockholder of any of identical representations, warranties and covenants provided by all stockholders), and subject to the provisions of the Restated Certificate related to the allocation of the escrow, is pro rata in proportion to, and does not exceed, the amount of consideration paid to such Stockholder in connection with such Proposed Sale;

(d) liability shall be limited to such Stockholder's applicable share (determined based on the respective proceeds payable to each Stockholder in connection with such Proposed Sale in accordance with the provisions of the Restated Certificate) of a negotiated aggregate indemnification amount that applies equally to all Stockholders but that in no event exceeds the amount of consideration otherwise payable to such Stockholder in connection with such Proposed Sale, except with respect to claims related to fraud by such Stockholder, the liability for which need not be limited as to such Stockholder;

(e) upon the consummation of the Proposed Sale (i) each holder of each class or series of the Company's capital stock will receive the same form of consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of stock, (ii) each holder of a series of Preferred Stock will receive the same amount of consideration per share of such series of Preferred Stock as is received by other holders in respect of their shares of such same series, (iii) each holder of Common Stock will receive the same amount of consideration per share of Common Stock as is received by other holders in respect of their shares of Common Stock, and (iv) unless the holders of a majority of the Preferred Stock (voting together as a single class and on an as-converted basis) elect to receive a lesser amount by written notice given to the Company at least ten (10) days prior to the effective date of any such Proposed Sale, the aggregate consideration receivable by all holders of the Preferred Stock and Common Stock shall be allocated among the holders of Preferred Stock and Common Stock on the basis of the relative liquidation preferences to which the holders of each respective series of Preferred Stock and the holders of Common Stock are entitled in a Deemed Liquidation Event (assuming for this purpose that the Proposed Sale is a Deemed Liquidation Event) in accordance with the Company's Certificate of Incorporation in effect immediately prior to the Proposed Sale; provided, however, that, notwithstanding the foregoing, if the consideration to be paid in exchange for the Key Holder Shares or Investor Shares, as applicable, pursuant to this Subsection 3.3(e) includes any securities and due receipt thereof by any Key Holder or Investor would require under applicable law (x) the registration or

qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Key Holder or Investor of any information other than such information as a prudent issuer would generally furnish in an offering made solely to “accredited investors” as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Key Holder or Investor in lieu thereof, against surrender of the Key Holder Shares or Investor Shares, as applicable, which would have otherwise been sold by such Key Holder or Investor, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Key Holder or Investor would otherwise receive as of the date of the issuance of such securities in exchange for the Key Holder Shares or Investor Shares, as applicable; and

(f) subject to clause (e) above, requiring the same form of consideration to be available to the holders of any single class or series of capital stock, if any holders of any capital stock of the Company are given an option as to the form and amount of consideration to be received as a result of the Proposed Sale, all holders of such capital stock will be given the same option; provided, however, that nothing in this Subsection 3.3(f) shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder’s failure to satisfy any condition, requirement or limitation that is generally applicable to the Company’s stockholders.

3.4 Restrictions on Sales of Control of the Company. No Stockholder shall be a party to any Stock Sale unless all holders of Preferred Stock are allowed to participate in such transaction and the consideration received pursuant to such transaction is allocated among the parties thereto in the manner specified in the Company’s Certificate of Incorporation in effect immediately prior to the Stock Sale (as if such transaction were a Deemed Liquidation Event), unless the holders of a majority of the Preferred Stock (voting together as a single class and on an as-converted basis) elect otherwise by written notice given to the Company at least ten (10) days prior to the effective date of any such transaction or series of related transactions.

#### 4. Remedies.

4.1 Covenants of the Company. The Company agrees to use its best efforts, within the requirements of applicable law, to ensure that the rights granted under this Agreement are effective and that the parties enjoy the benefits of this Agreement. Such actions include, without limitation, the use of the Company’s best efforts to cause the nomination and election of the directors as provided in this Agreement.

4.2 Irrevocable Proxy and Power of Attorney. Each party to this Agreement hereby constitutes and appoints as the proxies of the party and hereby grants a power of attorney to the President of the Company, and a designee of the Electing Holders, and each of them, with full power of substitution, with respect to the matters set forth herein, including, without limitation, election of persons as members of the Board in accordance with Section 1 hereto, votes to increase authorized shares pursuant to Section 2 hereof and votes regarding any Sale of the Company pursuant to Section 3 hereof, and hereby authorizes each of them to represent and vote, if and only if the party (i) fails to vote, or (ii) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Agreement, all of such party’s Shares in favor of the election of persons as members of the Board determined pursuant to and in accordance with the terms and provisions of this Agreement or the increase of

authorized shares or approval of any Sale of the Company pursuant to and in accordance with the terms and provisions of Sections 1.2 and 2, respectively, of this Agreement or to take any action necessary to effect Sections 1.2 and 2, respectively, of this Agreement. The power of attorney granted hereunder shall authorize the President of the Company to execute and deliver the documentation referred to in Section 3.2(c) on behalf of any party failing to do so within five (5) business days of a request by the Company. Each of the proxy and power of attorney granted pursuant to this Section 4.2 is given in consideration of the agreements and covenants of the Company and the parties in connection with the transactions contemplated by this Agreement and, as such, each is coupled with an interest and shall be irrevocable unless and until this Agreement terminates or expires pursuant to Section 6 hereof. Each party hereto hereby revokes any and all previous proxies or powers of attorney with respect to the Shares and shall not hereafter, unless and until this Agreement terminates or expires pursuant to Section 6 hereof, purport to grant any other proxy or power of attorney with respect to any of the Shares, deposit any of the Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of the Shares, in each case, with respect to any of the matters set forth herein.

4.3 Specific Enforcement. Each party acknowledges and agrees that each party hereto will be irreparably damaged in the event any of the provisions of this Agreement are not performed by the parties in accordance with their specific terms or are otherwise breached. Accordingly, it is agreed that each of the Company and the Stockholders shall be entitled to an injunction to prevent breaches of this Agreement, and to specific enforcement of this Agreement and its terms and provisions in any action instituted in any court of the United States or any state having subject matter jurisdiction.

4.4 Remedies Cumulative. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

## 5. “Bad Actor” Matters.

5.1 Definitions. For purposes of this Agreement:

(a) **“Company Covered Person”** means, with respect to the Company as an “issuer” for purposes of Rule 506 promulgated under the Securities Act, any Person listed in the first paragraph of Rule 506(d)(1).

(b) **“Disqualified Designee”** means any director designee to whom any Disqualification Event is applicable, except for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable.

(c) **“Disqualification Event”** means a “bad actor” disqualifying event described in Rule 506(d)(1)(i)-(viii) promulgated under the Securities Act.

(d) **“Rule 506(d) Related Party”** means, with respect to any Person, any other Person that is a beneficial owner of such first Person’s securities for purposes of Rule 506(d) under the Securities Act.



## 5.2 Representations.

(a) Each Person with the right to designate or participate in the designation of a director pursuant to this Agreement hereby represents that (i) such Person has exercised reasonable care to determine whether any Disqualification Event is applicable to such Person, any director designee designated by such Person pursuant to this Agreement or any of such Person's Rule 506(d) Related Parties, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable and (ii) no Disqualification Event is applicable to such Person, any Board member designated by such Person pursuant to this Agreement or any of such Person's Rule 506(d) Related Parties, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable. Notwithstanding anything to the contrary in this Agreement, each Investor makes no representation regarding any Person that may be deemed to be a beneficial owner of the Company's voting equity securities held by such Investor solely by virtue of that Person being or becoming a party to (x) this Agreement, as may be subsequently amended, or (y) any other contract or written agreement to which the Company and such Investor are parties regarding (1) the voting power, which includes the power to vote or to direct the voting of, such security; and/or (2) the investment power, which includes the power to dispose, or to direct the disposition of, such security.

(b) The Company hereby represents and warrants to the Investors that no Disqualification Event is applicable to the Company or, to the Company's knowledge, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii-iv) or (d)(3) is applicable.

5.3 Covenants. Each Person with the right to designate or participate in the designation of a director pursuant to this Agreement covenants and agrees (i) not to designate or participate in the designation of any director designee who, to such Person's knowledge, is a Disqualified Designee, (ii) to exercise reasonable care to determine whether any director designee designated by such person is a Disqualified Designee, (iii) that in the event such Person becomes aware that any individual previously designated by any such Person is or has become a Disqualified Designee, such Person shall as promptly as practicable take such actions as are necessary to remove such Disqualified Designee from the Board and designate a replacement designee who is not a Disqualified Designee, and (iv) to notify the Company promptly in writing in the event a Disqualification Event becomes applicable to such Person or any of its Rule 506(d) Related Parties, or, to such Person's knowledge, to such Person's initial designee named in Section 1, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable.

6. Term. This Agreement shall be effective as of the date hereof and shall continue in effect until and shall terminate upon the earliest to occur of (a) the consummation of the Company's first underwritten public offering of its Common Stock (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to its stock option, stock purchase or similar plan or an SEC Rule 145 transaction); (b) the consummation of a Sale of the Company and distribution of proceeds to or escrow for the benefit of the Stockholders in accordance with the Restated Certificate, provided that the provisions of Section 3 hereof will continue after the closing of any Sale of the Company to the extent necessary to enforce the provisions of Section 3 with respect to such Sale of the Company; and (c) termination of this Agreement in accordance with Subsection 7.8 below.

## 7. Miscellaneous.

### 7.1 Additional Parties.

(a) Notwithstanding anything to the contrary contained herein, if the Company issues shares of Preferred Stock after the date hereof, as a condition to the issuance of such shares the Company shall require that any purchaser of shares of Preferred Stock become a party to this Agreement by executing and delivering (i) the Adoption Agreement attached to this Agreement as Exhibit A, or (ii) a counterpart signature page hereto agreeing to be bound by and subject to the terms of this Agreement as an Investor and Stockholder hereunder. In either event, each such person thereafter shall be deemed an Investor and Stockholder for all purposes under this Agreement. No consent of any other party hereto shall be required for such purchaser to become a party hereto as an Investor hereunder.

(b) In the event that after the date of this Agreement, the Company enters into an agreement with any Person to issue shares of capital stock to such Person (other than to a purchaser of Preferred Stock described in Subsection 7.1(a) above), following which such Person shall hold Shares constituting one percent (1%) or more of the Company's then outstanding capital stock (treating for this purpose all shares of Common Stock issuable upon exercise of or conversion of outstanding options, warrants or convertible securities, as if exercised and/or converted or exchanged), then the Company shall cause such Person, as a condition precedent to entering into such agreement, to become a party to this Agreement by executing an Adoption Agreement in the form attached hereto as Exhibit A, agreeing to be bound by and subject to the terms of this Agreement as a Stockholder and thereafter such person shall be deemed a Stockholder for all purposes under this Agreement. No consent of any other party hereto shall be required for such Person to become a party hereto as a Key Holder hereunder.

7.2 Transfers. Each transferee or assignee of any Shares subject to this Agreement shall continue to be subject to the terms hereof, and, as a condition precedent to the Company's recognizing such transfer, each transferee or assignee shall agree in writing to be subject to each of the terms of this Agreement by executing and delivering an Adoption Agreement substantially in the form attached hereto as Exhibit A. Upon the execution and delivery of an Adoption Agreement by any transferee, such transferee shall be deemed to be a party hereto as if such transferee were the transferor and such transferee's signature appeared on the signature pages of this Agreement and shall be deemed to be an Investor and Stockholder, or Key Holder and Stockholder, as applicable. The Company shall not permit the transfer of the Shares subject to this Agreement on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Subsection 7.2. Each certificate instrument, or book entry representing the Shares subject to this Agreement if issued on or after the date of this Agreement shall be notated by the Company with the legend set forth in Subsection 7.12.

7.3 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than

the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

7.4 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware without regard to conflict of law principles that would result in the application of any law other than the law of the State of Delaware.

7.5 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

7.6 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

7.7 Notices.

(a) All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (a) personal delivery to the party to be notified, (b) when sent, if sent by electronic mail or facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on Schedule A or Schedule B hereto, or to such email address, facsimile number or address as subsequently modified by written notice given in accordance with this Subsection 7.7. If notice is given to the Company, a copy shall also be sent to Goodwin Procter LLP, 100 Northern Avenue, Boston, MA 02210, Attention: Richard A. Hoffman and if notice is given to Stockholders, a copy shall also be given to [Cullinan Oncology, LLC, 1 Main Street, Suite 520, Cambridge, MA 02142], Attention: [Owen Hughes].

(b) Consent to Electronic Notice. Each Investor and Key Holder consents to the delivery of any stockholder notice pursuant to the Delaware General Corporation Law (the "**DGCL**"), as amended or superseded from time to time, by electronic transmission pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address or the facsimile number set forth below such Investor's or Key Holder's name on the Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic transmission is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted Electronic Notice shall be ineffective and deemed to not have been given. Each Investor and Key Holder agrees to promptly notify the Company of any change in its electronic mail address, and that failure to do so shall not affect the foregoing.

7.8 Consent Required to Amend, Modify, Terminate or Waive. This Agreement may be amended, modified or terminated and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by (i) the Company, (ii) the holders of a majority of the shares of Common Stock issued or issuable upon conversion of the shares of Preferred Stock held by the Investors (voting together as a single class and on an as-converted basis) and (iii) to the extent expressly required below, the Key Holders holding a majority of the shares of Common Stock then held by the Key Holders (in the case of individuals, limited to those Key Holders then providing services to the Company as officers, employees or consultants), which such express requirements as contemplated under the foregoing clause (iii) are as follows:

(a) the consent of the Key Holders shall be required for any amendment or waiver if such amendment or waiver either (A) is directly applicable to the rights of the Key Holders hereunder; or (B) adversely affects the rights of the Key Holders in a manner that is different than the effect on the rights of the other parties hereto; provided, however, that:

(1) this Agreement may not be amended, modified or terminated and the observance of any term of this Agreement may not be waived with respect to any Investor or Key Holder without the written consent of such Investor or Key Holder unless such amendment, modification, termination or waiver applies to all Investors or Key Holders, as the case may be, in the same fashion; and

(2) any provision hereof may be waived by the waiving party on such party's own behalf, without the consent of any other party; and

Except as provided in clause (a)(1) above, no consent of any Key Holder shall be required for any amendment, modification, waiver or termination of this Agreement. Schedule A hereto may be amended by the Company from time to time in accordance with Sections 7.1(a) and 7.1(b) of this Agreement to add information regarding additional Investors or Key Holders, as applicable, without the consent of the other parties hereto.

The Company shall give prompt written notice of any amendment, modification, termination, or waiver hereunder to any party that did not consent in writing thereto. Any amendment, modification, termination, or waiver effected in accordance with this Subsection 7.8 shall be binding on each party and all of such party's successors and permitted assigns, whether or not any such party, successor or assignee entered into or approved such amendment, modification, termination or waiver. For purposes of this Subsection 7.8, the requirement of a written instrument may be satisfied in the form of an action by written consent of the Stockholders circulated by the Company and executed by the Stockholder parties specified, whether or not such action by written consent makes explicit reference to the terms of this Agreement.

7.9 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall

any waiver of any single breach or default be deemed a waiver of any other breach or default previously or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

7.10 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

7.11 Entire Agreement. This Agreement (including the Exhibits hereto), the Restated Certificate and the other Transaction Agreements (as defined in the Purchase Agreement) constitute the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

7.12 Share Certificate Legend. Each certificate, instrument, or book entry representing any Shares issued after the date hereof shall be notated by the Company with a legend reading substantially as follows:

“THE SHARES REPRESENTED HEREBY ARE SUBJECT TO A VOTING AGREEMENT, AS MAY BE AMENDED FROM TIME TO TIME, (A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST FROM THE COMPANY), AND BY ACCEPTING ANY INTEREST IN SUCH SHARES THE PERSON ACCEPTING SUCH INTEREST SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF THAT VOTING AGREEMENT, INCLUDING CERTAIN RESTRICTIONS ON TRANSFER AND OWNERSHIP SET FORTH THEREIN.”

The Company, by its execution of this Agreement, agrees that it will cause the certificates instruments, or book entry evidencing the Shares issued after the date hereof to be notated with the legend required by this Subsection 7.12 of this Agreement, and it shall supply, free of charge, a copy of this Agreement to any holder of such Shares upon written request from such holder to the Company at its principal office. The parties to this Agreement do hereby agree that the failure to cause the certificates, instruments, or book entry evidencing the Shares to be notated with the legend required by this Subsection 7.12 herein and/or the failure of the Company to supply, free of charge, a copy of this Agreement as provided hereunder shall not affect the validity or enforcement of this Agreement.

7.13 Stock Splits, Stock Dividends, etc. In the event of any issuance of Shares of the Company’s voting securities hereafter to any of the Stockholders (including, without limitation, in connection with any stock split, stock dividend, recapitalization, reorganization, or the like), such Shares shall become subject to this Agreement and shall be notated with the legend set forth in Subsection 7.12.

7.14 Manner of Voting. The voting of Shares pursuant to this Agreement may be effected in person, by proxy, by written consent or in any other manner permitted by applicable law. For the avoidance of doubt, voting of the Shares pursuant to the Agreement need not make explicit reference to the terms of this Agreement.

7.15 Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

7.16 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

Each party will bear its own costs in respect of any disputes arising under this Agreement. The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled. Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the U.S. District Court for the District of Delaware or any court of the State of Delaware having subject matter jurisdiction.

7.17 Costs of Enforcement. If any party to this Agreement seeks to enforce its rights under this Agreement by legal proceedings, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

7.18 Aggregation of Stock. All Shares held or acquired by a Stockholder and/or its Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement, and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

7.19 Spousal Consent. If any individual Stockholder is married on the date of this Agreement, such Stockholder's spouse shall execute and deliver to the Company a consent of spouse in the form of Exhibit B hereto ("**Consent of Spouse**"), effective on the date hereof. Notwithstanding the execution and delivery thereof, such consent shall not be deemed to confer or convey to the spouse any rights in such Stockholder's Shares that do not otherwise exist by operation of law or the agreement of the parties. If any individual Stockholder should marry or remarry subsequent to the date of this Agreement, such Stockholder shall within thirty (30) days thereafter obtain his/her new spouse's acknowledgement of and consent to the existence and binding effect of all restrictions contained in this Agreement by causing such spouse to execute and deliver a Consent of Spouse acknowledging the restrictions and obligations contained in this Agreement and agreeing and consenting to the same.

7.20 Other Business Activities of Investors. The Company acknowledges that certain of the Investors are in the business of venture capital investing and therefore review the business plans and related proprietary information of many enterprises, including enterprises that may have products or services that compete directly or indirectly with those of the Company. Nothing in this Agreement or any other Transaction Agreement (as defined in the Purchase Agreement) shall preclude or in any way restrict the Investors from investing or participating in any particular enterprise, whether or not such enterprise has products or services that compete with those of the Company. Further, the Company, each Investor, and each Key Holder acknowledges and agrees that (i) certain of the Investors (or the Affiliates of such Investors) (each, a "**Strategic Investor**") may presently have, or may engage in the future in, internal development programs, or may receive information from third parties that relates to, and may develop and commercialize products independently or in cooperation with such third parties, that are similar to or that are directly or indirectly competitive with, the Company's development programs, products or services, and (ii) any employee of such Strategic Investor serving on the Board of Directors is serving in such capacity at the request, and for the benefit, of the Company. Accordingly, such Strategic Investor's designation of any individual to the Board of Directors (the "**Board Designee**"), the service of such Board Designee on the Board of Directors, or the exercise by such Strategic Investor of any rights under this Agreement or any of the Transaction Agreements, shall not in any way preclude or restrict such Strategic Investor from conducting any development program, commercializing any product or service or otherwise engaging in any enterprise, whether or not such development program, product, service or enterprise, competes with those of the Company, so long as such activities do not result in a violation of the confidentiality provisions of this Agreement or any other Transaction Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Voting Agreement as of the date first written above.

COMPANY:

*[CULLINAN ASSET SUBSIDIARY]*

By: \_\_\_\_\_  
Name:  
Title:



IN WITNESS WHEREOF, the parties have executed this Voting Agreement as of the date first written above

INVESTOR:

[CULLINAN ONCOLOGY, LLC]

---

Name: [Owen Hughes]

Title: [Chief Executive Officer and President]

IN WITNESS WHEREOF, the parties have executed this Voting Agreement as of the date first written above.

KEY HOLDERS:

*[NAME]*

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE A**

**INVESTORS**

**Name and Address**

**Number of Shares Held**

[Cullinan Oncology, LLC  
One Main Street, Suite 520  
Cambridge, MA 02142]

[*Number*]

**SCHEDULE B**

**KEY HOLDERS**

**Name and Address**

[Name]  
[Address]

**Number of Shares Held**

---

[Number]

**EXHIBIT A**

**ADOPTION AGREEMENT**

This Adoption Agreement (“**Adoption Agreement**”) is executed on [date], by the undersigned (the “**Holder**”) pursuant to the terms of that certain Voting Agreement dated as of [date] (the “**Agreement**”), by and among the Company and certain of its Stockholders, as such Agreement may be amended or amended and restated hereafter. Capitalized terms used but not defined in this Adoption Agreement shall have the respective meanings ascribed to such terms in the Agreement. By the execution of this Adoption Agreement, the Holder agrees as follows.

1.1 **Acknowledgement.** Holder acknowledges that Holder is acquiring certain shares of the capital stock of the Company (the “**Stock**”) for one of the following reasons (Check the correct box):

- As a transferee of Shares from a party in such party’s capacity as an “Investor” bound by the Agreement, and after such transfer, Holder shall be considered an “Investor” and a “Stockholder” for all purposes of the Agreement.
- As a transferee of Shares from a party in such party’s capacity as a “Key Holder” bound by the Agreement, and after such transfer, Holder shall be considered a “Key Holder” and a “Stockholder” for all purposes of the Agreement.
- As a new Investor in accordance with Subsection 7.1(a) of the Agreement, in which case Holder will be an “Investor” and a “Stockholder” for all purposes of the Agreement.
- In accordance with Subsection 7.1(b) of the Agreement, as a new party who is not a new Investor, in which case Holder will be a “Stockholder” for all purposes of the Agreement.

1.2 **Agreement.** Holder hereby (a) agrees that the Stock, and any other shares of capital stock or securities required by the Agreement to be bound thereby, shall be bound by and subject to the terms of the Agreement and (b) adopts the Agreement with the same force and effect as if Holder were originally a party thereto.

1.3 **Notice.** Any notice required or permitted by the Agreement shall be given to Holder at the address or facsimile number listed below Holder’s signature hereto.

**HOLDER:** \_\_\_\_\_

ACCEPTED AND AGREED:

By: \_\_\_\_\_  
Name and Title of Signatory

**[CULLINAN ASSET SUBSIDIARY]**

Address: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Title: \_\_\_\_\_

Facsimile Number:

**EXHIBIT B**

**CONSENT OF SPOUSE**

I, [ ], spouse of [ ], acknowledge that I have read the Voting Agreement, dated as of [date], to which this Consent is attached as **Exhibit B** (the “**Agreement**”), and that I know the contents of the Agreement. I am aware that the Agreement contains provisions regarding the voting and transfer of shares of capital stock of the Company that my spouse may own, including any interest I might have therein.

I hereby agree that my interest, if any, in any shares of capital stock of the Company subject to the Agreement shall be irrevocably bound by the Agreement and further understand and agree that any community property interest I may have in such shares of capital stock of the Company shall be similarly bound by the Agreement.

I am aware that the legal, financial and related matters contained in the Agreement are complex and that I am free to seek independent professional guidance or counsel with respect to this Consent. I have either sought such guidance or counsel or determined after reviewing the Agreement carefully that I will waive such right.

Dated: \_\_\_\_\_

\_\_\_\_\_ *[Name of Key Holder's Spouse]*

**INVESTORS' RIGHTS AGREEMENT**

## TABLE OF CONTENTS

	<u>Page</u>
1. Definitions	1
2. Registration Rights	4
2.1 Demand Registration	4
2.2 Company Registration	5
2.3 Underwriting Requirements	6
2.4 Obligations of the Company	7
2.5 Furnish Information	8
2.6 Expenses of Registration	9
2.7 Delay of Registration	9
2.8 Indemnification	9
2.9 Reports Under Exchange Act	11
2.10 Limitations on Subsequent Registration Rights	12
2.11 "Market Stand-off" Agreement	12
2.12 Restrictions on Transfer	13
2.13 Termination of Registration Rights	14
3. Information Rights	14
3.1 Delivery of Financial Statements	14
3.2 Inspection	16
3.3 Termination of Information Rights	16
3.4 Confidentiality	16
4. Rights to Future Stock Issuances	17
4.1 Right of First Offer	17
4.2 Termination	18
5. Additional Covenants	18
5.1 Insurance	18
5.2 Employee Agreements	18
5.3 Employee Stock	18
5.4 Board Matters	19
5.5 Successor Indemnification	19
5.6 Indemnification Matters	19
5.7 Expenses of Counsel	19
5.8 Right to Conduct Activities.	20
5.9 Termination of Covenants	20
6. Miscellaneous	21
6.1 Successors and Assigns	21
6.2 Governing Law	21
6.3 Counterparts	21
6.4 Titles and Subtitles	21



6.5	Notices	21
6.6	Amendments and Waivers	22
6.7	Severability	23
6.8	Aggregation of Stock	23
6.9	Additional Investors	23
6.10	Entire Agreement	23
6.11	Dispute Resolution	23
6.12	Delays or Omissions	24
6.13	Acknowledgment	24

Schedule A - Schedule of Investors

## INVESTORS' RIGHTS AGREEMENT

THIS INVESTORS' RIGHTS AGREEMENT (this "**Agreement**"), is made as of [date] by and among [Cullinan Asset Subsidiary], a Delaware corporation (the "**Company**"), each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an "**Investor**" and any Additional Purchaser (as defined in the Purchase Agreement) that becomes a party to this Agreement in accordance with Section 6.9 hereof.

### RECITALS

**WHEREAS**, the Company and the Investors are parties to the Series A Preferred Stock Purchase Agreement of even date herewith (the "**Purchase Agreement**"); and

**WHEREAS**, in order to induce the Company to enter into the Purchase Agreement and to induce the Investors to invest funds in the Company pursuant to the Purchase Agreement, the Investors and the Company hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register shares of Common Stock issuable to the Investors, to receive certain information from the Company, and to participate in future equity offerings by the Company, and shall govern certain other matters as set forth in this Agreement;

**NOW, THEREFORE**, the parties hereby agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any parent or subsidiary Person, any Person under a common parent, or any general partner, managing member, officer, director or trustee of such Person or any venture capital fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment advisors of, or shares the same management company or investment advisor with, such Person.

1.2 "**Board of Directors**" means the board of directors of the Company.

1.3 "**Common Stock**" means shares of the Company's Common Stock, par value \$0.0001 per share.

1.4 "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.5 “**Derivative Securities**” means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

1.6 “**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.7 “**Excluded Registration**” means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, equity incentive or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.8 “**FOIA Party**” means a Person that, in the reasonable determination of the Board of Directors, may be subject to, and thereby required to disclose non-public information furnished by or relating to the Company under, the Freedom of Information Act, 5 U.S.C. 552 (“**FOIA**”), any state public records access law, any state or other jurisdiction’s laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement.

1.9 “**Form S-1**” means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.10 “**Form S-3**” means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.11 “**GAAP**” means generally accepted accounting principles in the United States as in effect from time to time.

1.12 “**Holder**” means any holder of Registrable Securities who is a party to this Agreement.

1.13 “**Immediate Family Member**” means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including, adoptive relationships, of a natural person referred to herein.

1.14 “**Initiating Holders**” means, collectively, Holders who properly initiate a registration request under this Agreement.

1.15 “**IPO**” means the Company’s first underwritten public offering of its Common Stock under the Securities Act.

1.16 “**Key Employee**” means any executive-level employee (including division director and vice president-level positions) as well as any employee or consultant who either alone or in concert with others develops, invents, programs or designs any Company Intellectual Property (as defined in the Purchase Agreement).

1.17 “**Major Investor**” means any Investor that, individually or together with such Investor’s Affiliates, holds at least [1,500,000] shares of Registrable Securities (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof).

1.18 “**New Securities**” means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.19 “**Person**” means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.20 “**Preferred Stock**” means shares of the Company’s Series A Preferred Stock, par value \$0.0001 per share, and any future series of preferred stock issued by the Company.

1.21 “**Registrable Securities**” means (i) the Common Stock issuable or issued upon conversion of the Preferred Stock; (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, acquired by the Investors after the date hereof; and (iii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i) and (ii) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.

1.22 “**Registrable Securities then outstanding**” means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.23 “**Restricted Securities**” means the securities of the Company required to be notated with the legend set forth in Subsection 2.12(b) hereof.

1.24 “**SEC**” means the Securities and Exchange Commission.

1.25 “**SEC Rule 144**” means Rule 144 promulgated by the SEC under the Securities Act.

1.26 “**SEC Rule 145**” means Rule 145 promulgated by the SEC under the Securities Act.

1.27 “**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.28 “**Selling Expenses**” means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Subsection 2.6.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) three (3) years after the date of this Agreement or (ii) one hundred eighty (180) days after the effective date of the registration statement for the IPO, the Company receives a request from Holders of a majority of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement having an aggregate offering price, net of Selling Expenses, would exceed \$10 million, then the Company shall (x) within ten (10) days after the date such request is given, give notice thereof (the “**Demand Notice**”) to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least twenty percent (20%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least \$1 million, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Subsection 2.1 a certificate signed

by the Company's chief executive officer stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing for a period of not more than one hundred twenty (120) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such one hundred twenty (120) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(a)(i) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two registrations pursuant to Subsection 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Subsection 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(b) (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Subsection 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Subsection 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Subsection 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Subsection 2.1(d); provided, that if such withdrawal is during a period the Company has deferred taking action pursuant to Subsection 2.1(c), then the Initiating Holders may withdraw their request for registration and such registration will not be counted as "effected" for purposes of this Subsection 2.1(d).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its Common Stock under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the

Company shall, subject to the provisions of Subsection 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Subsection 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Subsection 2.6.

### 2.3 Underwriting Requirements.

(a) If, pursuant to Subsection 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Subsection 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Initiating Holders, subject only to the reasonable approval of the Company. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Subsection 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Subsection 2.3, if the underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Subsection 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities

owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below twenty-five percent (25%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Subsection 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Subsection 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Subsection 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

**2.4 Obligations of the Company.** Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such one hundred twenty (120) day period shall be extended for up to sixty (60) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;



(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the

Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one counsel for the selling Holders ("**Selling Holder Counsel**"), shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Subsection 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Subsections 2.1(a) or 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Subsections 2.1(a) or 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in

reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Subsections 2.8(b) and 2.8(c) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Subsection 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Subsection 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Subsection 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Subsection 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this

Subsection 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Subsection 2.8(c), when combined with the amounts paid or payable by such Holder pursuant to Subsection 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Subsection 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company; and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that (i) would provide to such holder the right to include securities in any registration on other than either a pro rata basis with respect to the Registrable Securities or on a subordinate basis after all Holders have had the opportunity to include in the registration and offering all shares of Registrable Securities that they wish to so include; or (ii) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder; provided that this limitation shall not apply to any additional Investor who becomes a party to this Agreement in accordance with Subsection 6.9.

2.11 "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company for its own behalf of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1 or Form S-3, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto) (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Subsection 2.11 shall apply only to the IPO, and shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, or the transfer of any shares to any trust for the direct or indirect

benefit of the Holder or the immediate family of the Holder, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value, and shall be applicable to the Holders only if all officers and directors are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than one percent (1%) of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock). The underwriters in connection with such registration are intended third-party beneficiaries of this Subsection 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Subsection 2.11 or that are necessary to give further effect thereto.

#### 2.12 Restrictions on Transfer.

(a) The Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Subsection 2.12(c)) be notated with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Subsection 2.12.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; provided that each transferee agrees in writing to be subject to the terms of this Subsection 2.12. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Subsection 2.12(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Subsections 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) the five (5) year anniversary of the IPO;

(b) with respect to any holder of registration rights, at such time following an IPO as the holder holds less than one percent (1%) of the outstanding securities of the Company and all Registrable Securities of such holder may be sold within a three (3) month period pursuant to SEC Rule 144; or

(c) the closing of a Deemed Liquidation Event (as defined in the Company's Certificate of Incorporation, as amended and/or restated from time to time).

### 3. Information Rights.

3.1 Delivery of Financial Statements. Upon written request by a Major Investor, the Company shall deliver to such Major Investor:

(a) as soon as practicable, but in any event within one hundred twenty (120) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year and as included in the Budget (as defined in Subsection 3.1(d)) for such year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements, unless otherwise approved by the Board, audited and certified by independent public accountants of nationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event within thirty (30) days of the end of each month, an unaudited income statement and statement of cash flows for such month, and an unaudited balance sheet and statement of stockholders' equity as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(d) as soon as practicable, but in any event thirty (30) days before the end of each fiscal year, a copy of the Company's annual operating plan for the next fiscal year (collectively, the "**Budget**"), prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company;

(e) with respect to the financial statements called for in Subsection 3.1(a), Subsection 3.1(b) and Subsection 3.1(c), an instrument executed by the chief financial officer and chief executive officer of the Company certifying that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods (except as otherwise set forth in Subsection 3.1(b) and Subsection 3.1(c)) and fairly present the financial condition of the Company and its results of operation for the periods specified therein; and

(f) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Major Investor may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Subsection 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.



If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Subsection 3.1 to the contrary, the Company may cease providing the information set forth in this Subsection 3.1 during the period starting with the date sixty (60) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Subsection 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. At the written request of each Major Investor, the Company shall permit such Major Investor, at such Major Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; provided, however, that the Company shall not be obligated pursuant to this Subsection 3 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Termination of Information Rights. The covenants set forth in Subsections 3.1, and 3.2 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Deemed Liquidation Event (as defined in the Company's Certificate of Incorporation, as amended and/or restated from time to time), whichever occurs first.

3.4 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Subsection 3.4 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Subsection 3.4; (iii) to any existing or prospective Affiliate, partner, member, stockholder, parent or wholly owned subsidiary of such Investor in the ordinary

course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, regulation, rule, court order or subpoena, provided that the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

#### 4. Rights to Future Stock Issuances.

4.1 Right of First Offer. Subject to the terms and conditions of this Subsection 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Major Investor. A Major Investor shall be entitled to apportion the right of first offer hereby granted to it, in such proportions as it deems appropriate, among (i) itself, and (ii) its Affiliates; provided that each such Affiliate agrees to enter into this Agreement and each of the Voting Agreement and Right of First Refusal and Co-Sale Agreement of even date herewith among the Company, the Investors and the other parties named therein, as an “**Investor**” under each such agreement.

(a) The Company shall give notice (the “**Offer Notice**”) to each Major Investor, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Major Investor may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Common Stock then held by such Major Investor (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held by such Major Investor) bears to the total Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Preferred Stock and other Derivative Securities). At the expiration of such twenty (20) day period, the Company shall promptly notify each Major Investor that elects to purchase or acquire all the shares available to it (each, a “**Fully Exercising Investor**”) of any other Major Investor’s failure to do likewise. During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Investor may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which Major Investors were entitled to subscribe but that were not subscribed for by the Major Investors which is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Subsection 4.1(b) shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Subsection 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Subsection 4.1(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Subsection 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Investors in accordance with this Subsection 4.1.

(d) The right of first offer in this Subsection 4.1 shall not be applicable to (i) Exempted Securities (as defined in the Company's Certificate of Incorporation); (ii) shares of Common Stock issued in the IPO; and (iii) the issuance of shares of Preferred Stock pursuant to the Purchase Agreement.

4.2 Termination. The covenants set forth in Subsection 4.1 shall terminate and be of no further force or effect upon the earliest of: (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, and (iii) upon a Deemed Liquidation Event (as defined in the Company's Certificate of Incorporation, as amended and/or restated from time to time).

## 5. Additional Covenants.

5.1 Insurance. The Company shall use its commercially reasonable efforts to obtain, within ninety (90) days of the date hereof, from financially sound and reputable insurers Directors and Officers liability insurance, each in an amount and on terms and conditions satisfactory to the Board of Directors, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board of Directors determines that such insurance should be discontinued.

5.2 Employee Agreements. The Company will cause (i) each person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure and proprietary rights assignment agreement and (ii) each Key Employee to enter into a non-solicitation agreement, substantially in the form approved by the Board of Directors.

5.3 Employee Stock. Unless otherwise approved by the Board of Directors, all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal quarterly installments over the following thirty-six (36) months, and (ii) a market stand-off provision substantially similar to that in Subsection 2.11. In addition, unless

otherwise approved by the Board of Directors, the Company shall retain a “right of first refusal” on employee transfers until the Company’s IPO and shall have the right to repurchase unvested shares at cost upon termination of employment of a holder of restricted stock.

5.4 Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office, the Board of Directors shall meet at least quarterly in accordance with an agreed-upon schedule. The Company shall reimburse the directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company’s travel policy) in connection with attending meetings of the Board of Directors or any committee of the Board of Directors or in connection with any other activities which are required and/or requested and that involve expenses.

5.5 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board of Directors as in effect immediately before such transaction, whether such obligations are contained in the Company’s Bylaws, its Certificate of Incorporation, or elsewhere, as the case may be.

5.6 Indemnification Matters. The Company hereby acknowledges that one (1) or more of the directors nominated to serve on the Board of Directors by the Investors (each a “**Fund Director**”) may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of the Investors and certain of their affiliates (collectively, the “**Fund Indemnitors**”). The Company hereby agrees (a) that it is the indemnitor of first resort (*i.e.*, its obligations to any such Fund Director are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Fund Director are secondary), (b) that it shall be required to advance the full amount of expenses incurred by such Fund Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Fund Director to the extent legally permitted and as required by the Company’s Certificate of Incorporation or Bylaws of the Company (or any agreement between the Company and such Fund Director), without regard to any rights such Fund Director may have against the Fund Indemnitors, and, (c) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of any such Fund Director with respect to any claim for which such Fund Director has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Fund Director against the Company.

5.7 Expenses of Counsel. In the event of a transaction which is a Sale of the Company (as defined in the Voting Agreement of even date herewith among the Investors and the Company), the reasonable fees and disbursements of one counsel for the Major Investors (“**Investor Counsel**”), in their capacities as stockholders, shall be borne and paid by the

Company. At the outset of considering a transaction which, if consummated would constitute a Sale of the Company, the Company shall obtain the ability to share with the Investor Counsel (and such counsel's clients) and shall share the confidential information (including, without limitation, the initial and all subsequent drafts of memoranda of understanding, letters of intent and other transaction documents and related noncompete, employment, consulting and other compensation agreements and plans) pertaining to and memorializing any of the transactions which, individually or when aggregated with others would constitute the Sale of the Company. The Company shall be obligated to share (and cause the Company's counsel and investment bankers to share) such materials when distributed to the Company's executives and/or any one or more of the other parties to such transaction(s). In the event that Investor Counsel deems it appropriate, in its reasonable discretion, to enter into a joint defense agreement or other arrangement to enhance the ability of the parties to protect their communications and other reviewed materials under the attorney client privilege, the Company shall, and shall direct its counsel to, execute and deliver to Investor Counsel and its clients such an agreement in form and substance reasonably acceptable to Investor Counsel. In the event that one or more of the other party or parties to such transactions require the clients of Investor Counsel to enter into a confidentiality agreement and/or joint defense agreement in order to receive such information, then the Company shall share whatever information can be shared without entry into such agreement and shall, at the same time, in good faith work expeditiously to enable Investor Counsel and its clients to negotiate and enter into the appropriate agreement(s) without undue burden to the clients of Investor Counsel.

5.8 Right to Conduct Activities. The Company hereby agrees and acknowledges that each of the Investors is engaged in the business of investing, and as such invests in numerous portfolio companies, some of which may be deemed competitive with the Company's business (as currently conducted or as currently propose to be conducted). The Company hereby agrees that, to the extent permitted under applicable law, no Investor shall be liable to the Company for any claim arising out of, or based upon, (i) the investment by such Investor in any entity competitive with the Company, or (ii) actions taken by any partner, officer or other representative of such Investor to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; provided, however, that the foregoing shall not relieve (x) any of the Investors from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement, or (y) any director or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

5.9 Termination of Covenants. The covenants set forth in this Section 5, except for Subsection 5.5 and Subsection 5.6, shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Deemed Liquidation Event (as defined in the Company's Certificate of Incorporation, as amended and/or restated from time to time), whichever event occurs first.

## 6. Miscellaneous.

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (i) is an Affiliate of a Holder; (ii) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; or (iii) after such transfer, holds at least two percent (2%) shares of Registrable Securities (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations); provided, however, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Subsection 2.11. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided further that all transferees who would not qualify individually for assignment of rights shall as a condition to the applicable transfer, establish a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.2 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware without regard to conflict of law principles that would result in the application of any law other than the law of the State of Delaware.

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal E-SIGN Act of 2000, *e.g.*, [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

### 6.5 Notices.

(a) All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during

normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Subsection 6.5. If notice is given to the Company, a copy shall also be sent to Goodwin Procter LLP, 100 Northern Avenue, Boston, MA 02210, Attention: Richard A. Hoffman and if notice is given to Stockholders, a copy shall also be given to [1 Main Street, Suite 520, Cambridge, MA 02142], Attention: [Owen Hughes].

(b) Consent to Electronic Notice. Each Investor consents to the delivery of any stockholder notice pursuant to the Delaware General Corporation Law (the "DGCL"), as amended or superseded from time to time, by electronic transmission pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address or the facsimile number set forth below such Investor's name on the Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic transmission is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted Electronic Notice shall be ineffective and deemed to not have been given. Each Investor agrees to promptly notify the Company of any change in such stockholder's electronic mail address, and that failure to do so shall not affect the foregoing.

6.6 Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of a majority of the Registrable Securities then outstanding; provided that the Company may in its sole discretion waive compliance with Subsection 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Subsection 2.12(c) shall be deemed to be a waiver); and provided further that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or waiver applies to all Investors in the same fashion (it being agreed that a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to all Investors in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Investors may nonetheless, by agreement with the Company, purchase securities in such transaction). Notwithstanding the foregoing, Schedule A hereto may be amended by the Company from time to time to add transferees of any Registrable Securities in compliance with the terms of this Agreement without the consent of the other parties; and Schedule A hereto may also be amended by the Company after the date of this Agreement without the consent of the other parties to add information regarding any additional Investor who becomes a party to this Agreement in accordance with Subsection 6.9. The Company shall give

prompt notice of any amendment, modification or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, modification, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Subsection 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of Preferred Stock after the date hereof, any purchaser of such shares of Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

6.10 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

6.11 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.



WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

Each party will bear its own costs in respect of any disputes arising under this Agreement. The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled. Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the U.S. District Court for the District of Delaware or any court of the State of Delaware having subject matter jurisdiction.

6.12 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.13 Acknowledgment. The Company acknowledges that the Investors are in the business of venture capital investing and therefore review the business plans and related proprietary information of many enterprises, including enterprises which may have products or services which compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict the Investors from investing or participating in any particular enterprise whether or not such enterprise has products or services which compete with those of the Company.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Investors' Rights Agreement as of the date first written above.

COMPANY:

[*CULLINAN ASSET SUBSIDIARY*]

By: \_\_\_\_\_  
Name:  
Title:

**SIGNATURE PAGE TO INVESTORS' RIGHTS AGREEMENT**

IN WITNESS WHEREOF, the parties have executed this Investors' Rights Agreement as of the date first written above.

INVESTOR:

[CULLINAN ONCOLOGY, LLC]

By: \_\_\_\_\_  
Name: [Owen Hughes]  
Title: [Chief Executive Officer and President]

**SIGNATURE PAGE TO INVESTORS' RIGHTS AGREEMENT**

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**SCHEDULE A**

**Investors**

**Name and Address**

[Cullinan Oncology, LLC  
One Main St., Suite 520  
Cambridge, Massachusetts 02142]

SERVICES AGREEMENT

THIS SERVICES AGREEMENT (the "Agreement") is effective as of [date], by and between [Cullinan Asset Subsidiary], a Delaware corporation ("Technology Company"), and Cullinan Management, Inc., a Delaware corporation ("Service Company").

WHEREAS, Service Company agrees to provide or cause to be provided to Technology Company certain services for Technology Company's business and research and development operations (the "Business") on the terms set forth in this Agreement, including Appendix A attached hereto.

NOW, THEREFORE, subject to the terms, conditions, covenants and provisions of this Agreement, Technology Company and Service Company each mutually covenant and agree as follows:

ARTICLE I  
SERVICES PROVIDED

1.1 Services. Upon the terms and subject to the conditions set forth in this Agreement, Service Company will provide each of those services (hereinafter referred to individually as a "Service", and collectively as the "Services") set forth in Appendix A attached hereto (which is incorporated herein and made a part of this Agreement) to Technology Company, as such Services are needed in the reasonable determination of Service Company during the term of this Agreement.

1.2 Personnel. In providing the Services, Service Company may, as it deems necessary or appropriate, (i) use the personnel of Service Company or any affiliate thereof, and (ii) subject to Section 4.6, employ the services of reputable and qualified third parties.

1.3 Level of Services. The Services will be provided and utilized in good faith and in a reasonable manner by the parties hereto.

1.4 Service Company Access. To the extent reasonably required for personnel of Service Company to perform the Services, Technology Company shall provide personnel of Service Company or its affiliates with any reasonably necessary access during normal business hours (to the extent practicable) to its equipment, office space, plants, telecommunications and computer equipment and systems, and any other areas and equipment.

1.5 Contracts. Technology Company hereby appoints Service Company to act as its agent or (sub)contractor with respect to the execution of contracts, agreements and other written arrangements in furtherance of the Services (each a "Contract" and collectively, the "Contracts") and Service Company hereby accepts such appointment. Service Company shall serve as an agent or (sub)contractor of Technology Company until such time as Technology Company revokes such appointment by written notice to the Service Company. Upon written request from Technology Company, Service Company hereby agrees to, and shall, assign, transfer and convey to Technology Company, now and in the future, all of Service Company's rights, title and interests in, to and under any Contract to ensure that all such rights, title and interests in, to and under any Contract inure to the benefit of Technology Company. Notwithstanding anything to the contrary contained in this Agreement, this Agreement shall not constitute an agreement to assign any Contract if an attempted assignment thereof, without consent of a third party thereto, would constitute a breach or other contravention thereof or in any way adversely affect the rights of Technology Company or Service Company thereunder. In such a circumstance, Service Company shall use commercially reasonable efforts to obtain the consent of the other parties to any such Contract for the assignment thereof to Technology Company or an affiliate or third party designated by Technology Company. Unless and until such consent is obtained, or if an attempted assignment thereof would be ineffective or would adversely affect the rights of Technology Company thereunder so that Technology Company would not in fact receive all rights under such Contract, Service Company and

Technology Company will cooperate in an arrangement under which Technology Company would obtain the benefits and assume the obligations thereunder, including subcontracting, sub-licensing, or subleasing to Technology Company, or under which Service Company would enforce, at Technology Company's expense, for the benefit of Technology Company, with Technology Company assuming at Technology Company's expense Service Company's obligations, any and all rights of Service Company against a third party thereto. Service Company will promptly pay to Technology Company when received all monies received by Service Company under any such Contracts, and Technology Company shall pay, defend, discharge and perform all liabilities under such Contracts.

## ARTICLE II COMPENSATION

2.1 Invoices/Payment. At the end of each calendar month during the term hereof, Service Company, and/or its affiliates, will submit a single itemized invoice to Technology Company for all Services provided to Technology Company during the calendar month just ended in accordance with the pricing of such Services set forth on Appendix A. Payment of all undisputed invoiced amounts shall be made by check or electronic funds transmission in U.S. Dollars within sixty (60) days of the invoice date unless otherwise agreed to by the parties. All payments shall be made to the account designated by Service Company. Any undisputed amounts that are not paid when due, at Service Company's discretion, may bear interest from and after the date on which such invoice first became overdue at an annual rate equal to five percent (5%).

## ARTICLE III CONFIDENTIALITY

3.1 Confidential Information. All information that is disclosed or provided by one party (the "Disclosing Party") to the other party (the "Recipient") pursuant to this Agreement, whether in oral, written, graphic, electronic, or any other form, shall be the "Confidential Information" of the Disclosing Party, except that all deliverables or results of Services (including, without limitation, all Inventions (as defined below)), except as provided in Section 4.3, shall be deemed the Confidential Information of Technology Company. Except to the extent expressly authorized by this Agreement or by the Disclosing Party in writing, during the term of this Agreement and for ten (10) years thereafter, the Recipient shall maintain in strict trust and confidence and shall not disclose to any third party or use for any purpose other than as provided for in this Agreement any Confidential Information of the Disclosing Party. Service Company may use Technology Company's Confidential Information only to the extent required to perform the Services, and for no other purpose. Each Recipient agrees that it shall not use the Disclosing Party's Confidential Information for any purpose or in any manner that would constitute a violation of applicable laws.

3.2 Exceptions. The obligations of confidentiality and nonuse set forth in Section 3.1 shall not apply to any specific portion of information that the Recipient can demonstrate by competent written proof: (a) is in the public domain or comes into the public domain through no fault of the Recipient; (b) is furnished to the Recipient by a third party rightfully in possession of such information and not subject to a duty of confidentiality with respect thereto; (c) is already known by the Recipient at the time of receiving such Confidential Information from the Disclosing Party as evidenced by the Recipient's prior written records; or (d) is independently developed by the Recipient without access to the Disclosing Party's Confidential Information.

3.3 Authorized Disclosure. Notwithstanding the foregoing in this ARTICLE III, the Recipient may disclose certain Confidential Information of the Disclosing Party to the extent such disclosure is required by law or regulation, or pursuant to a valid order of a court or other governmental body having jurisdiction, provided that the Recipient provides the Disclosing Party with reasonable prior

written notice of such disclosure and reasonable assistance in obtaining a protective order or confidential treatment preventing or limiting the disclosure and/or requiring that the Confidential Information so disclosed be used only for the purposes for which the law or regulation required, or for which the order was issued.

3.4 Return of Confidential Information. Upon termination of this Agreement, or upon written request of the Disclosing Party, the Recipient shall promptly return to the Disclosing Party or destroy all documents, notes and other tangible materials representing the Disclosing Party's Confidential Information and all copies thereof; provided, however, that each party may retain a single archival copy of the other party's Confidential Information for the sole purpose of facilitating compliance with the surviving provisions of this Agreement.

3.5 Injunctive Relief. The parties expressly acknowledge and agree that any breach or threatened breach of ARTICLE III or ARTICLE IV may cause immediate and irreparable harm to the non-breaching party that may not be adequately compensated by damages. Each party therefore agrees that in the event of such breach or threatened breach and in addition to any remedies available at law, the non-breaching party shall have the right to seek equitable and injunctive relief, without bond, in connection with such a breach or threatened breach.

#### ARTICLE IV INTELLECTUAL PROPERTY

4.1 Inventions and Assignment. Except as provided in Section 4.2, any materials, data, processes, documents, deliverables, results, information (including Confidential Information), discoveries, inventions, know-how and the like conceived, created, developed or generated by or on behalf of Service Company during the course of, and as a direct result of, performing the Services, whether or not patentable, and all related patent, copyright and other intellectual property rights in any of the foregoing (collectively the "Inventions") shall be the sole and exclusive property of Technology Company. Service Company hereby assigns, and to the extent it cannot presently assign, agrees to assign and shall use commercially reasonable efforts to obtain the right to assign, to Technology Company all of Service Company's worldwide right, title and interest in and to such Inventions. Service Company shall assist Technology Company in securing for Technology Company any patents, copyrights or other proprietary rights in such Inventions, and shall take such actions and execute such documents as Technology Company may reasonably request in connection with providing such assistance or otherwise to vest in Technology Company all right, title and interest in and to such Inventions, including without limitation any and all applications, assignments or other instruments. Service Company shall be compensated for all of its reasonable out-of-pocket costs and expenses associated with such requested assistance. To the extent Inventions cannot be assigned to Technology Company under this ARTICLE IV, Service Company hereby grants to Technology Company an exclusive, perpetual, irrevocable, transferable, royalty-free, fully paid-up, worldwide license, with the right to grant sublicenses, under such Inventions for any and all purposes.

4.2 Service Company IP. Any (i) processes or process improvements conceived, created, developed or generated by Service Company related to Service Company's pre-existing technology that are general in nature and are not unique or specific to [*description of Cullinan Asset Subsidiary's technology*] performed for Technology Company, and (ii) pre-existing patents, know-how or other technology or information owned or controlled by Service Company prior to the effective date of this Agreement and that are incorporated into or embodied in any Inventions or deliverables or results provided by Service Company under this Agreement ("Service Company IP") will be owned by Service Company. For clarity, Service Company IP shall not include any such technology, patents, know-how or information which has been assigned or exclusively licensed to Technology Company or any other person or entity. Service Company hereby grants to Technology Company a perpetual, irrevocable, non-

exclusive, worldwide, royalty-free, fully paid-up license (with a right to grant sublicenses) under Service Company's right, title and interest in and to the Service Company IP solely to the extent necessary for Technology Company to utilize the Inventions and the other deliverables or results of Services for any purpose. The foregoing license may be sublicensed by Technology Company in connection with the transfer by Technology Company of the ownership of, or any rights in or to, the deliverables, results or Inventions to which the license relates.

4.3 Technology Company Technology. Technology Company hereby grants to Service Company a revocable, nonexclusive, non-transferable, worldwide, royalty-free, fully paid-up, worldwide license (with the right to grant sublicenses) for the term of this Agreement, under all materials, data, processes, documents, information, discoveries, inventions, know-how and the like and all patent, copyright and other intellectual property rights, in each case, owned or controlled by Technology Company solely as necessary to perform the Services.

4.4 No Other License Grant. Except as expressly set forth in this Agreement, nothing in this Agreement, nor the delivery of any information or materials to Service Company by Technology Company (or any third party acting on its behalf) in connection with Service Company's performance of Services under this Agreement shall be deemed to grant to either party any right or license under any patents, patent applications, know-how, technology, inventions or other intellectual property of the other party. Notwithstanding anything in this Agreement to the contrary, Technology Company shall own all right, title and interest in and to all inventions, know-how, information and materials, and all related intellectual property rights, that arise from Technology Company's use of Inventions and the other deliverables and results of Services.

4.5 Third Party Intellectual Property. Service Company will not knowingly utilize in the performance of Services under this Agreement or incorporate into any deliverable or materials or any other results of the Services provided to Technology Company any technology or materials covered by proprietary rights of a third party unless Service Company is freely permitted to utilize or incorporate such technology or materials and Technology Company is freely permitted to use such work, deliverable or materials or any other results of the Services without further compensation by Service Company or Technology Company to any third party.

4.6 Subcontractors and Use of Third Party Facilities. Service Company will ensure that its agreement with any permitted subcontractor includes the assignment of any and all Inventions to (1) Technology Company or (2) Service Company with the right of further transfer to Technology Company; provided, however, that Service Company may (A) grant customary carve outs relating to inventions that are conceived, created, developed or generated in connection with the performance of any subcontracted activities and are solely improvements to the subcontractor's background intellectual property rights; or (B) enter into agreements with academic collaborators or non-profit institutions on customary terms (that at a minimum grant to Technology Company, or Service Company with the right of further transfer to Technology Company, (i) a non-exclusive license, and (ii) an exclusive option or exclusive license, in each case ((i) and (ii)) to all inventions conceived, created, developed or generated in connection with the performance of any subcontracted activities). Service Company will not make any use of any funds, space, personnel, facilities, equipment or other resources of a third party in performing Services, or take any other action, that would result in a third party owning or having a right in the results of Services or Inventions, unless agreed upon in writing in advance by Technology Company.

## ARTICLE V TERM

5.1 Term. This Agreement shall become effective on the date hereof and shall remain in force until Service Company, in its sole discretion, terminates the Agreement. The date that Service Company provides written notice of such termination to Technology Company, is referred to as the "Termination Date."



5.2 Termination of Obligations. Technology Company agrees and acknowledges that all obligations of Service Company to provide each Service to Technology Company shall immediately cease at the end of the day on the Termination Date.

5.3 Effects; Survival of Certain Obligations. In the event of termination of this Agreement in accordance with the terms hereof, this Agreement shall immediately become null and void and have no effect, and none of the parties shall have any liability of any nature whatsoever hereunder, or in connection with the transactions contemplated hereby, except that Article III, Section 4.1, this Section 5.3, Article VI, and all other obligations of the parties specifically intended to be performed or survive after the termination of this Agreement shall survive any termination of this Agreement. All obligations of Technology Company and Service Company under this Agreement that arose prior to its termination and that have not been fully performed in accordance with the terms of this Agreement prior to such termination shall survive any such termination of this Agreement.

ARTICLE VI  
MISCELLANEOUS

6.1 Notices. All notices, requests, demands, claims and other communications which are required or may be given under this Agreement will be in writing and will be deemed to have been duly given when received if personally delivered; the business day after it is sent, if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); five business days after the date mailed by certified or registered mail, postage prepaid, if sent by certified or registered mail, return receipt requested. In each case notice will be sent to:

If to Service Company, to:

Cullinan Management, Inc.  
One Main St., Suite 520  
Cambridge, Massachusetts 02142  
Attention:

If to Technology Company, to:

[*Cullinan Asset Subsidiary*].  
One Main St., Suite 520  
Cambridge, Massachusetts 02142  
Attention:

or to such other place and with such other copies as each of Service Company or Technology Company may designate as to itself by written notice to the other (in accordance with this Section 6.1).

6.2 Entire Agreement. This Agreement, together with any schedules and exhibits hereto, Exhibits and the other agreements referred to therein, and any documents executed by the parties simultaneously herewith, pursuant thereto, or referenced herein, comprises the entire agreement of the parties, and all promises, representations, understandings, warranties and agreements with reference to the subject matter hereof, and all inducements to the making of this Agreement relied upon by all the parties hereto, have been expressed herein, Exhibits and other agreements referred to therein and this Agreement, together with the Exhibits and the other agreements referred to therein, supersedes any prior understandings, negotiations, agreements or representations by or among the parties, written or oral, to the extent they related in any way to the subject matter hereof or thereof. Neither this Agreement nor any of the terms or provisions hereof is binding upon or enforceable against any party hereto unless and until the same is executed and delivered by all of the parties hereto.

6.3 Relationship of Parties. Nothing in this Agreement is intended or should be construed to create a partnership, joint venture, or employer-employee relationship between Technology Company and Service Company or any of Service Company's employees or agents.

6.4 Force Majeure. No party shall bear any responsibility or liability for any damages arising out of any delay, inability to perform or interruption of its performance of its obligations under this Agreement due to any acts or omissions of the other party hereto or for events beyond its reasonable control including, without limitation, acts of God, acts of governmental authorities, acts of terrorism, acts of a public enemy, acts of civil or military authority including governmental priorities, or due to war, riot, fire, flood, civil commotion, insurrection, lack of or shortage of electrical power, or any other cause beyond the reasonable control of such party.

6.5 Assignment. Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other parties; provided, that a party may, without obtaining the prior written consent of the other party, assign any of its rights, or delegate any of its obligations under this Agreement to any Affiliate or in connection with the sale of all or substantially all of its assets to which this Agreement relates (whether by sale, merger, reorganization, consolidation or otherwise).

6.6 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced as a result of any rule of law or public policy, all other terms and other provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto will negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

6.7 Interpretation. In this Agreement, except to the extent otherwise provided or that the context otherwise requires: (a) references made in this Agreement to an Section, Exhibit or Schedule are references to an Section, Exhibit, or Schedule of this Agreement; (b) all Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth herein; (c) the headings in this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement; (d) whenever the words "include," "includes" or "including" are used in this Agreement, they are deemed to be followed by the words "without limitation"; (e) the words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement; (f) all terms defined in this Agreement have the defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein; (g) the following general rules apply: the singular number will include the plural, and vice versa; the masculine gender will include the feminine and neuter genders; the feminine gender will include the masculine and neuter genders; and the neuter gender will include the masculine and feminine genders; (h) any Law defined or referred to herein or in any agreement or instrument that is referred to herein shall include any modification, amendment or re-enactment thereof, and any Law substituted therefore, in each case as of the time of inquiry, representation or covenant and all rules, regulations and statutory instruments issued or related to such Law; (i) any reference to a governmental authority shall be deemed also to refer to any successor thereto unless the context requires otherwise; (j) a reference to any agreement (including this Agreement), or contract is, unless otherwise specified, to the agreement, contract, statute or regulation as amended, modified, supplemented or replaced at the time of inquiry, representation or covenant; (k) no prior draft of this Agreement nor any course of performance or course of dealing will be used in the interpretation or construction of this Agreement; (l) although the same or similar subject matters may be addressed in different provisions of this Agreement, the parties intend that, except as reasonably apparent on the face of the Agreement or as expressly provided in this Agreement, each such provision will be read separately,

be given independent significance and not be construed as limiting any other provision of this Agreement (whether or not more general or more specific in scope, substance or content); (m) the use of “or” is not intended to be exclusive unless expressly indicated otherwise; and (n) all references to monetary amounts in this Agreement refer to U.S. dollars.

6.8 Choice of Law. This Agreement (and any claim or controversy arising out of or relating to this Agreement) will be governed by the Law of the Commonwealth of Massachusetts without giving effect to any choice of law or conflict of law provision or rule (whether of the Commonwealth of Massachusetts or any other jurisdictions) that would cause application of the Laws of any jurisdiction other than the Commonwealth of Massachusetts.

6.9 Miscellaneous. All covenants and agreements and other provisions set forth in this Agreement and made by or on behalf of any of the parties hereto will bind, and inure to the benefit of, the successors (including any successor by merger, sale, reorganization, consolidation or division), heirs and permitted assigns of such party. This Agreement may be executed in two or more counterparts, each of which when executed will be deemed an original and all of which together will constitute one and the same instrument. The Parties agree that this Agreement will be legally binding upon the electronic transmission, including by facsimile or email, by each party of a signed signature page to this Agreement to the other party.

6.10 Waiver and Amendment. No provision of this Agreement may be waived or amended except in a written instrument signed by the party against whom enforcement of any such amendment or waiver is sought. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

**[Remainder of Page Intentionally Left Blank.]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

**CULLINAN MANAGEMENT, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**[*CULLINAN ASSET SUBSIDIARY*]**

By: \_\_\_\_\_  
Name:  
Title:

**SERVICES AGREEMENT SIGNATURE PAGE**

## APPENDIX A: SERVICES

### **I. CASH**

Service Company shall collect all cash receipts and other working capital receipts for account of Technology Company and use such cash to fund payroll and A/P functions on behalf of Technology Company.

### **II. A/P**

Service Company shall maintain A/P management functions including record-keeping. Service Company shall administer Form 1099s, where necessary, for payments made by Service Company as part of Services. Service Company shall process A/P in accordance with its normal payment terms, generally thirty (30) days.

### **III. RESEARCH AND DEVELOPMENT**

Service Company shall perform, on behalf of Technology Company, support services related to Technology Company's program related to [description of Cullinan Asset Subsidiary's program] (the "Business"). For avoidance of doubt, and in consideration of the amounts paid under the Services Agreement, all services related to and associated with the Business performed by Service Company are for and on behalf of Technology Company.

### **IV. ACCOUNTING SERVICES**

Service Company shall maintain general accounting support with financial reporting in accordance with U.S. generally accepted accounting principles. Service Company shall maintain adequate accounting records for all Technology Company activity and will use commercially reasonable efforts to maintain Technology Company's administrative and tax compliance.

### **V. OTHER SERVICES**

Service Company shall allow Technology Company to use without limitation receptionists, photocopiers, telephones, and office equipment, as necessary. Further, Technology Company shall permit Service Company to perform such other services and operations related to Technology Company's business.

### **VI. PRICING**

#### **A. Services**

Service Company employees will devote a portion of their time to performing Service Company's obligations under the Agreement, such portion to be determined in the discretion of the Service Company. On a quarterly basis, Service Company shall provide Technology Company with an updated schedule setting forth such amounts, in substantially the form attached hereto as Exhibit A (the "Schedule"). As consideration for the Services, Technology Company shall reimburse Service Company for the portions of the salaries and benefits for the individuals employed by Service Company providing services pursuant to this Agreement as listed on the Schedule. Technology Company agrees to comply with the reimbursement for such salaries and benefits incurred in providing Services to Technology Company prior to the effective date of this Agreement, with such accrual beginning on [date of formation of Cullinan Asset Subsidiary], as set forth on the Schedule and to the extent requested by Services Company.

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B. Out-of-Pocket Expenses

Service Company shall invoice Technology Company for all reasonable direct expenses incurred or paid by Service Company, prior to or after the effective date of this Agreement, with such accrual beginning on [*date of formation of Cullinan Asset Subsidiary*], in the performance of the Services under the Agreement without any mark-up.

**ROYALTY TRANSFER AGREEMENT**

This Royalty Transfer Agreement (the “Agreement”) is made and entered into on [date] (the “Effective Date”), by and between [Cullinan Asset Subsidiary], a Delaware corporation (the “Company”), MPM Oncology Charitable Foundation, Inc., a Massachusetts charitable foundation (the “MPM Charitable Foundation”) and the UBS Optimus Foundation, a Swiss charitable foundation (“Optimus,” and together with the MPM Charitable Foundation, each a “Charitable Foundation” and together the “Charitable Foundations”).

**WHEREAS**, certain investors of the Company have requested that the Company enter into this Agreement providing for the transfer of 1.0% of Net Sales on the terms and conditions outlined below; and

**WHEREAS**, the Company is willing to enter into this Agreement in connection with such request.

**NOW, THEREFORE**, the Company, the MPM Charitable Foundation and Optimus agree as follows:

**Section 1: Definitions**

Definitions. The following terms, as used herein, have the following meanings:

“**Affiliate**” shall mean any legal entity (such as a corporation, partnership, limited liability company, etc.) that is directly or indirectly controlled by, or is under common control with, the Company. For the purposes of this definition, “control” shall mean direct or indirect (i) beneficial ownership of at least 50% of the voting securities of a legal entity, or (ii) a 50% or greater interest in the net assets or profits of a legal entity.

“**Bad Debt**” shall mean any amounts booked as such on the Company’s financial statements, prepared in accordance with GAAP.

“**Company IP**” shall mean (a) any invention and/or (b) any patents and/or patent applications in each case which is in whole or in part developed by, or otherwise becomes owned or controlled by, the Company.

“**Company Products**” shall mean any product developed or owned by the Company requiring pre-market regulatory approval, provided that any product developed or owned by the Company that references, practices or incorporates, or (if such intellectual property was not owned or controlled by the Company), would infringe, only Post-IPO IP shall not be deemed a “Company Product” hereunder. Further, notwithstanding anything to the contrary herein, for the avoidance of doubt, Company Products shall not include any products that are discovered, developed, manufactured and/or commercialized by or on behalf of, or are covered by intellectual property (whether or not patentable) of, any person or entity that is an acquiror or merger partner of Company, becomes an Affiliate or successor of the Company by reason of any transaction in connection with the sale of all or substantially all of the stock and/or assets of the Company related to such product (such transaction, an “Acquisition”), or an assignee of this Agreement in

connection with any of the aforementioned transactions, provided that the discovery, development, manufacture and/or commercialization of such product are performed without use of Pre-Acquisition IP.

“**End of the Year**” shall mean December 31 of a given calendar year.

“**Licensee**” shall mean any party that is not an Affiliate that has been granted a license to the applicable Company Product(s).

“**Net Sales**” means, with respect to a Company Product, the gross amounts invoiced in arm’s length transactions by the Company or its Affiliates or Licensees to third parties for sales of such Company Product, less good faith estimates of the following deductions to the extent specifically relating to sales of such Company Product, which will be adjusted to reflect actual deductions on a periodic basis (no less frequently than annually):

- a) discounts (including trade, quantity, and cash discounts) actually allowed, cash and non-cash coupons, and retroactive price reductions (including to governmental entities or agencies, purchasers, reimbursers, customers, distributors, wholesalers, and group purchasing and managed care organizations or entities (and other similar entities and institutions);
- b) credits or allowances, if any, on account of price adjustments, recalls, claims, damaged goods, rejections or returns of items previously sold (including Company Products returned in connection with recalls or withdrawals) and amounts written off by reason of Bad Debt; provided, that if the debt is thereafter paid, the corresponding amount will be added to the Net Sales of the period during which it is paid;
- c) rebates (or their equivalent), administrative fees, and any other similar allowances granted or paid by Company, its Affiliates or Licensees (including to governmental authorities, purchasers, reimbursers, customers, distributors, wholesalers, and managed care organizations and entities (and other similar entities and institutions) that effectively reduce the selling price or gross sales of the Company Product;
- d) insurance, customs charges, freight, postage, shipping, handling, and other transportation costs incurred by Company, its Affiliates or Licensees in shipping Company Products;
- e) to the extent not already deducted or excluded from the gross amounts invoiced, import taxes, export taxes, excise taxes, sales taxes, value-added taxes, consumption taxes, duties or other taxes levied on, absorbed, determined, and/or imposed with respect to such sales, including pharmaceutical excise taxes (such as those imposed by the United States Patient Protection and Affordable Care Act of 2010 (Pub. L. No. 111-48) and other comparable laws), but excluding income or net profit taxes or franchise taxes of any kind; and
- f) other similar or customary deductions taken in the ordinary course of business in accordance with GAAP.



Net Sales will be determined in accordance with GAAP except that GAAP compliance will not be required with respect to the deduction of pharmaceutical excise taxes described in clause (e) above. Net Sales will not be imputed to transfers of Company Products for use in clinical trials, non-clinical development activities, or other development activities that might be required by regulatory authorities with respect to Company Products, for bona fide charitable purposes, for compassionate use, for indigent patient programs, or as free samples.

Notwithstanding the foregoing, in the event a Company Product contains another active ingredient that is not a Company Product itself, which Company Product is sold as a unit at a single price either as a fixed dosage form or as separate dosage forms (such Company Product, a “**Combination Product**”), Net Sales of such Company Product for a particular country for the purpose of determining royalties due hereunder shall be calculated by the Company using commercially reasonable accounting practices.

“**Post-IPO IP**” shall mean Company IP that (a) was discovered or developed or (b) has a priority date (in the case of a patent or patent application) after the effective date of the registration statement with respect to an initial public offering of the Company’s common stock pursuant to an effective registration statement under the Securities Act of 1933.

“**Pre-Acquisition IP**” shall mean Company IP that (a) was discovered or developed or (b) has a priority date (in the case of a patent or patent application) prior to the closing of an Acquisition of the Company.

## **Section 2: Payments/Termination**

2.1 Payments to MPM Charitable Foundation. Within 120 days of the End of the Year, the Company agrees to pay to the MPM Charitable Foundation 0.5% of all global Net Sales of any Company Products received by the Company, its Licensees or its Affiliates during the prior calendar year. The Company’s payment obligations to the MPM Charitable Foundation under this Section 2.1 shall terminate immediately upon the authorization by the board of directors (or similar governing body) of the MPM Charitable Foundation or the winding up or dissolution of the MPM Charitable Foundation, or earlier as provided in Section 2.3.

2.2 Payments to Optimus. Within 120 days of the End of the Year, the Company agrees to pay to Optimus 0.5% of all global Net Sales of any Company Products received by the Company, its Licensees or its Affiliates during the prior calendar year. The Company’s payment obligations to Optimus under this Section 2.2 shall terminate immediately upon the expiration or termination of the Contribution Agreement relating to the Quality and Access Initiative for Health in Resource Poor Settings between Optimus and Oncology Impact Fund (Cayman) Management L.P. (“OIF Management”), or earlier as provided in Section 2.3.

2.3 Termination/Step-Down. Notwithstanding the foregoing, Company’s obligation to pay royalties under Sections 2.1 and 2.2 for a Company Product shall terminate on a country-by-country basis upon the later of (i) the date that is the twelfth (12<sup>th</sup>) anniversary of the first commercial sale of that Company Product in such country, and (ii) the expiration of the last to

expire issued patent claim of any Pre-Acquisition IP (other than Post-IPO IP) covering the composition or use of such Company Product in such country (the "Royalty Term"). If the Royalty Term pursuant to clause (i) of this Section 2.3 exceeds the Royalty Term pursuant to clause (ii), the royalty rates under Sections 2.1 and 2.2 shall each be reduced by fifty percent (50%) for the remainder of the Royalty Term, such that the new royalty rates under Section 2.1 and 2.2 shall be 0.25% each for the remainder of the Royalty Term. If MPM Oncology Impact Management GP, LP ceases for any reason to serve as the general partner for OIF Management, then this Agreement shall terminate immediately.

2.4 Currency of Payments. All payments under this Agreement shall be paid in U.S. dollars by wire transfer to an account designated by the receiving party (which account the receiving party may update from time to time in writing).

2.5 Currency; Withholding Tax Matters. In the event that any of the payments made by the Company under this Agreement become subject to withholding taxes under the laws of any jurisdiction, the Company shall deduct and withhold the amount of such taxes for the account of the applicable Charitable Foundation to the extent required by law, such payment to the applicable Charitable Foundation shall be reduced by the amount of taxes deducted and withheld, and the Company shall pay the amount of such taxes to the proper governmental authority in a timely manner. Any such withholding taxes required under applicable law to be paid or withheld shall be an expense of, and borne solely by, the applicable Charitable Foundation.

2.6 Confidentiality. All information regarding Net Sales and other information disclosed by or on behalf of the Company under this Agreement shall be deemed to be the confidential information of the Company, and each Charitable Foundation shall not use such information for any purpose or disclose such information to any third party, in each case during or after the term of this Agreement.

### **Section 3: Miscellaneous**

3.1 Binding Agreement and Assignment. This Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns. The Company may not transfer, assign or sell any rights to commercialize any Company Products (other than to trade customers) without securing from the transferee, assignee or acquirer, as the case may be, an acknowledgement of its continuing obligations under this Agreement. The Charitable Foundations may not assign any of their rights or obligations under this Agreement to any individual or entity without the express written prior consent of the Company.

3.2 Entire Agreement, Headings, and Modification. This Agreement contains the entire understandings of the parties with respect to the subject matter herein, and supersedes all previous agreements (whether oral or written), negotiations, and discussions among the parties with respect to such subject matter. The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any provision hereof. Any modifications or amendments to this Agreement must be made in writing and signed by all parties.

3.3 Choice of Law. This Agreement shall be construed, governed, interpreted, and applied in accordance with the laws of the Commonwealth of Massachusetts, exclusive of its conflicts of law provisions. Any unresolved controversy or claim arising out of or relating to this Agreement shall be submitted to arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within 30 days after names of potential arbitrators have been proposed by the American Arbitration Association (the “AAA”), then by one arbitrator having reasonable experience in licensing and royalty transactions who is chosen by the AAA. The arbitration shall take place in Boston, Massachusetts, in accordance with the AAA rules then in effect, and judgment upon any award rendered in such arbitration will be binding and may be entered in any court having jurisdiction thereof.

3.4 Waiver. The waiver by any party of the breach of any covenant or provision in this Agreement shall not operate or be construed as a waiver of any subsequent breach by such party.

3.5 Severability. In the event a court of competent jurisdiction declares any term or provision of this Agreement to be invalid or unenforceable for any reason, this Agreement will remain in full force and effect, and either: (a) the invalid or unenforceable provision(s) will be modified to the minimum extent necessary to make such provision(s) valid and enforceable; or (b) if such a modification is not possible, this Agreement will be interpreted as if such invalid or unenforceable provision(s) were not a part of this Agreement.

3.6 Counterparts. This Agreement may be executed in any number of counterparts, all of which will constitute one and the same instrument, and will be an original of this Agreement.

*(The remainder of this page is intentionally left blank. The signature pages follow.)*

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto through their duly authorized officers as of the Effective Date.

**[*Cullinan Asset Subsidiary*]**

By: \_\_\_\_\_  
Name:  
Title:

[Royalty Transfer Agreement]

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**MPM ONCOLOGY CHARITABLE FOUNDATION,  
INC.**

By: \_\_\_\_\_  
Name:  
Title:

**UBS OPTIMUS FOUNDATION**

By: \_\_\_\_\_  
Name:  
Title:

And

By: \_\_\_\_\_  
Name:  
Title:

[Royalty Transfer Agreement]

## CULLINAN MANAGEMENT, INC.

## NON-EMPLOYEE DIRECTOR COMPENSATION POLICY

The purpose of this Non-Employee Director Compensation Policy (the “Policy”) of Cullinan Management, Inc. (the “Company”) is to provide a total compensation package that enables the Company to attract and retain, on a long-term basis, high-caliber directors who are not employees or officers of the Company or its subsidiaries (“Outside Directors”). This Policy will become effective as of the effective time of the registration statement for the Company’s initial public offering of equity securities (the “Effective Date”). In furtherance of the purpose stated above, all Outside Directors shall be paid compensation for services provided to the Company as set forth below:

**Cash Retainers**

Annual Retainer for Board Membership: \$35,000 for general availability and participation in meetings and conference calls of our Board of Directors, to be paid quarterly in arrears, pro-rated based on the number of actual days served by the director during such calendar quarter. No additional compensation will be paid for attending individual meetings of the Board of Directors.

<u>Additional Annual Retainer for Non-Executive Chair:</u>	\$30,000
<u>Additional Annual Retainers for Committee Membership:</u>	
Audit Committee Chair:	\$15,000
Audit Committee member:	\$ 7,500
Compensation Committee Chair:	\$10,000
Compensation Committee member:	\$ 5,000
Nominating and Corporate Governance Committee Chair:	\$ 8,000
Nominating and Corporate Governance Committee member:	\$ 4,000

Chair and committee member retainers are in addition to retainers for members of the Board of Directors. No additional compensation will be paid for attending individual committee meetings of the Board of Directors.

**Equity Retainers**

Initial Award: An initial, one-time stock option award (the “Initial Award”) with a Value (as defined below) of \$250,000 will be granted to each new Outside Director upon his or her election to the Board of Directors, which shall vest with respect to one-third (1/3) of the shares subject to such Initial Award on the first anniversary of the date of grant, with the remainder vesting thereafter in 24 equal monthly installments, provided, however, that all vesting shall

cease if the director resigns from the Board of Directors or otherwise ceases to serve as a director of the Company, unless the Board of Directors determines that the circumstances warrant continuation of vesting. The Initial Award shall expire ten years from the date of grant, and shall have a per share exercise price equal to the Fair Market Value (as defined in the Company's 2021 Stock Option and Incentive Plan) of the Company's common stock on the date of grant. This Initial Award applies only to Outside Directors who are first elected to the Board of Directors subsequent to the Effective Date.

**Annual Award:** On each date of each Annual Meeting of Stockholders of the Company following the Effective Date (the "Annual Meeting"), each continuing Outside Director, other than a director receiving an Initial Award, will receive an annual stock option award (the "Annual Award") with a Value of \$150,000, which shall vest in full upon the earlier of (i) the first anniversary of the date of grant or (ii) the date of the next Annual Meeting; provided, however, that all vesting shall cease if the director resigns from the Board of Directors or otherwise ceases to serve as a director of the Company, unless the Board of Directors determines that the circumstances warrant continuation of vesting. Such Annual Award shall expire ten years from the date of grant, and shall have a per share exercise price equal to the Fair Market Value (as defined in the Company's 2021 Stock Option and Incentive Plan) of the Company's common stock on the date of grant.

**Value:** For purposes of this Policy, "Value" means with respect to any stock option award, the grant date fair value of the option (i.e., Black-Scholes Value) determined in accordance with the reasonable assumptions and methodologies employed by the Company for calculating the fair value of options under Financial Accounting Standard Board ("FASB") Accounting Standards Codification ("ASC") Topic 718.

**Sale Event Acceleration:** All outstanding Initial Awards and Annual Awards held by an Outside Director shall become fully vested and exercisable or nonforfeitable upon a Sale Event (as defined in the Company's 2021 Stock Option and Incentive Plan).

### **Expenses**

The Company will reimburse all reasonable out-of-pocket expenses incurred by non-employee directors in attending meetings of the Board of Directors or any committee thereof.

### **Maximum Annual Compensation**

The aggregate amount of compensation, including both equity compensation and cash compensation, paid by the Company to any Outside Director in a calendar year for services as an Outside Director period shall not exceed \$500,000; provided, however, that such amount shall be \$750,000 for the calendar year in which the applicable Outside Director is initially elected or appointed to the Board of Directors; (or such other limits as may be set forth in Section 3(b) of the Company's 2021 Stock Option and Incentive Plan or any similar provision of a successor plan). For this purpose, the "amount" of equity compensation paid in a calendar year shall be determined based on the grant date fair value thereof, as determined in accordance with FASB ASC Topic 718 or its successor provision, but excluding the impact of estimated forfeitures related to service-based vesting conditions.





**Consent of Independent Registered Public Accounting Firm**

The Board of Directors  
Cullinan Oncology, LLC:

We consent to the use of our report included herein and to the reference to our firm under the heading “Experts” in the prospectus.

/s/ KPMG LLP

Boston, Massachusetts  
December 18, 2020

## SUBSIDIARIES

<u>Subsidiary</u>	<u>Jurisdiction of Organization</u>
Cullinan Amber Corp.	Delaware
Cullinan Mica Corp.	Delaware
Cullinan Florentine Corp.	Delaware
Cullinan Pearl Corp.	Delaware
Cullinan Apollo Corp.	Delaware
Cullinan Management, Inc.	Delaware