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As Confidentially Submitted to the Securities and Exchange Commission on April 7, 2020, pursuant to the Jumpstart Our Business Startups Act of 2012
Registration No. 333-

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

Confidential Draft
Submission No. 2
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

KIROMIC BIOPHARMA, INC.
(Exact name of registrant as specified in its charter)

Delaware	2836	46-4762913
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

7707 Fannin, Suite 140
Houston, TX 77054
(832) 968-4888
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Maurizio Chiriva Internati, DBSc., Ph.Ds.
Chief Executive Officer
7707 Fannin, Suite 140
Houston, TX 77054
(832) 968-4888
(Names, address, including zip code, and telephone number, including area code, of agent for service)

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New York, NY, 10020
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Approximate date of commencement of proposed sale to public: From time to time after this Registration Statement becomes effective.

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

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

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

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

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

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

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

CALCULATION OF REGISTRATION FEE

	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee
Common Stock, $0.001 par value per share	$ 20,000,000	$ 2,596

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) under the Securities Act.
(2) Includes initial public offering price of shares that the underwriters have the option to purchase to cover over-allotments, if any.

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

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The information contained in this preliminary prospectus is not complete and may be changed. These securities may not be sold 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 it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS **SUBJECT TO COMPLETION** **DATED APRIL 07, 2020**

Shares

Common Stock

Kiromic BioPharma, Inc.

This is a firm commitment initial public offering of shares of common stock of Kiromic BioPharma, Inc. Prior to this offering, there has been no public market for our common stock. We anticipate that the initial public offering price of our shares will be between $ and $.

We have applied to have our common stock listed on The NASDAQ Capital Market under the symbol "KRBP"

We are an "emerging growth company" under the federal securities laws and have elected to comply with certain reduced public company reporting requirements.

Investing in our common stock involves a high degree of risk. See "Risk Factors" beginning on page 14.

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.

	Per Share	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds to us, before expenses	$	$

(1) Underwriting discounts and commissions do not include a non-accountable expense allowance equal to 1.0% of the initial public offering price payable to the underwriters. We refer you to "Underwriting" beginning on page 77 for additional information regarding underwriters' compensation.

We have granted a 45-day option to the representative of the underwriters to purchase up to additional shares of common stock solely to cover over-allotments, if any.

The underwriters expect to deliver the shares to purchasers on or about , 2020.

ThinkEquity

a division of Fordham Financial Management, Inc.

The date of this prospectus is , 2020

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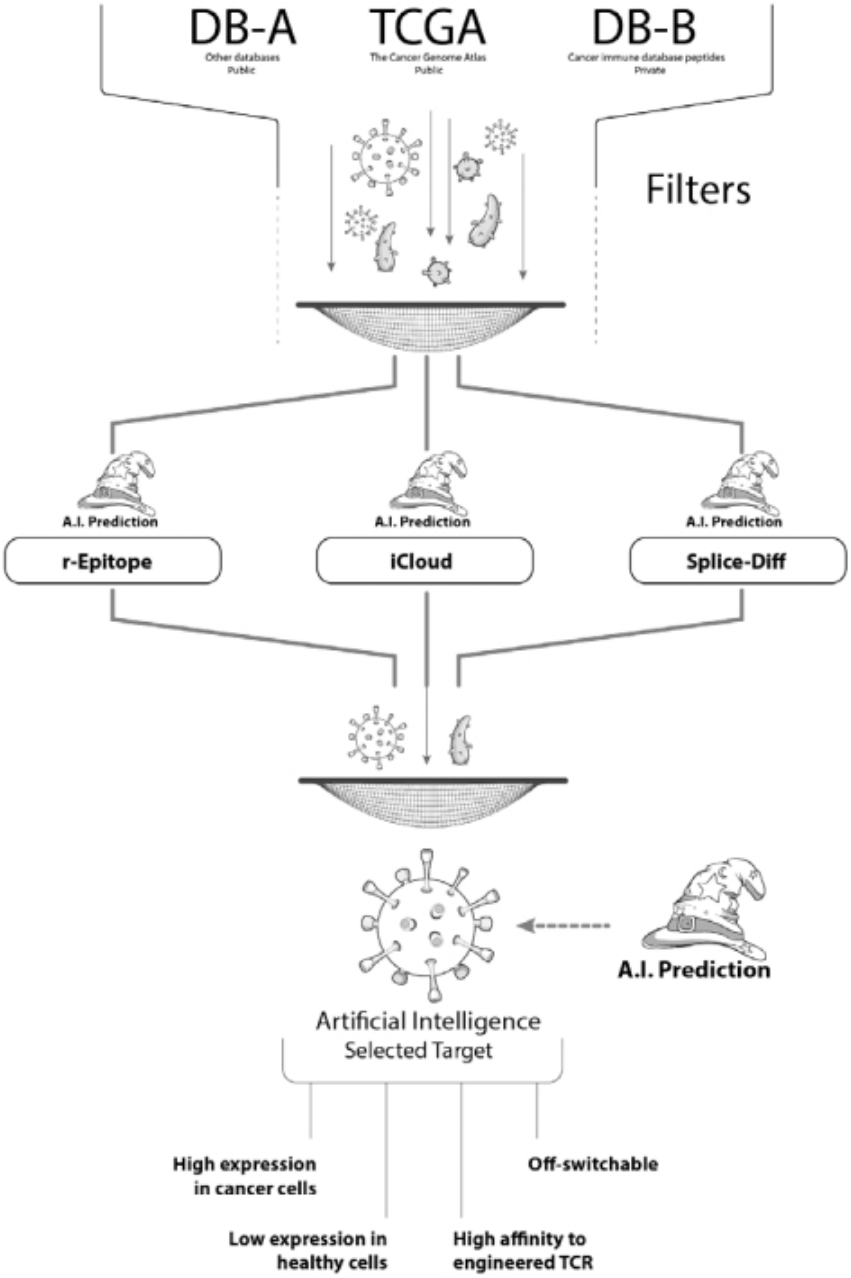

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You should rely only on the information contained in this prospectus or in any amended prospectus that we may authorize to be delivered or made available to you. We and the underwriter have not authorized anyone to provide you with different information. We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where such offers and sales are permitted. The information in this prospectus is accurate only as of April 7, 2020, regardless of the time of its delivery or any sale of shares of our common stock.

Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of our common stock and the distribution of the prospectus outside the United States. See "Underwriting."

PROSPECTUS SUMMARY

This summary highlights information that we present more fully in the rest of this prospectus. This summary does not contain all of the information you should consider before buying our shares in this offering. This summary contains forward-looking statements that involve risks and uncertainties, such as statements about our plans, objectives, expectations, assumptions or future events. These statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from any future results, performances or achievements expressed or implied by the forward-looking statements. See "Special Note Regarding Forward-Looking Statements." You should read the entire prospectus carefully, including the "Risk Factors" section and the financial statements and the notes to those statements.

THE COMPANY

Overview

We are a target discovery and gene editing company utilizing artificial intelligence and our proprietary neural network platform with a therapeutic focus on immuno-oncology. Our proprietary target discovery engine is called "Diamond".

Diamond (Screening, Prioritizing, and Harmonizing)

Diamond is a computational platform and a neural network that can identify new cancer immunological targets for T cells and B cells. Diamond is a bioinformatic approach that can identify novel surface tumor targets. It uses public and proprietary samples and can expand into the tumor target space.

Diamond addresses the main challenges in today's clinical pipeline: *target identification*.

Diamond generates a prioritized list of cancer immunological targets for T cells and B cells. These targets can be used to create therapies such as antibody therapies, T cell therapies, T cell receptor therapies, CAR T cell therapies and vaccine therapies.

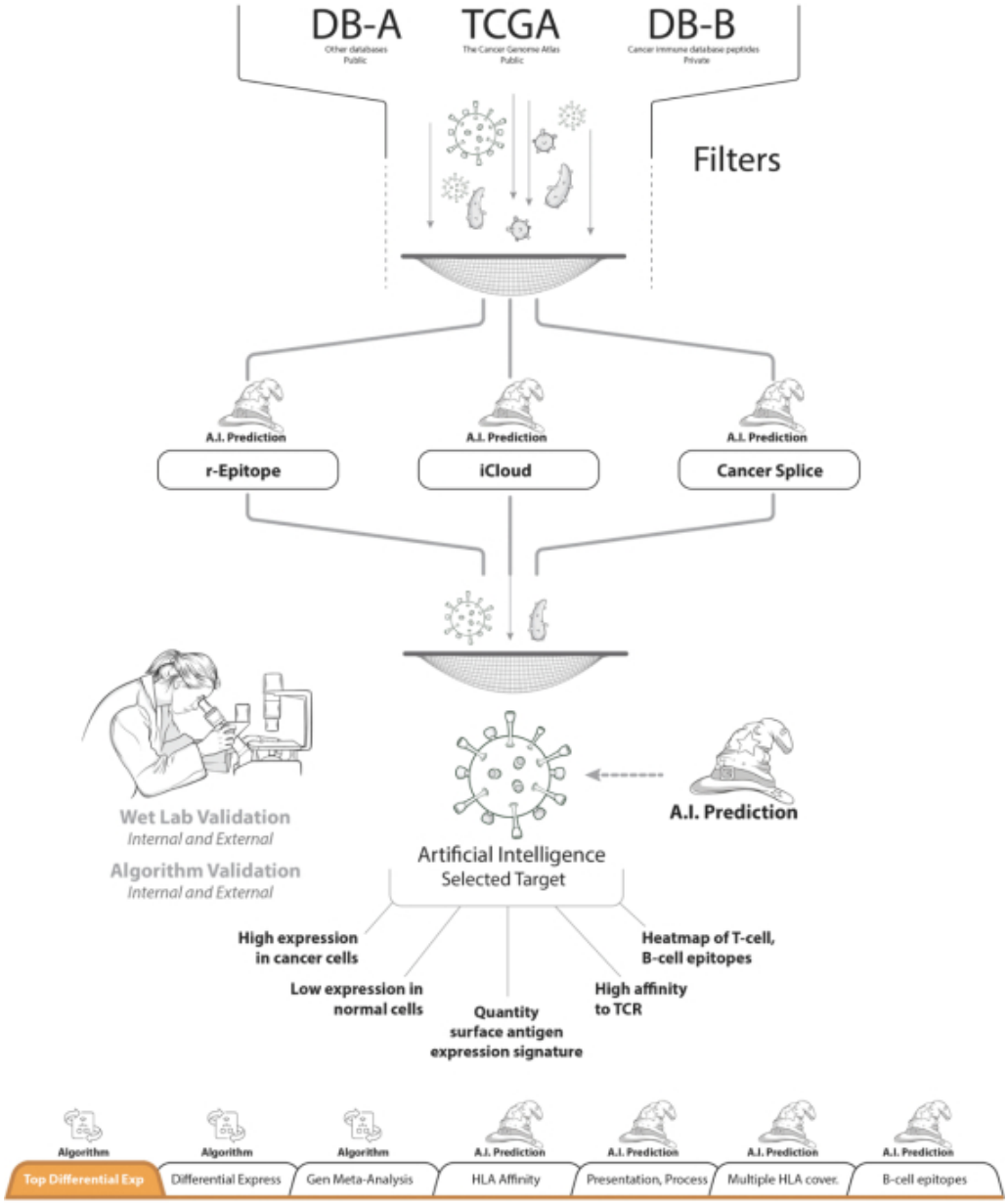
Diamond's cognitive and deep learning capabilities extract information from our extensive digital library consisting of clinical studies, genomic and proteomic datasets. Diamond harmonizes all the raw data and creates datasets which allows us to screen for cancer targets. Diamond will identify and prioritize lists of genes (biomarkers, wild type, mutant, isoform, neoepitope, etc.) that are highly and specifically expressed in the disease of interest while providing its distribution and methylation status across the entire patient population. It also maps out the exact portion of the gene that will elicit an immune response.

Diamond performs meta-analysis and convolution studies while standardizing and normalizing data across multiple and variable experimental platforms, then allows for the visualization of consistent and accurate results in a user-friendly fashion.

See our Diagram below which will walk readers through our process of going from antigens and target libraries to finish with target selection by our artificial intelligence engine.

DIAMOND Artificial Intelligence

Target Selection Sytem



Actual Software Interface

CancerSplice (Isoform Target Prediction)

Cancer cells will down regulate or shed targets in order to avoid detection and destruction by T cells (the immune system). These variations are known as isoforms. Target isoforms include variations in their primary amino acid sequence that can change both the final folded form of the target plus their ability to be recognized by modified T cells. Within a heterogeneous cancer cell population, isoforms can preferentially expand to avoid detection and destruction by T cells. These isoforms can make it impossible for T cells to outright bind the targets on cancer cells. If T cells cannot bind to the target, they cannot kill the cancer cells.

To solve the problem of identifying shared, common cancer-specific antigens derived from alternative splicing and cancer-specific isoform formation, we have developed a fully integrated in silico methodology to predict cancer specific isoforms called CancerSplice.

CancerSplice allows for the prediction and prioritization of iso-antigens which could serve as a novel source of tumor targets, highly specific for neoplastic cells but without the drawback of also being highly patient-specific.

CancerSplice allows the user to select a tissue type from the cancer genome atlas along with thresholds for filtering isoforms (minimum and maximum normal tumor parts per million). Based on the tissue selected, CancerSplice displays a sorted list of isoforms that are elevated in high expressing tumors versus normal tissues which have low expression.

Differential analysis is then performed and used to generate two types of lists: (1) isoforms expressed in tumor but not expressed in normal tissues; and (2) isoforms expressed in normal tissues but yet at a much higher level in tumors. CancerSplice then allows the user to click on an isoform in the list to select a specific isoform to display in a detailed panel, which shows the multi-sequence alignment for the isoform, as well as all the other isoforms of that gene.

Finally, CancerSplice also shows a box plot by tissue of expression of the isoform in normal cancer genome atlas tissues and a box plot of the matching isoform in genotype-tissue expression program normal data. The sequence of amino acids that are specific for the selected cancer isoforms are then directly fed to Diamond's artificial neural capsule network for peptide design and prioritization. Therefore, we believe that we have developed unique tools to address the issue with tumor specific iso-antigens through CancerSplice and Diamond.

Immuno Therapies Using Our Artificial Intelligence Selected Targets

With our artificial intelligence (Diamond), we seek to use our targets to train immune cells. The trained immune cells generate a therapeutic immune response in patients. These peptide sequences, known as tumor specific iso-antigens, generate an immunological response and therefore eradicate cancer cells.

We are developing our brand of chimeric antigen receptor, or CAR T cell product candidates known as Allogenic Leading Ixogenous Isoform ("ALEXIS"). These are designed to treat cancer by capitalizing on the immune system's innate ability to destroy cancer cells. These products are in the investigational new drug ("IND") stage of the U.S. Food and Drug Administration, or FDA, clinical trial process. We are currently going through the IND validation process and we expect that IND enabling trials will commence in the second half of 2020.

CAR T cell therapy, a form of cancer immunotherapy, has recently emerged as a revolutionary and potentially curative therapy for patients with hematologic cancers, including refractory cancers. In 2017, two autologous anti-CD19 CAR T cell therapies, Kymriah, developed by Novartis International AG, and Yescarta, developed by Kite Pharma, Inc., were approved by the FDA for the treatment of relapsing/remitting B-cell precursor acute lymphoblastic leukemia and relapsing/remitting large B cell lymphoma, respectively. Autologous CAR T cell therapies are manufactured individually for the patient's use by modifying the patient's own T cells outside the

body, causing the T cells to express CARs. The entire manufacturing process is dependent on the viability of each patient's T cells and takes approximately two to four weeks. Allogenic T cell therapies involve engineering healthy donor T cells, which we believe will allow for the creation of an inventory of off-the-shelf products that can be delivered to a larger portion of eligible patients throughout the world.

We have not generated any revenue from sales to date, and we continue to incur significant research and development as well as other expenses related to our ongoing operations. As a result, we are not and have never been profitable and have incurred losses in each period since we began principal business operations in 2012.

Engineered T Cell Therapy

White blood cells are a component of the immune system and are responsible for defending the body against infectious pathogens and other foreign material. T cells are a type of white blood cell and are involved in both sensing and killing infected or abnormal cells, including cancer cells, as well as coordinating the activation of other cells in an immune response.

T cells can be distinguished from other white blood cells by T cell receptors present on their cell surface. These receptors contribute to tumor surveillance by directing T cells to recognize and destroy cancerous cells. When T cells with cancer-specific receptors are absent, present in low numbers, of poor quality or rendered inactive by suppressive mechanisms, cancer may grow and spread. In addition, standard of care treatments, such as chemotherapy regimens, as well as disease specific factors can damage the patient's immune system, thereby inhibiting the ability of T cells to kill cancer.

Engineered T cell therapy is a type of immunotherapy treatment whereby human T cells are removed from the body and engineered to express CARs which, when infused into a patient, may recognize and destroy cancer cells in a more targeted manner.

CARs are engineered molecules that, when present on the surface of a T cell, enable the T cell to recognize specific proteins or antigens that are present on the surface of other cells.

There are two primary approaches to engineered T cell therapy: autologous and allogenic. Autologous therapies use engineered T cells derived from the individual patient, while allogenic therapies use engineered T cells derived from healthy donor T cells.

The autologous approach, pioneered by Novartis and Kite, has been highly successful in engineering patients' immune systems to fight cancer, in particular CD19 positive cancers, resulting in significant remission rates. Autologous products are manufactured by first collecting a patient's white blood cells, through a process known as leukapheresis, separating the T cells from the patient's blood sample and proliferating the isolated T cells. After the cells have multiplied, the CAR construct is virally transduced into the T cells and the engineered T cells are then propagated until a sufficient number of cells are available for infusion into the patient. Finally, the engineered T cells are frozen, and then shipped back to the clinical center for administration to the patient. The process from leukapheresis to delivery to the clinical center takes approximately two to four weeks.

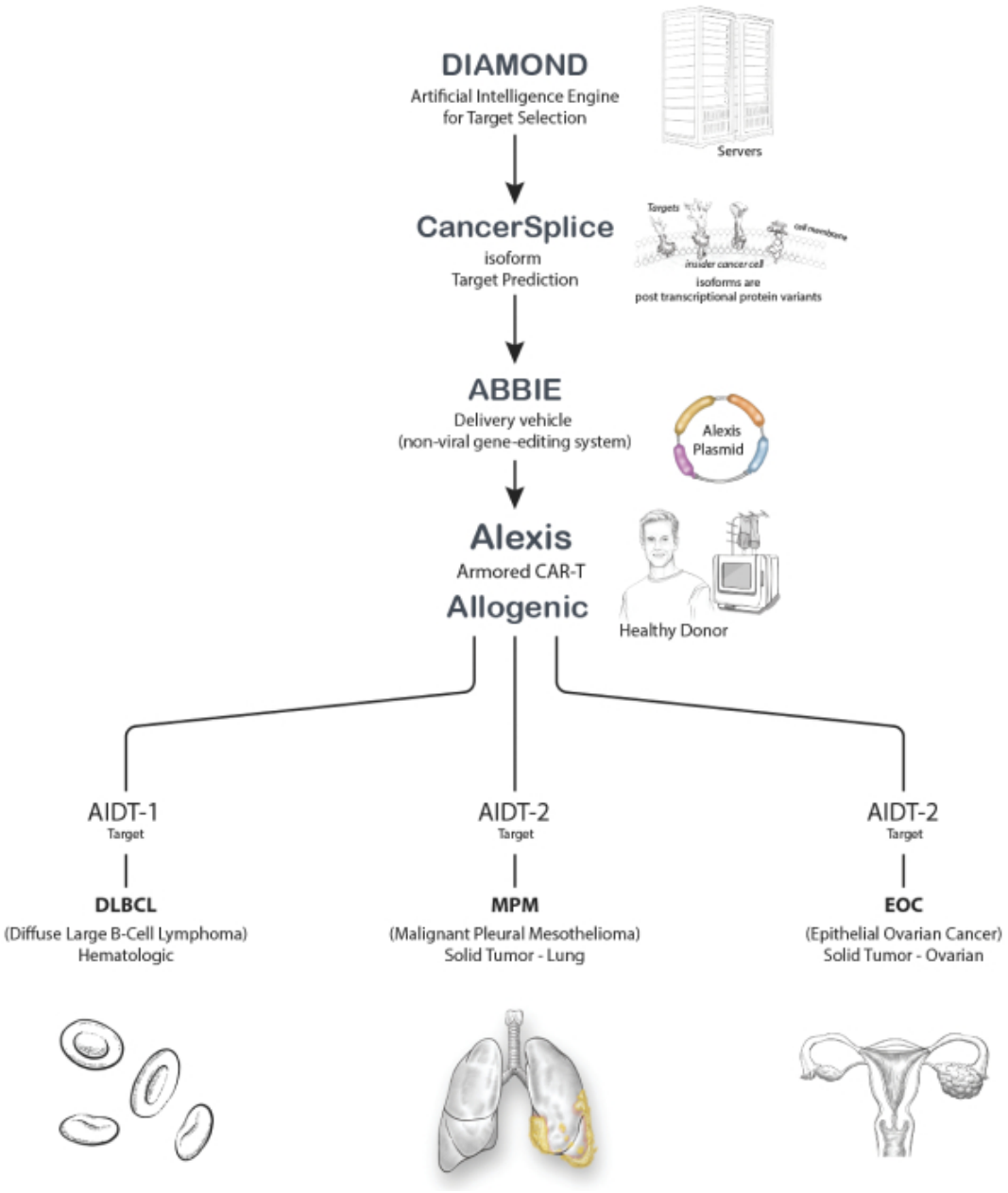
Allogenic engineered T cells are manufactured in a similar manner as autologous, but with two key differences: (1) allogenic T cells are derived from healthy donors, not cancer patients, and (2) allogenic T cells must be genetically engineered to minimize the risk of graft-versus-host disease, a condition where allogenic T cells can recognize the patient's normal tissue as foreign and cause damage and enable a window of persistence in the patient.

Our Approach

Our operating motto is Better Target, Better Life ™.

Our goal is to treat cancer by improving the target discovery and validation. With better targets, we believe our therapies will be more effective than the current crop of immunotherapies using old targets which cannot adapt to rapidly mutating targets.

We are in the process of validating different tumor-specific product candidates for refractory CAR T patients. Refractory CAR T patients are those who have received CAR T treatments for their indication, however they either showed low or no benefit from these treatments. We validate biomarkers for these product candidates using the technologies and processes discussed in the sections below. The development schema below describes our path forward for developing our product candidates.



ABBIE (Delivery Vehicle)

We are currently developing ABBIE (A Binding-Based Integrase Enzyme) for delivery to our product candidates. ABBIE is a non-viral gene editing mechanism designed to insert the target DNA template information into the T cell genome. ABBIE allows for the creation of the plasmid ("glue") that goes through the membrane to the nucleus and inserts the genome template into the T cells so that they could express CAR T.

The non-viral vector is then physically comingled with the patient's T cells. The non-viral vector transfers the target's genomic information into the T cells, where it is integrates into the T cell's genome. T cells now have the target's genomic information and can successfully identify the targets on the cancer cells. This T cell therapy is infused into the patient. We believe T cells will hunt down cancer cells with the known targets and destroy these cancer cells.

We believe that this gene delivery platform will deliver the DNA template to the T cell genomes at a lower cost and shorter time versus a viral vector. By comparison, a retrovirus vector would have a longer development lead time (12 months) with an increased insertional mutagenesis risk. Insertional mutagenesis means that a random insertion of the DNA could activate uncontrolled cell growth. ABBIE allows for a more consistent expression and will have a shorter development lead time (3 months). It avoids unnecessary risks by targeting a single locus and produces more predictable cell-to-cell expressions.

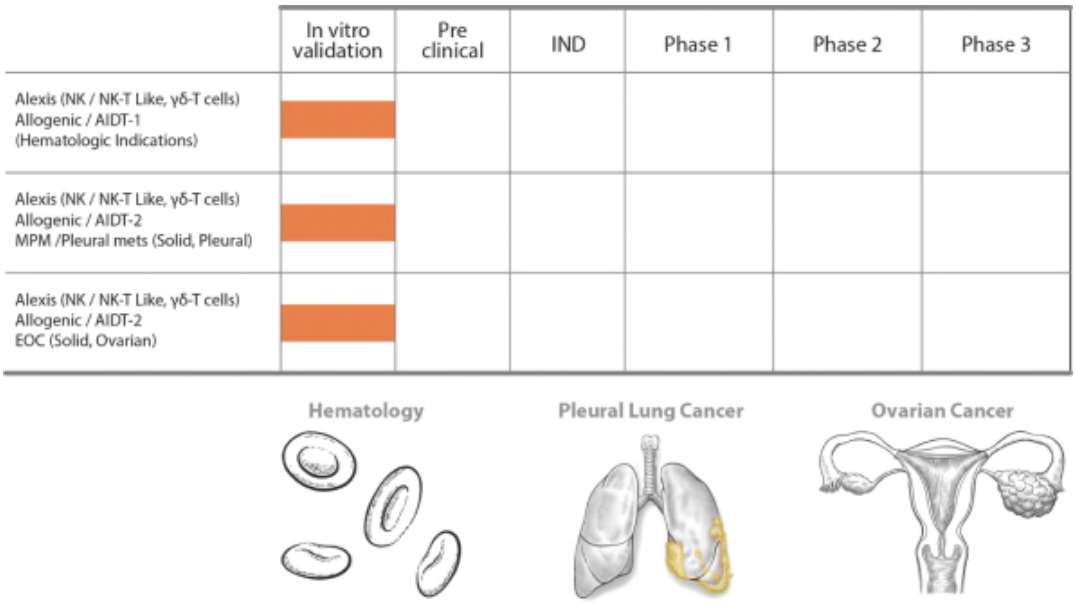
We are still in the process of developing ABBIE, and we plan to continue optimizing this delivery mechanism. If no major obstacles are encountered, we expect to be able to begin producing effector cells for *in vitro* testing using ABBIE by late May 2020.

Our Product Pipeline and Development

Using our proprietary technologies, we are researching and developing multiple product candidates for the treatment of blood cancers and solid tumors. Our product candidates are allogenic cells engineered to be used for specific patients or as off-the-shelf treatments for any patient with a particular cancer type. Each product candidate targets a selected antigen expressed on tumor cells and bears specific engineered attributes.

In the near term, we are progressing multiple product candidates directed at promising targets for blood cancers, including refractory large B cell lymphoma, and targets associated with solid tumors, such as epithelial ovarian cancer and malignant pleural mesothelioma (lung).

Our product pipeline is represented in the diagram below:



ALEXIS AIDT-1

ALEXIS AIDT-1 is our allogenic cell product candidate targeting AIDT-1. This product is currently undergoing preparation for an IND enabling trial. Following the IND enabling trial, we will be applying for an IND with the FDA.

AIDT-1, an antigen expressed on the surface of B cells, including malignant B cells. AIDT-1 targets Non-Hodgkin's Lymphoma ('NHL") Diffuse large B cell lymphoma, ("DLBCL"). According to the American Cancer Society, approximately 30,000 individuals are diagnosed with DLBCL in the U.S. each year, and 200,000 worldwide. Out of the 30,000 U.S. patients who are initially diagnosed with DLBCL each year, we believe that approximately 2,100 (7%) will eventually be eligible for our CAR T cell therapy.

ALEXIS AIDT-2 EOC

AIDT-2 is our allogenic CAR/NKT-Like cell product candidate target. We are still planning clinical trials before submitting this product for authorization. ALEXIS AIDT-2 represents an innovative approach for stage IV platinum resistant epithelial ovarian cancer and involves the use of cells which are "like" natural killer T cells.

AIDT-2 targets epithelial ovarian cancer, or EOC. According to the Foundation for Ovarian Cancer, a chapter of the American Cancer Society, approximately 22,000 individuals are diagnosed with EOC in the U.S. each year, and 300,000 worldwide. Out of the 22,000 U.S. patients who are initially diagnosed with EOC each year, we believe that approximately 15,400 (70%) will eventually be eligible for our AIDT-2 cell therapy.

ALEXIS AIDT-2 MPM

ALEXIS AIDT-2 MPM is our allogenic CAR/NKT-Like cell product candidate targeting AIDT-2. We are still planning clinical trials before submitting this product for authorization. ALEXIS ISOFORM Mesothelin MPM

represents an innovative approach for malignant pleural mesothelioma and involves the use of cells which are “like” natural killer T cells.

ALEXIS AIDT-2 MPM targets malignant pleural mesothelioma, or MPM. Mesothelioma is a disease in which malignant (cancer) cells form in the thin layer of tissue that covers organs typically in the chest or abdomen. Pleura refers to the thin layer of tissue that lines the chest cavity and covers the lungs. The tumors often spread over the surface of organs often without spreading into the organ. They may spread to nearby lymph nodes or in other parts of the body. Malignant mesothelioma may also form in the testicles or heart, but this is rare.

According to the American Cancer Society, approximately 3,000 individuals are diagnosed with MPM in the U.S. each year, and 30,000 worldwide. Out of the 3,000 U.S. patients who are initially diagnosed with MPM each year, we believe that approximately 2,400 (80%) will eventually be eligible for our CAR/NKT-Like cell therapy.

Our Risks and Challenges

Our prospects should be considered in light of the risks, uncertainties, expenses and difficulties frequently encountered by similar companies. Our ability to realize our business objectives and execute our strategies is subject to risks and uncertainties, including, among others, the following:

- We have never been profitable and may never achieve or maintain profitability.
- If we are unable to raise substantial additional capital on acceptable terms, or at all, we may be forced to delay, reduce or eliminate some or all of our research programs, product development activities and commercialization efforts.
- We have a limited operating history, which makes it difficult to evaluate our current business and future prospects and may increase the risk of your investment.
- Our business is dependent on the successful development, regulatory approval and commercialization of our personalized immunotherapy product candidate, ALEXIS AIDT-1, which is in the early stages of development and has not been tested in humans.
- Our tumor-specific cancer immunotherapy approach is based on novel ideas and technologies that are unproven and may not result in marketable products, which exposes us to unforeseen risks and makes it difficult for us to predict the time and cost of product development and potential for regulatory approval.
- We may be required to perform additional or unanticipated clinical trials to obtain approval or be subject to post-marketing testing requirements to maintain regulatory approval. If our immunotherapy candidates prove to be ineffective, unsafe or commercially unviable, our entire technology platform and pipeline would have little, if any, value, which would have a material and adverse effect on our business, financial condition, results of operations and prospects.
- The genome editing field is relatively new and evolving rapidly, and other existing or future technologies may provide significant advantages over our Diamond, CancerSplice and ABBIE technologies, which could materially harm our business.
- If our product candidates do not achieve projected development milestones or commercialization in the announced or expected timeframes, the further development or commercialization of such product candidates may be delayed, and our business will be harmed.
- Product liability lawsuits against us could cause us to incur substantial liabilities and could limit commercialization of any products that we develop alone or with collaborators.

- We plan to enter into significant arrangements with collaborators and expect to depend on collaborations with third parties for certain research, development and commercialization activities, and if any such collaborations are not successful, it may harm our business and prospects.
- We expect to rely on third parties to conduct, supervise and monitor our clinical trials and some aspects of our research and preclinical testing, and if those third parties do not successfully carry out their contractual duties, comply with regulatory requirements, or otherwise perform in a satisfactory manner, we may not be able to obtain regulatory approval or commercialize product candidates, or such approval or commercialization may be delayed, and our business may be substantially harmed.
- We may rely on third parties for the manufacturing process of product candidates, and failure by those parties to adequately perform their obligations could harm our business.
- The FDA regulatory approval process is lengthy and time-consuming, and we may experience significant delays in the clinical development and regulatory approval of our product candidates.
- We expect the product candidates we develop will be regulated as biological products, or biologics, and therefore they may be subject to competition sooner than anticipated.
- Coverage and reimbursement may be limited or unavailable in certain market segments for our product candidates, which could make it difficult for us to sell our product candidates, if approved, profitably.
- The advancement of healthcare reform may negatively impact our ability to sell our product candidates, if approved, profitably.
- Our ability to compete effectively in our markets may decline if we do not adequately protect our patents and proprietary rights, and our patents and proprietary rights do not necessarily address all potential threats to our competitive advantage.

In addition, we face other risks and uncertainties that may materially affect our business prospects, financial condition, and results of operations. You should consider the risks discussed in “Risk Factors” and elsewhere in this prospectus before investing in our common stock.

Our Corporate History

We were first organized as a corporation in the State of Texas on August 6, 2006 under the name “Kiromic, Inc.” Between 2006 and 2012, we had minimal operations. On March 15, 2013, we converted to a limited liability company in the State of Texas under the name “Kiromic, LLC.” On May 27, 2016, we converted to a corporation in the State of Delaware under the name “Kiromic, Inc.” On December 16, 2019, we changed our name to “Kiromic BioPharma, Inc.”

We have one wholly-owned subsidiary, GreenPlanet Pharma, Inc., which was incorporated in the State of Delaware on November 26, 2018. GreenPlanet Pharma, Inc., operates an oral healthcare business. It has developed a mouthwash using a high quality, safe, and natural ingredient formulation to provide effective symptomatic relief for a wide range of oral irritations and health concerns. This subsidiary has not generated any revenues.

Corporate Information

Our principal executive office is 7707 Fannin, Suite 140, Houston, TX 77054. Our telephone number is (832) 968-4888. Our website is www.kiromic.com. The information contained on our website is not a part of this prospectus, nor is such content incorporated by reference herein, and should not be relied upon in determining whether to make an investment in our common stock.

Implications of Being an Emerging Growth Company

Upon the completion of this offering, we will qualify as an "emerging growth company" under Jumpstart Our Business Act of 2012, as amended, or the JOBS Act. As a result, we will be permitted to, and intend to, rely on exemptions from certain disclosure requirements. For so long as we are an emerging growth company, we will not be required to:

- have an auditor report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act;
- comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);
- submit certain executive compensation matters to stockholder advisory votes, such as "say-on-pay" and "say-on-frequency;" and
- disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer's compensation to median employee compensation.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company 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. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the benefits of this extended transition period. Our financial statements may therefore not be comparable to those of companies that comply with such new or revised accounting standards.

We will remain an emerging growth company for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our total annual gross revenues exceed $1.07 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter or (iii) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three year period.

Reverse Stock Split

On December 17, 2019, we completed a 1-for-10 reverse stock split of our outstanding common stock. As a result of this stock split, our issued and outstanding common stock decreased from 100,060,000 to 10,006,005 shares. Accordingly, unless otherwise noted, all share and per share information contained in this prospectus has been restated to retroactively show the effect of this stock split.

THE OFFERING

Common stock offered by us	[ ] shares of common stock, $0.001 par value per share.
Offering price	$[ ] per share.
Over-allotment option	The underwriters have an option for a period of 45 days to acquire up to an additional shares of common stock from us at the public offering price, less the underwriting discount, solely for the purpose of covering over-allotments, if any.
Shares of common stock outstanding before this offering	10,006,005 shares of common stock
Shares outstanding after this offering	[ ] shares of common stock (or [ ] shares of common stock if the underwriters exercise their over-allotment option in full), after the sale of [ ] shares in this offering and after the Preferred Stock Automatic Conversions.
Use of proceeds	We estimate that we will receive net proceeds of approximately $[ ] million from our sale of common stock in this offering, or approximately $[ ] million if the underwriters exercise their over-allotment option in full. We plan to use the net proceeds of this offering primarily for the Phase 1/2 clinical trials for our ALEXIS AIDT-1 product candidate, intellectual property protection and reinforcement, IND applications and IND enabling trials and working capital and general corporate purposes. The details of our plans are set forth in the “Use of Proceeds” section.
Risk factors	Investing in our common stock involves a high degree of risk and purchasers of our common stock may lose part or all of their investment. See “Risk Factors” for a discussion of factors you should carefully consider before deciding to invest in our common stock.
Proposed trading market and symbol	We have applied to list our common stock on the Nasdaq Capital Market under the symbol “KRBP.” No assurance can be given that our application will be approved.

(1) The number of shares outstanding is based on shares outstanding as of April 7, 2020 and excludes the following:

- 4,891,306 shares of our common stock issuable upon the exercise of outstanding warrants with an exercise price of $0.001 per share;
- 2,028,249 shares of our common stock issuable upon the exercise of outstanding options with a weighted-average exercise price of $3.16 per share;
- 21,822,310 shares of Series A-1 Preferred Stock and 16,391,397 shares of Series B Preferred Stock which is automatically convertible into 2,182,258 and 1,639,145 shares of common stock, respectively, upon the closing of this offering (the “Preferred Stock Automatic Conversion”);

- up to an additional 1,965,751 shares of our common stock issuable under our 2017 Equity Incentive Plan; and
- [ ] shares of our common stock underlying the warrants to be issued to the representative of the underwriters in connection with this offering.

Except as otherwise indicated herein, all information in this prospectus assumes:

- no exercise of the underwriters' option to purchase up to an additional shares of common stock to cover allotments, if any.

SUMMARY FINANCIAL INFORMATION

The following tables summarize our consolidated financial data. We have derived the summary consolidated statement of operations data for the years ended December 31, 2019 and 2018 and the balance sheet data as of December 31, 2019 from our audited consolidated financial statements included elsewhere in this prospectus. Such information should be read in conjunction with our financial statements and related notes included elsewhere in the prospectus and the information contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations" below.

Our financial statements are prepared and presented in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. Our historical results for any period are not necessarily indicative of our future performance.

	Years Ended December 31,	
	2019	2018
Statements of Operations Data		
Operating expenses:		
Research and development	$ 1,201,700	$ 1,424,900
General and administrative	2,503,700	1,757,700
Total operating expenses	3,705,400	3,182,600
Loss from operations	(3,705,400)	(3,182,600)
Other expense	(22,500)	(633,100)
Net loss	$ (3,727,900)	$ (3,815,700)
Net loss per share—basic and diluted	$ (0.40)	$ (0.38)

	December 31, 2019		
	Actual	Pro forma(1)	Pro forma, as adjusted(2)
Balance Sheet Data			
Cash and cash equivalents	$1,929,100	$4,929,100	$ [ ]
Working capital	1,366,700	4,366,700	[ ]
Total assets	2,652,700	9,134,700	[ ]
Total liabilities	673,700	673,700	[ ]
Total stockholders' equity	1,979,000	4,979,000	[ ]

(1) Gives effect on a pro forma basis to the sale of 6,521,738 shares of Series B Preferred Stock for gross proceeds of $3 million in January 2020.

(2) Gives effect on a pro forma, as adjusted basis to (i) the Preferred Stock Automatic Conversions and (ii) the sale and issuance by us of shares of common stock in this offering at the initial public offering price of $ per share, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

RISK FACTORS

The shares being offered by us are highly speculative in nature, involve a high degree of risk and should be purchased only by persons who can afford to lose the entire amount invested. Before purchasing any of our shares, you should carefully consider the following factors relating to our business and prospects. If any of the following risks actually occurs, our business, financial condition or operating results will suffer, the trading price of our stock could decline, and you may lose all or part of your investment.

Risks Related to Our Business and Industry

We have never been profitable and may never achieve or maintain profitability.

We have not commercialized any products and have yet to generate any revenue from product sales. The amount of our future net losses will depend, in part, on our expenses and our ability to generate revenues. Our current and future product candidates will require substantial additional development time and resources before we may realize revenue from product sales, if at all. We expect to continue to incur significant expenses and operating losses for the foreseeable future. We anticipate that our expenses will increase substantially if and as we:

- continue our current research and development programs, including conducting laboratory, preclinical and greenhouse studies for product candidates;
- initiate clinical or field trials for product candidates;
- seek to identify, assess, acquire or develop additional research programs or product candidates;
- maintain, expand and protect our intellectual property portfolio;
- seek marketing approvals for any product candidates that may successfully complete development;
- establish a sales, marketing and distribution infrastructure to commercialize any products that may obtain marketing approval;
- further develop and refine the manufacturing process for our product candidates;
- change or add additional manufacturers or suppliers of biological materials or product candidates;
- validate a commercial-scale manufacturing facility compliant with current good manufacturing practices, or cGMP;
- further develop our genome editing technology;
- acquire or in-license other technologies;
- seek to attract and retain new and existing personnel; and
- expand our facilities.

No clinical studies have begun on any of our new therapeutic product candidates, and it will be several years, if ever, before we obtain regulatory approval for a therapeutic product candidate, at which time any revenues for such product candidate will depend upon many factors, including, market conditions, costs and effectiveness of manufacturing, sales, marketing and distribution operations related to such product candidate, and the terms of any collaboration or other strategic arrangement we may have with respect to such product candidate and levels of reimbursement from third-party payors.

If we are unable to develop and commercialize one or more product candidates either alone or with collaborators, or if revenues from any product candidate that receives marketing approval or is commercialized are insufficient, we may not achieve profitability or sustain profitability, which would have an adverse effect on the value of our common stock will be materially adversely affected.

If we are unable to raise substantial additional capital on acceptable terms, or at all, we may be forced to delay, reduce or eliminate some or all of our research programs, product development activities and commercialization efforts.

The process of identifying product candidates and conducting preclinical and clinical trials is time consuming, expensive, uncertain and takes years to complete. We expect our expenses to increase in connection with our ongoing activities, particularly as we identify, continue the research and development of, initiate clinical or field trials of, and seek marketing approval for, product candidates. In addition, if any therapeutic product candidate that we develop alone or with collaborators obtains marketing approval, we may incur significant commercialization expenses related to product manufacturing, sales, marketing and distribution efforts. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise sufficient capital when needed, we may be forced to delay, reduce or eliminate current or future research programs, product development activities and/or commercialization efforts.

Adequate additional financing may not be available to us on acceptable terms, or at all. If we are unable to obtain sufficient funding on a timely basis or on favorable terms, we may be required to significantly delay, reduce or eliminate one or more of our research or product development programs and/or commercialization efforts. We may also be unable to expand our operations or otherwise capitalize on business opportunities as desired. Any of these events could materially adversely affect our financial condition and business prospects.

We have a limited operating history, which makes it difficult to evaluate our current business and future prospects and may increase the risk of your investment.

We are a genome editing company with a limited operating history. We began principal business operations in 2012 and spent the first three years of our company's history developing and refining our core technology, and only since then have we focused our efforts on advancing the development of product candidates.

Investment in biopharmaceutical product development is a highly speculative endeavor and entails substantial upfront capital expenditures. There is significant risk that any product candidate will fail to demonstrate adequate efficacy or an acceptable safety profile, obtain any required regulatory approvals or become commercially viable. Our platforms and the technologies we are using are new and unproven. We have not yet commenced human clinical trials for any of our product candidates, nor have we demonstrated an ability to initiate or successfully complete any clinical trials, obtain any required marketing approvals, manufacture products, conduct sales, marketing and distribution activities, or arrange for a third party to do any of the foregoing on our behalf.

Consequently, any predictions made about our future success or viability may not be as accurate as they could be if we had a history of successfully developing and commercializing products. Our limited operating history, particularly in light of the rapidly evolving nature of the biopharmaceutical industries and the genome editing field, may make it difficult to evaluate our technology and business prospects or to predict our future performance.

We may expend our limited resources pursuing particular research programs or product candidates that may be less successful or profitable than other programs or product candidates.

Research programs to identify new product candidates and product development platforms require substantial technical, financial, and human resources. We may focus our efforts and resources on potential programs, product candidates or product development platforms that ultimately prove to be unsuccessful. Clinical trials of any of our product candidates is not assured despite the expenditure of significant resources in pursuit of their development, and our spending on current and future research and development programs, product candidates and product development platforms may not yield any commercially viable products.

Additionally, if we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other

strategic arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate.

Our business may be adversely affected by the ongoing coronavirus pandemic.

The outbreak of the novel Coronavirus (COVID-19) has evolved into a global pandemic. COVID-19 has spread to many regions of the world. The extent to which COVID-19 impacts our business and operating results will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information that may emerge concerning the COVID-19 and the actions to contain COVID-19 or treat its impact, among others.

Should COVID-19 continue to spread, our business operations could be delayed or interrupted. For instance, our research and development may be affected by the pandemic. Site initiation, participant recruitment and enrollment, participant dosing, distribution of clinical trial materials, study monitoring and data analysis may be paused or delayed due to changes in hospital or university policies, federal, state or local regulations, prioritization of hospital resources toward pandemic efforts, or other reasons related to the pandemic. If COVID-19 continues to spread, some participants and clinical investigators may not be able to comply with clinical trial protocols. For example, quarantines or other travel limitations (whether voluntary or required) may impede participant movement, affect sponsor access to study sites, or interrupt healthcare services, and we may be unable to conduct our research activities, including clinical trials.

Infections and deaths related to the pandemic may disrupt the United States' healthcare and healthcare regulatory systems. Such disruptions could divert healthcare resources away from, or materially delay FDA review and/or approval. It is unknown how long these disruptions could continue, were they to occur. Any elongation or de-prioritization of clinical trials or delay in regulatory review resulting from such disruptions could materially affect the development and study of our product candidates.

In the event of a shelter-in-place order or other mandated local travel restrictions, our employees conducting research and development or manufacturing activities may not be able to access their laboratory or manufacturing space, and our core activities may be significantly limited or curtailed, possibly for an extended period of time.

The spread of COVID-19, which has caused a broad impact globally, including restrictions on travel and quarantine policies put into place by businesses and governments, may have a material economic effect on our business. While the potential economic impact brought by and the duration of the pandemic may be difficult to assess or predict, it has already caused, and is likely to result in further, significant disruption of global financial markets, which may reduce our ability to access capital either at all or on favorable terms. In addition, a recession, depression or other sustained adverse market event resulting from the spread of COVID-19 could materially and adversely affect our business and the value of our common stock.

The ultimate impact of the current pandemic, or any other health epidemic, is highly uncertain and subject to change. We do not yet know the full extent of potential delays or impacts on our business, our clinical trials, our research programs, healthcare systems or the global economy as a whole. However, these effects could have a material impact on our operations, and we will continue to monitor the situation closely.

We will incur increased costs as a result of becoming a public company and in the administration of our organizational structure.

As a public company, we will incur significant legal, accounting, insurance, and other expenses that we have not incurred as a private company, including costs associated with public company reporting requirements. We also have incurred and will incur costs associated with the Sarbanes-Oxley Act and related rules implemented by SEC. Following the consummation of this offering, we will incur ongoing periodic expenses in connection with

the administration of our organizational structure. The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any significant degree of certainty. In estimating these costs however, we took into account expenses related to insurance, legal, accounting, and compliance activities, as well as other expenses not currently incurred. These laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations 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 our executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and potentially civil litigation.

We identified material weaknesses in our internal control over financial reporting at December 31, 2019, and we may identify additional material weaknesses in the future that may cause us to fail to meet our reporting obligations or result in material misstatements of our financial statements. If we fail to remediate any material weaknesses or if we otherwise fail to establish and maintain effective control over financial reporting, our ability to accurately and timely report our financial results could be adversely affected.

We are not currently required to comply with the rules of the SEC implementing Section 404 of the Sarbanes-Oxley Act and are therefore not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. Upon becoming a public company, we will be required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act, which will require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of controls over financial reporting. Though we will be required to disclose changes made in our internal controls and procedures on a quarterly basis, we will not be required to make our first annual assessment of our internal control over financial reporting pursuant to Section 404 until the year following our first annual report required to be filed with the SEC. However, as an emerging growth company, our independent registered public accounting firm will not be required to formally attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 until the later of the year following our first annual report required to be filed with the SEC or the date we are no longer an emerging growth company. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not effective.

Notwithstanding the foregoing, in connection with the audit of our financial statements for the year ended December 31, 2019, we and our auditors identified certain control deficiencies in the design and operation of our internal control over financial reporting that constituted material weaknesses. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis.

The material weaknesses resulted from (i) our lack of a formalized internal control framework, (ii) our lack of segregation of duties in the financial reporting process, and (iii) our lack of qualified technical accounting personnel. These remain material weakness as of the date of this prospectus. In order to remediate this material weakness, we have hired and plan to continue to hire additional accounting, finance, system engineers, and data analysts. We have implemented, and plan to continue to implement, new controls, new processes and technologies to implement formalized internal controls framework and procedures. We cannot assure you that the measures that we have taken to remediate, and that will be taken to remediate, these material weaknesses will be sufficient to prevent future material weaknesses from occurring. We also cannot assure you that we have identified all of our existing material weaknesses.

In light of the control deficiencies and the resulting material weaknesses that were identified, we believe that it is possible that, had we and our registered public accounting firm performed an assessment or audit, respectively,

of our internal control over financial reporting in accordance with the provisions of the Sarbanes-Oxley Act, additional material weaknesses may have been identified.

When evaluating our internal control over financial reporting, we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404. If we are unable to remediate our existing material weaknesses or identify additional material weaknesses and are unable to comply with the requirements of Section 404 in a timely manner or assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting once we are no longer an emerging growth company, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected, and we could become subject to investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities, which could require additional financial and management resources.

Risks Related to our Product Candidates

Our business is dependent on the successful development, regulatory approval and commercialization of our personalized immunotherapy product candidate, ALEXIS AIDT-1, which is in the early stages of development and has not been tested in humans.

We have no products approved for sale. We intend to submit an IND for our initial product candidate, ALEXIS AIDT-1 in the near future. As such, we face significant risk with AIDT-1 specifically and our tumor-specific immunotherapy approach generally. The success of our business, including our ability to finance our company and generate any revenue in the future, will primarily depend on the successful development, regulatory approval and commercialization of ALEXIS AIDT-1, as well as other product candidates derived from our tumor-specific immunotherapy approach, which may never occur.

In the future, we may also become dependent on other product candidates that we may develop or acquire; however, no product candidates based on our tumor-specific immunotherapy approach have been tested in humans and given our early stage of development, it may be many years, if at all, before we have demonstrated the safety and efficacy of a personalized immunotherapy treatment sufficient to warrant approval for commercialization.

We have not previously submitted a biologics license application, or BLA, to the FDA or similar regulatory approval filings to comparable foreign authorities, for any product candidate, and we cannot be certain that our product candidates will be successful in clinical trials or receive regulatory approval. Further, ALEXIS AIDT-1 or any future product candidates may not receive regulatory approval even if they are successful in clinical trials. If we do not receive regulatory approvals for our product candidates, we may not be able to continue our operations. Even if we successfully obtain regulatory approvals to market a product candidate, our revenue will be dependent, in part, upon the size of the markets in the territories for which we gain regulatory approval and have commercial rights. If the markets or patient subsets that we are targeting are not as significant as we estimate, we may not generate significant revenues from sales of such products, if approved.

We plan to seek regulatory approval to commercialize our product candidates both in the United States and in selected foreign countries. While the scope of regulatory approval generally is similar in other countries, in order to obtain separate regulatory approval in other countries we must comply with numerous and varying regulatory requirements of such countries regarding safety and efficacy. Other countries also have their own regulations governing, among other things, clinical trials and commercial sales, as well as pricing and distribution of our product candidates, and we may be required to expend significant resources to obtain regulatory approval and to comply with ongoing regulations in these jurisdictions.

The clinical and commercial success of our current and any future product candidates will depend on a number of factors, including the following:

- our ability to raise any additional required capital on acceptable terms, or at all;
- our ability to complete IND-enabling studies and successfully submit an IND;
- timely completion of our preclinical studies and clinical trials, which may be slower or cost more than we currently anticipate and will depend substantially upon the performance of third-party contractors;
- whether we are required by the FDA or similar foreign regulatory agencies to conduct additional clinical trials or other studies beyond those planned to support approval of our product candidates;
- acceptance of our proposed indications and primary endpoint assessments relating to the proposed indications of our product candidates by the FDA and similar foreign regulatory authorities;
- our ability to consistently manufacture our product candidates on a timely basis;
- our ability, and the ability of any third parties with whom we contract, to remain in good standing with regulatory agencies and develop, validate and maintain commercially viable manufacturing processes that are compliant with current good manufacturing practices, or cGMPs;
- our ability to demonstrate to the satisfaction of the FDA and similar foreign regulatory authorities the safety, efficacy and acceptable risk-benefit profile of our product candidates;
- the prevalence, duration and severity of potential side effects or other safety issues experienced with our product candidates or future approved products, if any;
- the timely receipt of necessary marketing approvals from the FDA and similar foreign regulatory authorities;
- achieving and maintaining, and, where applicable, ensuring that our third-party contractors achieve and maintain, compliance with our contractual obligations and with all regulatory requirements applicable to our lead product candidates or any future product candidates or approved products, if any;
- the willingness of physicians, operators of hospitals and clinics and patients to utilize or adopt our cancer immunotherapy approach;
- our ability to successfully develop a commercial strategy and thereafter commercialize our current product candidates or any future product candidates in the United States and internationally, if approved for marketing, sale and distribution in such countries and territories, whether alone or in collaboration with others;
- the availability of coverage and adequate reimbursement from managed care plans, private insurers, government payors (such as Medicare and Medicaid) and other third-party payors for any of our product candidates that may be approved;
- the convenience of our treatment or dosing regimen;
- acceptance by physicians, payors and patients of the benefits, safety and efficacy of our product candidates or any future product candidates, if approved, including relative to alternative and competing treatments;
- patient demand for our current or future product candidates, if approved;
- our ability to establish and enforce intellectual property rights in and to our product candidates; and
- our ability to avoid third-party patent interference, intellectual property challenges or intellectual property infringement claims.

These factors, many of which are beyond our control, could cause us to experience significant delays or an inability to obtain regulatory approvals or commercialize our current or future product candidates. Even if

regulatory approvals are obtained, we may never be able to successfully commercialize any product candidates. Accordingly, we cannot provide assurances that we will be able to generate sufficient revenue through the sale of our product candidate or any future product candidates to continue our business or achieve profitability.

Our tumor-specific cancer immunotherapy approach is based on novel ideas and technologies that are unproven and may not result in marketable products, which exposes us to unforeseen risks and makes it difficult for us to predict the time and cost of product development and potential for regulatory approval.

We are using our proprietary technologies to develop tumor-specific immunotherapy product candidates to treat cancer. Our foundational science and product development approach are based on our ability to predict the presence of a patient's tumor-specific iso-antigens, or TSIAs, and develop a TSIA-directed therapy that will elicit a meaningful specific immune-system cell response (T or NKT-Like cells). We believe that this approach may offer an improved therapeutic effect by driving an intense, focused attack selectively upon a patient's tumor. However, this approach to treating cancer is novel and the scientific research that forms the basis of our efforts to predict the presence of TSIA and to develop a CAR that targets TSIA-directed cancer immunotherapy candidates is both preliminary and limited.

Our tumor-specific immunotherapy product candidates have limited testing in humans. We are currently in the process of validating different tumor-specific immunotherapy product candidates. When we validate adequate biomarkers for these product candidates, we will commence preclinical animal studies, and the results of our preclinical animal studies may not translate into humans. For example, our prediction model may fail to accurately predict the presence of TSIAs, resulting in little or no T cell activity, or our therapy may fail to elicit a significant or durable enough T or NKT-Like cell response to effectively destroy a tumor.

As such, we cannot assure you that even if we are able to develop cancer immunotherapy candidates capable of recognizing TSIA and eliciting a T cell response, that such therapy would safely and effectively treat cancers. We may spend substantial funds attempting to develop this approach and never succeed in developing a marketable therapeutic.

Furthermore, no regulatory authority has granted approval for a cancer immunotherapy based on a heterologous prime-boost approach. As such, we believe the FDA has limited experience with evaluating our approach, which may increase the complexity, uncertainty and length of the regulatory approval process for our product candidates. We may never receive approval to market and commercialize any product candidate. Even if we obtain regulatory approval, the approval may be for targets, disease indications, lines of therapy or patient populations that are not as broad as we intended or desired or may require labeling that includes significant use or distribution restrictions or safety warnings.

We may be required to perform additional or unanticipated clinical trials to obtain approval or be subject to post-marketing testing requirements to maintain regulatory approval. If our immunotherapy candidates prove to be ineffective, unsafe or commercially unviable, our entire technology platform and pipeline would have little, if any, value, which would have a material and adverse effect on our business, financial condition, results of operations and prospects.

Diamond, CancerSplice and ABBIE are novel technologies, making it difficult to predict the time, cost and potential success of product candidate development. We have not yet been able to assess the safety and efficacy of any product candidates in humans. Our success depends on our ability to develop and commercialize product candidates using our novel genome editing technology ABBIE. The novel nature of our technology makes it difficult to accurately predict the developmental challenges we may face for product candidates as they proceed through research, preclinical or greenhouse studies and clinical or field trials.

There have been a limited number of clinical trials of products created with genome editing technologies, none of which has utilized our technology, and no therapeutic product candidates created with other genome editing

technologies have received marketing approval in the United States or Europe. Because our therapeutic research programs are all in research or preclinical stages, we have not yet been able to assess the safety or efficacy of any product candidates in humans.

Current or future product candidates may not meet safety and efficacy requirements for continued development or ultimate approval in humans and may cause significant adverse events or toxicities. All of our product candidates are designed to act at the level of DNA, and because animal DNA differs from human DNA, it will be difficult for us to test our therapeutic product candidates in animal models for either safety or efficacy, and any testing that we conduct may not translate to their effects in humans. Moreover, animal models may not exist for some of the targets, diseases or indications that we intend to pursue.

Our product candidates may not be able to properly implement desired genetic edits with sufficient accuracy to be viable therapeutic products, and there may be long-term effects associated with them that we cannot predict at this time. Any problems we experience related to the development of our genome editing technology or any of our or our collaborators' research programs or product candidates may cause significant delays or unanticipated costs, and we may not be able to satisfactorily solve such problems. These factors may prevent us or our collaborators from completing our preclinical studies or any clinical trials that we or our collaborators may initiate, or profitably commercializing any product candidates on a timely basis, or at all.

The genome editing field is relatively new and evolving rapidly, and other existing or future technologies may provide significant advantages over our Diamond, CancerSplice and ABBIE technologies, which could materially harm our business.

To date, we have focused our efforts on optimizing our proprietary genome editing technology and exploring its potential applications. Other companies have previously undertaken research and development of genome editing technologies using sequence-specific DNA-cutting enzymes, or nucleases, that are designed to perform modifications in the DNA of living cells and organisms, or using zinc finger nucleases, transcription activator-like effector nucleases, or TALENs, and clustered regularly interspaced short palindromic repeats associated protein-9 nuclease, or CRISPR/Cas9, although none has obtained marketing approval for a product candidate developed using such technologies. Other genome editing technologies, or other existing or future technologies, may lead to the development of treatments or products that may be considered better suited for use in human therapeutics, which could reduce or eliminate our commercial opportunity.

We are heavily dependent on the successful development and translation of our technologies, and due to the early stages of our product development operations, we cannot give any assurance that any product candidates will be successfully developed and commercialized. To date, we have invested substantially all of our efforts and financial resources to develop our technologies and advance our current product development programs, including conducting preclinical studies and other early research and development activities, and providing general and administrative support for these operations.

Our future success is dependent on our ability to successfully develop and, where applicable, obtain regulatory approval for, including marketing approval for, and then successfully commercialize, product candidates, either alone or with collaborators. We have not yet developed and commercialized any product candidates, and we may not be able to do so, alone or with collaborators. Our research and development programs may not lead to the successful identification, development or commercialization of any products.

The success of our business depends primarily upon our ability to identify, develop and commercialize products using our proprietary technologies.

All of our current product candidates and product development programs are still in the IND validation process. We may be unsuccessful in advancing those product candidates into clinical development or in identifying any developing additional product candidates.

Our ability to identify and develop product candidates is subject to the numerous risks associated with preclinical and early stage biotechnology development activities, including that:

- the use of Diamond and CancerSplice may be ineffective in identifying additional product candidates;
- the use of ABBIE may be ineffective in accurately inserting the product candidate into tumor-targeting effector cells;
- we may not be able to assemble sufficient resources to acquire or discover additional product candidates;
- we may not be able to enter into collaborative arrangements to facilitate development of product candidates;
- competitors may develop alternatives that render our product candidates obsolete or less attractive;
- our product candidates may be covered by third parties' patents or other exclusive rights;
- the regulatory pathway for a product candidate may be too complex, expensive or otherwise difficult to navigate successfully; or
- our product candidates may be shown to not be effective, have harmful side effects or otherwise pose risks not outweighed by such product candidate's benefits or have other characteristics that may make the products impractical to manufacture, unlikely to receive any required marketing approval, unlikely to generate sufficient market demand or otherwise not achieve profitable commercialization.

Even if we do commence clinical trials of product candidates and continue to identify new product candidates, such product candidates may never be approved. Failure to successfully identify and develop new product candidates and obtain regulatory approvals for our products would have a material adverse effect on our business and financial condition and could cause us to cease operations.

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

We sometimes estimate, or may in the future estimate, the timing of the accomplishment of various scientific, clinical, manufacturing, regulatory and other product development objectives. These milestones may include our expectations regarding the commencement or completion of scientific studies or clinical or field trials, the submission of regulatory filings, the receipt of marketing approval or the realization of other commercialization objectives.

The achievement of many of these milestones may be outside of our control. All of these milestones are based on a variety of assumptions, including assumptions regarding capital resources, constraints and priorities, progress of and results from development activities and the receipt of key regulatory approvals or actions, any of which may cause the timing of achievement of the milestones to vary considerably from our estimates.

If our collaborators or ourselves fail to achieve announced milestones in the expected timeframes, the commercialization of the product candidates may be delayed, our credibility may be undermined, our business and results of operations may be harmed, and the price of our common stock may decline.

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

We face an inherent risk of product liability and professional indemnity exposure related to the testing in clinical trials of our product candidates. We will face an even greater liability risk if we commercially sell any products that we or our collaborators may develop for human use.

Manufacturing defects, errors in product distribution or storage processes, improper administration or application and known or unknown side effects of product usage may result in liability claims against us or third parties with which we have relationships. These actions could include claims resulting from acts by our collaborators, licensees and subcontractors over which we have little or no control. For example, our liability could be sought by patients participating in clinical trials for potential therapeutic product candidates as a result of unexpected side effects, improper product administration or the deterioration of a patient's condition, patient injury or even death.

Criminal or civil proceedings might be filed against us by patients, regulatory authorities, biopharmaceutical companies and any other third party using or marketing any product candidates or products that we develop alone or with collaborators. On occasion, large judgments have been awarded in class action lawsuits based on products that had unanticipated adverse effects. If we cannot successfully defend ourselves against claims that product candidates or products we develop alone or with collaborators caused harm, we could incur substantial liabilities.

Clinical development does not always fully characterize the safety and efficacy profile of a new medicine, and it is always possible that a drug or biologic, even after regulatory approval, may exhibit unforeseen side effects. If our product candidates were to cause adverse side effects during clinical trials or after approval, we may be exposed to substantial liabilities.

Product liability insurance coverage may not be adequate to cover all liabilities that we may incur. We anticipate that we will need to increase our insurance coverage when we begin clinical trials and if our collaborators or ourselves successfully commercialize any products.

Risks Related to Our Organization, Structure and Operations

Our future success depends on our ability to retain our Chief Executive Officer, Chief Scientific Officer and other key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on the research and development experience, technical skills, leadership and continued service of certain members of our management and scientific teams, including Maurizio Chiriva Internati, our Chief Executive Officer, Scott Dahlbeck, our Chief Medical Officer, David Spencer, our Chief Scientific Officer, Gianluca Rotino, our Chief Strategy and Innovation Officer, and Tony Tontat, our Chief Financial Officer and Chief Operating Officer.

Although we have formal employment agreements and consulting agreements with our executive officers, these agreements do not prevent them from terminating their employment with us at any time. We maintain a $10 million "key man" life insurance policy for Dr. Chiriva Internati, our Chief Executive Officer, but not for any of our other team members. The loss of the services of any of these persons could impede the achievement of our research, development and commercialization objectives.

Recruiting and retaining qualified scientific, clinical, manufacturing and, if we retain commercialization responsibility for any product candidate we develop alone or with collaborators, sales and marketing personnel, will also be critical to our success. We may not be able to attract and retain these personnel on acceptable terms or at all given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategies. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us.

The inability to recruit, integrate, motivate and retain additional skilled and qualified personnel, or the loss of services of certain executives, key employees, consultants or advisors, may impede the progress of our research, development and commercialization objectives and have a material adverse effect on our business.

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

We will need to significantly expand our organization, and our future financial performance, ability to develop and commercialize product candidates alone or with collaborators and ability to compete effectively will depend in part on our ability to effectively manage any future growth. We may have difficulty identifying, hiring and integrating new personnel.

Many of the biotechnology companies that we compete against for qualified personnel and consultants have greater financial and other resources, different risk profiles and a longer history than we do. If we are unable to continue to attract and retain high-quality personnel and consultants, the rate and success at which we can identify and develop product candidates, enter into collaborative arrangements and otherwise operate our business will be limited.

Future growth would impose significant additional responsibilities on our management, including the need to identify, recruit, maintain, motivate and integrate additional employees, consultants and contractors. Management may need to divert a disproportionate amount of its attention away from our day-to-day activities and devote a substantial amount of time to managing these growth activities. Due to our limited financial resources and the limited experience of our management team in managing a company with such anticipated growth, we may not be able to effectively manage the expected expansion of our operations or recruit and train additional qualified personnel.

Moreover, the expected physical expansion of our operations may lead to significant costs and may divert our management and business development resources from other projects, such as the development of product candidates. If we are not able to effectively manage the expansion of our operations, it may result in weaknesses in our infrastructure, increase our expenses more than expected, give rise to operational mistakes, loss of business opportunities, loss of employees and reduced productivity.

Our insurance policies are expensive and protect us only from some business risks, which leaves us exposed to significant uninsured liabilities.

We do not carry insurance for all categories of risk that our business may encounter. If we obtain marketing approval for any product candidates that we or our collaborators may develop, we intend to acquire insurance coverage to include the sale of commercial products, but we may be unable to obtain such insurance on commercially reasonable terms or in adequate amounts. We do not carry specific biological or hazardous waste insurance coverage, and our property, casualty and general liability insurance policies specifically exclude coverage for damages and fines arising from biological or hazardous waste exposure or contamination.

Accordingly, in the event of contamination or injury, we could be held liable for damages or be penalized with fines in an amount exceeding our resources, and clinical trials or regulatory approvals for any of our product candidates could be suspended. We also expect that operating as a public company will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors, our board committees or as our executive officers.

Insurance coverage is becoming increasingly expensive, and in the future, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses. We do not know if we will be able to maintain existing insurance with adequate levels of coverage, and any liability insurance coverage we acquire in the future may not be sufficient to reimburse us for any expenses or losses we may suffer. A successful liability claim or series of claims brought against us could require us to pay substantial amounts and cause our share price to decline and, if judgments exceed our insurance coverage, could adversely affect our results of operations and business, including preventing or limiting the development and commercialization of any product candidates that we or our collaborators may develop.

We are subject to complex tax rules relating to our business, and any audits, investigations or tax proceedings could have a material adverse effect on our business, results of operations and financial condition.

We are subject to income and non-income taxes in the United States. Income tax accounting often involves complex issues, and judgment is required in determining our provision for income taxes and other tax liabilities. We could become subject to income and non-income taxes in non-US jurisdictions as well. In addition, many operating foreign jurisdictions have detailed transfer pricing rules, which require that all transactions with non-resident related parties be priced using arm's length pricing principles within the meaning of such rules. The application of withholding tax, goods and services tax, sales taxes and other non-income taxes is not always clear and we may be subject to tax audits relating to such withholding or non-income taxes. We believe that our tax positions are reasonable, and our tax reserves are adequate to cover any potential liability. We are currently not subject to any tax audits.

However, the Internal Revenue Service or other taxing authorities may disagree with our positions. If the Internal Revenue Service or any other tax authorities were successful in challenging our positions, we may be liable for additional tax and penalties and interest related thereto or other taxes, as applicable, in excess of any reserves established therefor, which may have a significant impact on our results and operations and future cash flow.

Our business and operations would suffer in the event of system failures or security breaches.

Despite the implementation of security measures, our computer systems, as well as those of third parties with which we have relationships, are vulnerable to damage from computer viruses, unauthorized access, natural and manmade disasters, terrorism, war and telecommunication and electrical failures. If we were to experience a system failure, accident or security breach such an event caused interruptions in our or their operations, it could result in delays and/or material disruptions of our research and development programs.

For example, the loss of trial data from completed, ongoing or planned trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach were to result in a loss of or damage to data or applications, or inappropriate disclosure of personal, confidential or proprietary information, we could incur liability and the development of our product candidates could be delayed.

The U.S. federal and various state and foreign governments have enacted or proposed requirements regarding the collection, distribution, use, security and storage of personally identifiable information and other data relating to individuals, and U.S. federal and state consumer protection laws are being applied to enforce regulations related to the online collection, use and dissemination of data. In the ordinary course of our business, we and third parties with which we have relationships collect and store sensitive data, including intellectual property, clinical trial data, proprietary business information, personal data and personally identifiable information of our clinical trial subjects and employees, in data centers and on networks. The secure processing, maintenance and transmission of this information is critical to our operations. Despite our and our collaborators' security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or internal bad actors, breaches due to employee error, technical vulnerabilities, malfeasance or other disruptions, and any such breach could compromise our or their networks and the information stored there could be accessed, publicly disclosed, lost or stolen.

Any such access, disclosure, notifications, follow-up actions related to such a security breach or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information and significant costs, including regulatory penalties, fines and legal expenses, and such an event could disrupt our operations, cause us to incur remediation costs, damage our reputation and cause a loss of confidence in us and our or such third parties' ability to conduct clinical trials, which could adversely affect our reputation and delay our research and development programs.

We or third parties with whom we have relationships may be adversely affected by natural or manmade disasters, and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.

Natural or manmade disasters could severely disrupt our operations and have a material adverse effect on our business, results of operations, financial condition and prospects. If a natural disaster, power outage or other event occurred that prevented us from using all or a significant portion of our facilities, that damaged our infrastructure or that otherwise disrupted operations, it may be difficult or, in certain cases, impossible for us to continue our business for a substantial period of time, and our research and development activities could be setback or delayed.

The disaster recovery and business continuity plan(s) we have in place may prove inadequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans, which could have a material adverse effect on our business, and such an event could disrupt our operations, cause us to incur remediation costs, damage our reputation and cause a loss of confidence in us and our or third parties' ability to conduct clinical trials, which could adversely affect our reputation and delay our research and development programs.

Risks Related to Our Reliance on Third Parties

We expect to depend on collaborations with third parties for certain research, development and commercialization activities, and if any such collaborations are not successful, it may harm our business and prospects.

Working with collaborators poses several significant risks, including the following:

- limited availability of resource allocation and other developmental decisions made by our collaborators about the product candidates or technologies that we seek to develop with them may result in the delay or termination of research programs, studies or trials, repetition of or initiation of new studies or trials or provision of insufficient funding or resources for the completion of studies or trials or the successful marketing and distribution of any product candidates that may receive approval;
- collaborators could independently develop, or develop with third parties, product candidates or technologies that compete directly or indirectly with our product candidates or technologies if the collaborators believe that competitive products or technologies are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours;
- collaborators may not properly obtain, maintain, enforce or defend our intellectual property or proprietary rights or may use our proprietary information in such a way that could jeopardize or invalidate our proprietary information or expose us to potential litigation; and
- disputes may arise between us and our collaborators that result in the delay or termination of the research, development or commercialization activities or that result in costly litigation or arbitration that diverts management attention and resources.

Our ability to generate revenues from these arrangements will depend on our collaborators' abilities to successfully perform the functions assigned to them in these arrangements. If our collaborations do not result in the successful development and commercialization of product candidates or technologies, or if one of our collaborators terminates its agreement with us, we may not receive any future funding or milestone or royalty payments under the collaboration.

If we do not receive the funding we expect under these agreements, our development of product candidates or technologies could be delayed, and we may need additional resources to develop such product candidates or technologies. In addition, if one of our collaborators terminates its agreement with us, we may find it more difficult to find a suitable replacement collaborator or attract new collaborators and may need to raise additional capital to pursue further development or commercialization of the applicable product candidates or technologies.

These events could delay development programs and negatively impact the perception of our company in business and financial communities. Failure to develop or maintain relationships with any current collaborators could result in the loss of opportunity to work with that collaborator or reputational damage that could impact our relationships with other collaborators in the relatively small industry communities in which we operate.

Moreover, all of the risks relating to product development, regulatory approval and commercialization described in this prospectus apply to the activities of our collaborators. If our existing collaboration agreements or any collaborative or strategic relationships we may establish in the future are not effective and successful, it may damage our reputation and business prospects, delay or prevent the development and commercialization of product candidates and inhibit or preclude our ability to realize any revenues.

We expect to rely on third parties to conduct, supervise and monitor our clinical trials and some aspects of our research and preclinical testing, and if those third parties do not successfully carry out their contractual duties, comply with regulatory requirements, or otherwise perform in a satisfactory manner, we may not be able to obtain regulatory approval or commercialize product candidates, or such approval or commercialization may be delayed, and our business may be substantially harmed.

We expect to rely on medical institutions, clinical investigators, contract laboratories and other third parties, such as contract research organizations, or CROs, to conduct preclinical studies and future clinical trials for our product candidates. Nevertheless, we will be 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 such third parties will not relieve us of our regulatory responsibilities. For example, we will remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial. Moreover, the FDA requires us to comply with regulations, commonly referred to as good clinical practices, or GCPs, for conducting, monitoring, recording and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of trial participants are protected.

Although we intend to design the trials for our product candidates either alone or with collaborators, third parties may conduct all of the trials. As a result, many important aspects of our research and development programs, including their conduct and timing, will be outside of our direct control. Our reliance on third parties to conduct future studies and trials will also result in less direct control over the management of data developed through studies and trials than would be the case if we were relying entirely upon our own staff. Communicating with outside parties can also be challenging, potentially leading to mistakes and difficulties in coordinating activities. Such third parties may have staffing difficulties, fail to comply with contractual obligations, experience regulatory compliance issues, undergo changes in priorities, become financially distressed or form relationships with other entities, some of which may be our competitors.

We also face the risk of potential unauthorized disclosure or misappropriation of our intellectual property by CROs or other third parties, which may reduce our trade secret protection and allow our potential competitors to access and exploit our proprietary technology. For any violations of laws and regulations during the conduct of our preclinical studies and future clinical trials, we could be subject to warning letters or enforcement action that may include civil penalties up to and including criminal prosecution.

If we, our collaborators, our CROs or other third parties fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be deemed unreliable and FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We also are required to register certain ongoing clinical trials and post the results of such completed clinical trials on a government-sponsored database, ClinicalTrials.gov, within certain timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions.

If our CROs or other third parties do not successfully carry out their contractual duties or obligations, fail to meet expected deadlines, 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 any other reasons, trials for product candidates may be extended, delayed or terminated, and we or our collaborators may not be able to obtain regulatory approval for, or successfully commercialize, any product candidate that we develop. If we are required to repeat, extend the duration of or increase the size of any trials we conduct, it could significantly delay commercialization and require significantly greater expenditures.

As a result of any of these factors, our financial results and the commercial prospects for any product candidate that we or our collaborators may develop would be harmed, our costs could increase and our ability to generate revenues could be delayed.

If we are unable to obtain sufficient quantities of raw materials and supplies, at acceptable prices and on a timely basis, it could harm our business.

We are dependent on third parties for the supply of various biological materials, such as cells, cytokines and antibodies, and the manufacture of product supplies, such as media, plasmids, mRNA and viral vectors, that are necessary to produce our product candidates. The supply of these materials could be reduced or interrupted at any time. In such case, identifying and engaging an alternative supplier or manufacturer could result in delay, and we may not be able to find other acceptable suppliers or manufacturers on acceptable terms, or at all.

Changing suppliers or manufacturers may involve substantial costs and is likely to result in a delay in our desired clinical and commercial timelines. If we change suppliers or manufacturers for commercial production, applicable regulatory agencies may require us to conduct additional studies or trials. If key suppliers or manufacturers are lost, or if the supply of the materials is diminished or discontinued, we or our collaborators may not be able to develop, manufacture and market product candidates in a timely and competitive manner, or at all. If any of our product candidates receives approval, we will likely need to seek alternative sources of supply of raw materials or manufactured product supplies and there can be no assurance that we will be able to establish such relationships to provide such supplies on commercially reasonable terms or at acceptable quality levels, if at all.

If we are unable to identify and procure additional sources of supply that fit our required needs, we could face substantial delays or incur additional costs in procuring such materials.

We may rely on third parties for the manufacturing process of product candidates, and failure by those parties to adequately perform their obligations could harm our business.

We do not currently own any facility that may be used as our clinical-scale manufacturing and processing facility and expect that we will rely on outside vendors for at least a portion of the manufacturing process of product candidates that we or our collaborators may develop. The facilities used by our contract manufacturers to manufacture product candidates must be approved by the FDA or other foreign regulatory agencies pursuant to inspections that will be conducted after we submit an application to the FDA or other foreign regulatory agencies. To the extent that we or our collaborators engage third parties for manufacturing services, we will not control the manufacturing process of, and will be completely dependent on, our contract manufacturing providers for compliance with cGMP requirements for manufacture of the product candidates.

We have not yet caused any product candidates to be manufactured or processed on a commercial scale and may not be able to do so. We will make changes as we work to optimize the manufacturing process, and we cannot be sure that even minor changes in the process will result in products that are safe and effective. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or other regulatory authorities, they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities. In addition, we have no control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel.

If the FDA or a comparable foreign regulatory authority does not approve these facilities for the manufacture of product candidates or if it withdraws any such approval in the future, we may need to find alternative

manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market any of our or our collaborators' potential products.

If we are not able to establish collaborations on commercially reasonable terms, we may have to alter our research, development and commercialization plans.

Our research and product development programs and the potential commercialization of our product candidates will require substantial additional cash to fund expenses, and we expect that we will continue to seek collaborative arrangements for the development and potential commercialization of current and future product candidates or the development of ancillary technologies.

We face significant competition in establishing relationships with appropriate collaborators. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators. Whether we reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of a number of factors. Those factors may include, among other things and as applicable for the type of potential product or technology, an assessment of the opportunities and risks of our technology, the design or results of studies or trials, the likelihood of approval, if necessary, by the USDA, the FDA or similar regulatory authorities outside the United States, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to patients, the potential of competing products and technologies and industry and market conditions generally.

Collaborations are complex and time-consuming to negotiate and document. We may not be able to negotiate collaborations on a timely basis, on acceptable terms, or at all. If we do enter into additional collaboration agreements, the negotiated terms may force us to relinquish rights that diminish our potential profitability from development and commercialization of the subject product candidates or others. If we are unable to enter into additional collaboration agreements, we may have to curtail the research and development of the product candidate or technology for which we are seeking to collaborate, reduce or delay research and development programs, delay potential commercialization timelines, reduce the scope of any sales or marketing activities or undertake research, development or commercialization activities at our own expense.

Risks Related to Government Regulation

The FDA regulatory approval process is lengthy and time-consuming, and we may experience significant delays in the clinical development and regulatory approval of our product candidates.

The research, testing, manufacturing, labeling, approval, selling, import, export, marketing, and distribution of drug products, including biologics, are subject to extensive regulation by the FDA and other regulatory authorities in the United States. We are not permitted to market any biological drug product in the United States until we receive approval of a BLA from the FDA. We have not previously submitted a BLA to the FDA, or similar approval filings to comparable foreign authorities. A BLA must include extensive preclinical and clinical data and supporting information to establish the product candidate's safety and effectiveness for each desired indication. The BLA must also include significant information regarding the chemistry, manufacturing and controls for the product.

We expect the novel nature of our product candidates to create further challenges in obtaining regulatory approval. For example, the FDA has limited experience with commercial development of allogenic T cell therapies for cancer. We may also request regulatory approval of future CAR-based product candidates by target, regardless of cancer type or origin, which the FDA may have difficulty accepting if our clinical trials only involved cancers of certain origins. The FDA may also require a panel of experts, referred to as an Advisory Committee, to deliberate on the adequacy of the safety and efficacy data to support licensure. The opinion of the

Advisory Committee, although not binding, may have a significant impact on our ability to obtain licensure of the product candidates based on the completed clinical trials, as the FDA often adheres to the Advisory Committee's recommendations. Accordingly, the regulatory approval pathway for our product candidates may be uncertain, complex, expensive and lengthy, and approval may not be obtained.

We may also experience delays in completing planned clinical trials for a variety of reasons, including delays related to:

- obtaining regulatory authorization to begin a trial, if applicable;
- the availability of financial resources to commence and complete the planned trials;
- reaching agreement on acceptable terms with prospective CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- obtaining approval at each clinical trial site by an independent institutional review board, or IRB;
- recruiting suitable patients to participate in a trial;
- having patients complete a trial, including having patients enrolled in clinical trials dropping out of the trial before the product candidate is manufactured and returned to the site, or return for post-treatment follow-up;
- clinical trial sites deviating from trial protocol or dropping out of a trial;
- addressing any patient safety concerns that arise during the course of a trial;
- adding new clinical trial sites; or
- manufacturing sufficient quantities of qualified materials under cGMPs and applying them on a patient by patient basis for use in clinical trials.

We could also encounter delays if physicians encounter unresolved ethical issues associated with enrolling patients in clinical trials of our product candidates in lieu of prescribing existing treatments that have established safety and efficacy profiles. Further, a clinical trial may be suspended or terminated by us, the IRBs for the institutions in which such trials are being conducted or by the FDA or other regulatory authorities due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a product candidate, changes in governmental regulations or administrative actions, lack of adequate funding to continue the clinical trial, or based on a recommendation by the Data Safety Monitoring Committee. The FDA's review of our data of our ongoing clinical trials may, depending on the data, also result in the delay, suspension or termination of one or more clinical trials, which would also delay or prevent the initiation of our other planned clinical trials. If we experience termination of, or delays in the completion of, any clinical trial of our product candidates, the commercial prospects for our product candidates will be harmed, and our ability to generate product revenue will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow down our product development and approval process and jeopardize our ability to commence product sales and generate revenue.

Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may ultimately lead to the denial of regulatory approval of our product candidates.

We expect the product candidates we develop will be regulated as biological products, or biologics, and therefore they may be subject to competition sooner than anticipated.

The Biologics Price Competition and Innovation Act was enacted as part of the Affordable Care Act to establish an abbreviated pathway for the approval of biosimilar and interchangeable biological products. The regulatory

pathway establishes legal authority for the FDA to review and approve biosimilar biologics, including the possible designation of a biosimilar as "interchangeable" based on its similarity to an approved biologic. Under the Biologics Price Competition and Innovation Act, an application for a biosimilar product cannot be approved by the FDA until 12 years after the reference product was approved under a BLA. 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. While it is uncertain when such processes intended to implement the Biologics Price Competition and Innovation Act may be fully adopted by the FDA, any such processes could have a material adverse effect on the future commercial prospects for our biological products.

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

The regulatory landscape that will govern our product candidates is uncertain; regulations relating to more established gene therapy and cell therapy products are still developing, and changes in regulatory requirements could result in delays or discontinuation of development of our product candidates or unexpected costs in obtaining regulatory approval.

Because we are developing novel CAR T cell immunotherapy product candidates that are unique biological entities, the regulatory requirements that we will be subject to are not entirely clear. Even with respect to more established products that fit into the categories of gene therapies or cell therapies, the regulatory landscape is still developing. For example, regulatory requirements governing gene therapy products and cell therapy products have changed frequently and may continue to change in the future. Moreover, there is substantial, and sometimes uncoordinated, overlap in those responsible for regulation of existing gene therapy products and cell therapy products. For example, in the United States, the FDA has established the Office of Tissues and Advanced Therapies, formerly known as the Office of Cellular, Tissue and Gene Therapies, within its Center for Biologics Evaluation and Research to consolidate the review of gene therapy and related products, and the Cellular, Tissue and Gene Therapies Advisory Committee to advise the Center for Biologics Evaluation and Research on its review. Gene therapy clinical trials are also subject to review and oversight by an institutional biosafety committee, or IBC, a local institutional committee that reviews and oversees basic and clinical research conducted at the institution participating in the clinical trial. Although the FDA decides whether individual gene therapy protocols may proceed, review process and determinations of other reviewing bodies can impede or delay the initiation of a clinical study, even if the FDA has reviewed the study and approved its initiation. Conversely, the FDA can place an IND application on clinical hold even if such other entities have provided a favorable review. Furthermore, each clinical trial must be reviewed and approved by an independent IRB at or servicing each institution at which a clinical trial will be conducted. In addition, adverse developments in clinical trials of gene therapy products conducted by others may cause the FDA or other regulatory bodies to change the requirements for approval of any of our product candidates.

Complex regulatory environments exist in other jurisdictions in which we might consider seeking regulatory approvals for our product candidates, further complicating the regulatory landscape. For example, in the EU a special committee called the Committee for Advanced Therapies was established within the European Medicines Agency in accordance with Regulation (EC) No 1394/2007 on advanced-therapy medicinal products to assess the quality, safety and efficacy of advanced-therapy medicinal products, and to follow scientific developments in the field. Advanced-therapy medicinal products s include gene therapy products as well as somatic cell therapy products and tissue engineered products.

These various regulatory review committees and advisory groups and new or revised guidelines that they promulgate from time to time may lengthen the regulatory review process, require us to perform additional studies, increase our development costs, lead to changes in regulatory positions and interpretations, delay or prevent approval and commercialization of our product candidates or lead to significant post-approval limitations or restrictions. Because the regulatory landscape for our CAR T cell immunotherapy product candidates is new, we may face even more cumbersome and complex regulations than those emerging for gene therapy products and cell therapy products. Furthermore, even if our product candidates obtain required regulatory approvals, such approvals may later be withdrawn as a result of changes in regulations or the interpretation of regulations by applicable regulatory agencies.

Delay or failure to obtain, or unexpected costs in obtaining, the regulatory approval necessary to bring a potential product to market could decrease our ability to generate sufficient product revenue to maintain our business.

The FDA may disagree with our regulatory plan and we may fail to obtain regulatory approval of our product candidates.

If and when our planned Phase 1 clinical trials for ALEXIS AIDT-1 and our other initial product candidates are completed and, assuming positive data, we expect to advance to potential registrational trials. The general approach for FDA approval of a new biologic or drug is for the sponsor to provide dispositive data from two well-controlled, Phase 3 clinical studies of the relevant biologic or drug in the relevant patient population. Phase 3 clinical studies typically involve hundreds of patients, have significant costs and take years to complete. If the results from our clinical trials are sufficiently compelling, we intend to discuss with the FDA submission of a BLA for the relevant product candidate. However, we do not have any agreement or guidance from the FDA that our regulatory development plans will be sufficient for submission of a BLA. For example, the FDA may require that we conduct a comparative trial against an approved therapy including potentially an approved autologous T cell therapy, which would significantly delay our development timelines and require substantially more resources. In addition, the FDA may only allow us to evaluate patients that have failed or who are ineligible for autologous therapy, which are extremely difficult patients to treat and patients with advanced and aggressive cancer, and our product candidates may fail to improve outcomes for such patients.

The FDA may grant accelerated approval for our product candidates and, as a condition for accelerated approval, the FDA may require a sponsor of a drug or biologic receiving accelerated approval to perform post-marketing studies to verify and describe the predicted effect on irreversible morbidity or mortality or other clinical endpoint, and the drug or biologic may be subject to withdrawal procedures by the FDA that are more accelerated than those available for regular approvals. We believe an accelerated approval strategy is warranted given the limited alternatives for patients that our initial product candidates target, but the FDA may ultimately require a Phase 3 clinical trial prior to approval, particularly since our product candidates represent a novel treatment. In addition, the standard of care may change with the approval of new products in the same indications that we are studying. This may result in the FDA or other regulatory agencies requesting additional studies to show that our product candidate is superior to the new products.

Our clinical trial results may also not support approval. In addition, our product candidates could 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;
- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that our product candidates are safe and effective for any of their proposed indications;
- the results of clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval, including due to the heterogeneity of patient populations;

- we may be unable to demonstrate that our product candidates' clinical and other benefits outweigh their 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 the satisfaction of the FDA or comparable foreign regulatory authorities to support the submission of a BLA or other comparable submission in foreign jurisdictions or to obtain regulatory approval in the United States or elsewhere;
- the FDA or comparable foreign regulatory authorities will review our manufacturing process and inspect our commercial manufacturing facility and may not approve our manufacturing process or facility; 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.

We may seek orphan drug designation for some or all of our product candidates across various indications, but we may be unable to obtain such designations or to maintain the benefits associated with orphan drug designation, 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. In order to obtain orphan drug designation, the request must be made before submitting a BLA. In the United States, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages, and user-fee waivers. After the FDA grants orphan drug designation, the generic identity of the drug and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval of that particular product 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, to market the same biologic (meaning, a product with the same principal molecular structural features) 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 FDA finds that the holder of the orphan drug exclusivity has not shown that it can assure the availability of sufficient quantities of the orphan drug to meet the needs of patients with the disease or condition for which the drug was designated. As a result, even if one of our product candidates receives orphan exclusivity, the FDA can still approve other biologics that do not have the same principal molecular structural features for use in treating the same indication or disease or the same biologic for a different indication or disease during the exclusivity period. Furthermore, the FDA can waive orphan exclusivity if we are unable to manufacture sufficient supply of our product or if a subsequent applicant demonstrates clinical superiority over our product.

We may seek orphan drug designation for at least one of our product candidates in specific orphan indications in which there is a medically plausible basis for the use of these products. Even if we obtain orphan drug designation, exclusive marketing rights in the United States may be limited if we seek approval for an indication broader than the orphan designated indication and may be lost if the FDA later determines that the request for designation was materially defective or if we are unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition, or if a subsequent applicant demonstrates clinical superiority over our products, if approved. In addition, although we may seek orphan drug designation for other product candidates, we may never receive such designations.

Regenerative Medicine Advanced Therapy designation, 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 Regenerative Medicine Advanced Therapy, or RMAT, designation for one or more of our product candidates. In 2017, the FDA established the RMAT designation to expedite review of a cell therapy, therapeutic tissue engineering product, human cell and tissue product, or any combination product using such therapies or products, with limited exceptions intended to treat, modify, reverse, or cure a serious or life-threatening disease or condition and for which preliminary clinical evidence indicates that the potential to address unmet medical needs for such a disease or condition. RMAT designation provides potential benefits that include more frequent meetings with FDA to discuss the development plan for the product candidate, and eligibility for rolling review and priority review. Products granted RMAT designation may also be eligible for accelerated approval on the basis of a surrogate or intermediate endpoint reasonably likely to predict long-term clinical benefit, or reliance upon data obtained from a meaningful number of sites, including through expansion to additional sites. There is no assurance that we will be able to obtain RMAT designation for any of our product candidates. RMAT designation does not change the FDA's standards for product approval, and there is no assurance that such designation will result in expedited review or approval or that the approved indication will not be narrower than the indication covered by the designation. Additionally, RMAT designation can be revoked if the criteria for eligibility cease to be met as clinical data emerges.

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 studies 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.

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 regulatory approvals that we receive for our product candidates will require surveillance to monitor the safety and efficacy of the product candidate. The FDA may also require a risk evaluation and mitigation strategy 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. In addition, if the FDA or a comparable foreign regulatory authority

approves our product candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion, import, export and recordkeeping for our product candidates will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMPs and GCPs for any clinical trials that we conduct post-approval. As such, we and our contract manufacturers will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any BLA, other marketing application and previous responses to inspectional observations. Accordingly, we and others with whom we work must continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production and quality control. In addition, the FDA could require us to conduct another study to obtain additional safety or biomarker information. Further, we will be required to comply with FDA promotion and advertising rules, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting products for uses or in patient populations that are not described in the product's approved uses (known as "off-label use"), limitations on industry-sponsored scientific and educational activities and requirements for promotional activities involving the internet and social media. Later discovery of previously unknown problems with our product candidates, including adverse events of unanticipated severity or frequency, or with our third-party suppliers or manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical studies to assess new safety risks; or imposition of distribution restrictions or other restrictions under a risk evaluation and mitigation strategy program. Other potential consequences include, 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;
- fines, warning letters or holds on clinical trials;
- refusal by the FDA to approve pending applications or supplements to approved applications filed by us or suspension or revocation of license approvals;
- product seizure or detention, or refusal to permit the import or export of our product candidates; and
- injunctions or the imposition of civil or criminal penalties.

The FDA'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 or executive action, either in the United States or abroad. For example, certain policies of the current U.S. President's administration may impact our business and industry. Namely, the current U.S. President's administration has taken several executive actions, including the issuance of a number of Executive Orders, that could impose significant burdens on, or otherwise materially delay, FDA's ability to engage in routine oversight activities such as implementing statutes through rulemaking, issuance of guidance, and review and approval of marketing applications. It is difficult to predict how these orders will be implemented, and the extent to which they will impact the FDA's ability to exercise its regulatory authority. If these executive actions impose restrictions on FDA's ability to engage in oversight and implementation activities in the normal course, our business may be negatively impacted. 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.

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

The gene editing technologies that we use are novel. Public perception may be influenced by claims that gene editing is unsafe, and products incorporating gene editing may not gain the acceptance of the public or the

medical community. In particular, our success will depend upon physicians specializing in our targeted diseases prescribing our product candidates as treatments in lieu of, or in addition to, existing, more familiar, treatments for which greater clinical data may be available. Any increase in negative perceptions of gene editing may result in fewer physicians prescribing our treatments or may reduce the willingness of patients to utilize our treatments or participate in clinical trials for our product candidates. Increased negative public opinion or more restrictive government regulations in response thereto, would have a negative effect on our business or financial condition and may delay or impair the development and commercialization of our product candidates or demand for such product candidates.

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 engineered T cells 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. We expect physicians in the large bone marrow transplant centers to be particularly influential and we may not be able to convince them to use our product candidates for many reasons. For example, certain of the product candidates that we will be developing target a cell surface marker that may be present on cancer cells as well as non-cancerous cells. It is possible that our product candidates may kill these non-cancerous cells, which may result in unacceptable side effects, including death. Additional factors will influence whether our product candidates are accepted in the market, including:

- the clinical indications for which our product candidates are approved;
- 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;
- the prevalence and severity of any side effects;
- 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 coverage and adequate reimbursement by third-party payors and government authorities;
- the willingness of patients to pay out-of-pocket in the absence of coverage and adequate reimbursement 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 approved 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. 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.

Coverage and reimbursement may be limited or unavailable in certain market segments for our product candidates, which could make it difficult for us to sell our product candidates, if approved, profitably.

Successful sales of our product candidates, if approved, depend on the availability of coverage and adequate reimbursement from third-party payors including governmental healthcare programs, such as Medicare and Medicaid, managed care organizations and commercial payors, among others. Significant uncertainty exists as to the coverage and reimbursement status of any product candidates for which we obtain regulatory approval. In addition, because our product candidates represent new approaches to the treatment of cancer, we cannot accurately estimate the potential revenue from our product candidates.

Patients who are provided medical treatment for their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Obtaining coverage and adequate reimbursement from third-party payors is critical to new product acceptance.

Third-party payors decide which drugs and treatments they will cover and the amount of reimbursement. 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.

Obtaining coverage and reimbursement of a product from a government or other third-party payor is a time-consuming and costly process that could require us to provide to the payor supporting scientific, clinical and cost-effectiveness data for the use of our products. Even if we obtain coverage for a given product, if the resulting reimbursement rates are insufficient, hospitals may not approve our product for use in their facility or third-party payors may require co-payments that patients find unacceptably high. Patients are unlikely to use our product candidates unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of our product candidates. Separate reimbursement for the product itself may or may not be available. Instead, the hospital or administering physician may be reimbursed only for providing the treatment or procedure in which our product is used. Further, from time to time, the Centers for Medicare & Medicaid Services, or the CMS, revises the reimbursement systems used to reimburse health care providers, including the Medicare Physician Fee Schedule and Outpatient Prospective Payment System, which may result in reduced Medicare payments. In some cases, private third-party payers rely on all or portions of Medicare payment systems to determine payment rates. Changes to government healthcare programs that reduce payments under these programs may negatively impact payments from private third-party payers, and reduce the willingness of physicians to use our product candidates.

In the United States, no uniform policy of coverage and reimbursement for products exists among third-party payors. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage for the product. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

We intend to seek approval to market our product candidates in both the United States and in selected foreign jurisdictions. If we obtain approval in one or more foreign jurisdictions for our product candidates, we will be subject to rules and regulations in those jurisdictions. In some foreign countries, particularly those in Europe, the pricing of biologics is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after obtaining marketing approval of a product candidate. Some of these

countries may require the completion of clinical trials that compare the cost-effectiveness of a particular product candidate to currently available therapies. Other member states allow companies to fix their own prices for medicines, but monitor and control company profits. The downward pressure on health care costs has become very intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross-border imports from low-priced markets exert a commercial pressure on pricing within a country.

The marketability of any product candidates for which we receive regulatory approval for commercial sale may suffer if government and other third-party payors fail to provide coverage and adequate reimbursement. We expect downward pressure on pharmaceutical pricing to continue. Further, coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which we receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

The advancement of healthcare reform may negatively impact our ability to sell our product candidates, if approved, profitably.

Third-party payors, whether domestic or foreign, or governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs. In both the United States and certain foreign jurisdictions, there have been a number of legislative and regulatory changes to the health care system that could impact our ability to sell our product candidates, if approved, profitably. In particular, in 2010 the Affordable Care Act was enacted. The Affordable Care Act and its implementing regulations, among other things, revised the methodology by which rebates owed by manufacturers to the state and federal government for covered outpatient drugs and certain biologics, including our product candidates, under the Medicaid drug rebate program are calculated, increased the minimum Medicaid rebates owed by most manufacturers under the Medicaid drug rebate program, extended the Medicaid drug rebate program to utilization of prescriptions of individuals enrolled in Medicaid managed care organizations, subjected manufacturers to new annual fees and taxes for certain branded prescription drugs, and provided incentives to programs that increase the federal government's comparative effectiveness research. Additionally, the Affordable Care Act allowed states to implement expanded eligibility criteria for Medicaid programs, imposed a new Medicare Part D coverage gap discount program, expanded the entities eligible for discounts under the Public Health Service pharmaceutical pricing program and implemented a new Patient-Centered Outcomes Research Institute. We are still unsure of the full impact that the Affordable Care Act will have on our business.

Some of the provisions of the Affordable Care Act have yet to be implemented, and there have been legal and political challenges to certain aspects of the Affordable Care Act. Since January 2017, the U.S. President has signed two Executive Orders and other directives designed to delay, circumvent, or loosen certain requirements mandated by the Affordable Care Act. In December 2017, Congress repealed the tax penalty for an individual's failure to maintain Affordable Care Act-mandated health insurance, commonly known as the "individual mandate", as part of the Tax Cuts and Jobs Act of 2017, or the Tax Act. On January 22, 2018, the U.S. President signed a continuing resolution on appropriations for fiscal year 2018 that delayed the implementation of certain Affordable Care Act-mandated fees, including the so-called "Cadillac" tax on certain high cost employer-sponsored insurance plans, the annual fee imposed on certain health insurance providers based on market share, and the medical device excise tax on non-exempt medical devices. The Bipartisan Budget Act of 2018, among other things, amended the Affordable Care Act, effective January 1, 2019, to close the coverage gap in most Medicare drug plans, commonly referred to as the "donut hole". In July 2018, CMS published a final rule permitting further collections and payments to and from certain Affordable Care Act qualified health plans and health insurance issuers under the Affordable Care Act risk adjustment program in response to the outcome of federal district court litigation regarding the method CMS uses to determine this risk adjustment. On December 14, 2018, a Texas U.S. District Court Judge ruled that the Affordable Care Act is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Act. While the Texas U.S. District Court Judge, as well as the Trump administration and CMS, have stated that the ruling will have no

immediate effect pending appeal of the decision, it is unclear how this decision, subsequent appeals, and other efforts to repeal and replace the Affordable Care Act will impact the Affordable Care Act and our business.

Further legislation or regulation could be passed that could harm our business, financial condition and results of operations. Other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. For example, in August 2011, President Obama signed into law the Budget Control Act of 2011, which, among other things, created the Joint Select Committee on Deficit Reduction to recommend to Congress proposals in spending reductions. The Joint Select Committee on Deficit Reduction did not achieve a targeted deficit reduction of at least $1.2 trillion for fiscal years 2012 through 2021, triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions to Medicare payments to providers of up to 2% per fiscal year, which went into effect beginning on April 1, 2013 and will stay in effect through 2027, unless additional Congressional action is taken. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

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. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our products. Such reforms could have an adverse effect on anticipated revenue from product candidates that we may successfully develop and for which we may obtain regulatory approval and may affect our overall financial condition and ability to develop product candidates.

In addition, 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 federal and state legislative activity designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient assistance programs, and reform government program reimbursement methodologies for drugs. At the federal level, the U.S. President's administration's budget proposal for fiscal year 2019 contains further drug price control measures that could be enacted during the 2019 budget process or in other future legislation, including, for example, measures to permit Medicare Part D plans to negotiate the price of certain drugs under Medicare Part B, to allow some states to negotiate drug prices under Medicaid, and to eliminate cost sharing for generic drugs for low-income patients. Further, the current U.S. President's administration released a "Blueprint", or plan, to lower drug prices and reduce out of pocket costs of drugs that contains additional 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. The U.S. Department of Health and Human Services, or the HHS, has already started the process of soliciting feedback on some of these measures and, at the same, is immediately implementing others under its existing authority. For example, in September 2018, CMS announced that it will allow Medicare Advantage Plans the option to use step therapy for Part B drugs beginning January 1, 2019, and in October 2018, CMS proposed a rule that would require direct-to-consumer television advertisements of prescription drugs and biological products, for which payment is available through or under Medicare or Medicaid, to include in the advertisement the Wholesale Acquisition Cost, or list price, of that drug or biological product. On January 31, 2019, the HHS Office of Inspector General proposed modifications to federal Anti-Kickback Statute safe harbors which, among other things, may affect rebates paid by manufacturers to Medicare Part D plans, the purpose of which is to further reduce the cost of drug products to consumers. While some of these and other proposed measures may require authorization through additional legislation to become effective, Congress and the current U.S. President's administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs. Individual states in the United States have also become increasingly active in passing legislation and implementing 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.

We cannot predict the initiatives that may be adopted in the future. 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 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.

Risks Related to Intellectual Property

Patents and patent applications involve highly complex legal and factual questions, which, if determined adversely to us, could negatively impact our business position.

The patent positions of biopharmaceutical and biotechnology companies and other actors in our fields of business can be highly uncertain and typically involve complex scientific, legal and factual analyses. In particular, the interpretation and breadth of claims allowed in some patents covering biopharmaceutical compositions may be uncertain and difficult to determine, and are often affected materially by the facts and circumstances that pertain to the patented compositions and the related patent claims. The standards of the United States Patent and Trademark Office (the USPTO) and its foreign counterparts are sometimes uncertain and could change in the future.

Consequently, the issuance and scope of patents cannot be predicted with certainty. Patents, if issued, may be challenged, invalidated or designed around. U.S. patents and patent applications may also be subject to interference or derivation proceedings, and U.S. patents may be subject to reexamination, post-grant review and/or inter parties review proceedings in the USPTO.

International patents may also be subject to opposition or comparable proceedings in the corresponding international patent office, which could result in either loss of the patent or denial of the patent application, or loss or reduction in the scope of one or more of the claims of the patent or patent application. In addition, such interference, derivation, reexamination, post-grant review, inter parties review and opposition proceedings may be costly. Accordingly, rights under any issued patents may not provide us with sufficient protection against competitive products or processes.

Furthermore, even if not challenged, our patents and patent applications may not adequately protect our technology and any product candidates or products that we develop alone or with collaborators or prevent others from designing their products to avoid being covered by our claims. If the breadth or strength of protection provided by the patents and patent applications that we hold with respect to our product candidates or potential products is threatened, it could dissuade companies from collaborating with us to develop, and could threaten our or their ability to successfully commercialize, such product candidates or potential products.

In addition, changes in, or different interpretations of, patent laws in the United States and other countries may permit others to use our discoveries or to develop and commercialize our technology and product candidates or products without providing any compensation to us, or may limit the scope of patent protection that we are able to obtain. The laws of some countries do not protect intellectual property rights to the same extent as U.S. laws, and those countries may lack adequate rules and procedures for defending our intellectual property rights.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and/or applications. We rely on our outside counsel and employ an outside firm to pay these fees due to USPTO and non-US patent agencies. The USPTO and various non-US governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. Although an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which non-compliance 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. In such an event, our competitors might be able to enter the market which would have a material adverse effect on our business.

If the patent applications we hold or have in-licensed with respect to our current and future research and development programs and product candidates fail to issue, if their validity, breadth or strength of protection is threatened, or if they fail to provide meaningful exclusivity for our technology or any products and product candidates that we or our collaborators may develop, it could dissuade companies from collaborating with us to develop product candidates, encourage competitors to develop competing products or technologies and threaten our or our collaborators' ability to commercialize future product candidates. Any such outcome could have a material adverse effect on our business.

Our ability to compete effectively in our markets may decline if we do not adequately protect our proprietary rights, and our proprietary rights do not necessarily address all potential threats to our competitive advantages.

We rely on patent protection as well as trademark, trade secret and other intellectual property rights protection and contractual restrictions to protect Diamond, CancerSplice, ABBIE, and ALEXIS and other product candidates. Our commercial success depends upon obtaining and maintaining proprietary rights to our intellectual property estate, including rights relating to Diamond, CancerSplice, ABBIE, and ALEXIS and other product candidates, as well as successfully defending these rights against third-party challenges and successfully enforcing these rights to prevent third-party infringement. We will only be able to protect Diamond, CancerSplice, ABBIE, and ALEXIS and other product candidates from unauthorized use by third parties to the extent that valid and enforceable patents or effectively protected trade secrets cover them.

Our ability to obtain and maintain patent protection for Diamond, CancerSplice, ABBIE, and ALEXIS and other product candidates is uncertain due to a number of factors, including the following factors:

- we may not have been the first to invent the technology covered by our pending patent applications or issued patents;
- we may not be the first to file patent applications covering product candidates, including their compositions or methods of use, as patent applications in the United States and most other countries are confidential for a period of time after filing;
- our compositions and methods may not be patentable;
- our disclosures in patent applications may not be sufficient to meet the statutory requirements for patentability;
- any or all of our pending patent applications may not result in issued patents;
- others may independently develop identical, similar or alternative technologies, products or compositions, or methods of use thereof;
- others may design around our patent claims to produce competitive technologies or products that fall outside of the scope of our patents;
- we may fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection;

- we may not seek or obtain patent protection in countries and jurisdictions that may eventually provide us a significant business opportunity;
- we may decide not to maintain or pursue patents and patent applications that, at some point in time, may cover our products, potential products, or product candidates;
- any patents issued to us may not provide a basis for commercially viable products, may not provide any competitive advantages or may be successfully challenged by third parties;
- others may identify prior art or other bases upon which to challenge and ultimately invalidate our patents or otherwise render them unenforceable;
- the growing scientific and patent literature relating to engineered endonucleases and modified CAR-T/NKT-Like cells, including our own patents and publications, may make it increasingly difficult or impossible to patent new engineered nucleases and modified CAR-T/NKT-Like cells in the future;
- our representatives or their agents may fail to apply for patents in a timely fashion; and
- despite our efforts to enter into agreements with employees, consultants, collaborators, and advisors to confirm ownership and chain of title in patents and patent applications, an inventorship or ownership dispute could arise that may permit one or more third parties to practice our technologies or enforce our patent rights, including possible efforts to enforce patent rights against.

Even if we have or obtain patents covering Diamond, CancerSplice, ABBIE, and ALEXIS or any other product candidates or compositions, others may have filed, and in the future may file, patent applications covering compositions, products or methods that are similar or identical to ours, which could materially affect our ability to successfully develop any product candidates or to successfully commercialize any approved products alone or with collaborators. In addition, because patent applications can take many years to issue, there may be currently pending applications unknown to us that may later result in issued patents that may cover Diamond, CancerSplice, ABBIE, and ALEXIS or any other product candidates or compositions. These patent applications may have priority over patent applications filed by us.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products.

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.

Without patent protection for current or future product candidates, we may be open to competition from generic versions of such potential products. 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. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to those we or our collaborators may develop.

In addition, we also try to protect our trade secrets, know-how and other proprietary information through non-disclosure and confidentiality provisions in our agreements with parties who have access to them, such as our employees, consultants and research partners. Such agreements may not be enforceable or may not provide meaningful protection for our trade secrets, know-how and/or other proprietary information in the event of unauthorized uses or disclosure or other breaches of the provisions, and we may not be able to prevent such unauthorized uses or disclosure. Moreover, if a party having an agreement with us has an overlapping or

conflicting obligation to a third party, our rights in and to certain intellectual property could be undermined. Monitoring unauthorized and inadvertent disclosure and uses is difficult, and we do not know whether the steps we have taken to prevent such disclosure and uses are, or will be, adequate. In addition, monitoring unauthorized disclosure and uses of our trade secrets is difficult, and we do not know whether the steps we have taken to prevent such disclosure and uses are, or will be, adequate. If we were to enforce a claim that a third-party had illegally obtained and was using our trade secrets, it would be expensive and time-consuming, and the outcome would be unpredictable, and any remedy may be inadequate. In addition, courts outside the United States may be less willing to protect trade secrets.

We rely on trade secrets to protect our proprietary technologies, especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. We rely in part on confidentiality agreements with our employees, consultants, outside scientific collaborators, sponsored researchers and other advisors to protect our trade secrets and other proprietary information. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover our trade secrets and proprietary information. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive business position.

Because we may rely on third parties to manufacture our potential product candidates, and because we collaborate with various organizations and academic institutions on the advancement of our current and potential product candidates, we must, at times, share trade secrets with them. We seek to protect our proprietary technology in part by entering into confidentiality agreements and, if applicable, material transfer agreements, collaborative research agreements, consulting agreements or other similar agreements with our manufacturers, collaborators, advisors, employees and consultants prior to beginning research or disclosing proprietary information. These agreements typically limit the rights of the third parties to use or disclose our confidential information, such as trade secrets. Despite the contractual provisions employed when working with third parties, the need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others, are used inappropriately to create new inventions or are disclosed or used in violation of these agreements. Given that our proprietary position is based, in part, on our know-how and trade secrets, a competitor’s discovery of our trade secrets or other unauthorized use or disclosure would impair our competitive position and may have a material adverse effect on our business.

If we fail to comply with our obligations in the agreements under which we 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 a party to a number of intellectual property license agreements that are important to our business and expect to enter into additional license agreements in the future. Our existing license agreements impose, and we expect that future license agreements will impose, various diligence, milestone payment, royalty and other obligations on us. Additionally, we may need to outsource and rely on third parties for many aspects of the development, sales and marketing of any products covered under our current and future license agreements. Delay or failure by these third parties could adversely affect the continuation of our license agreements with our licensors. If we fail to comply with any of our obligations under these agreements, or we are subject to a bankruptcy, our licensors may have the right to terminate the license, in which event we would not be able to market any products covered by the license.

In some cases, patent prosecution of our licensed technology is controlled solely by the licensor. If such licensor fails to obtain and maintain patent or other protection for the proprietary intellectual property we license from such licensor, we could lose our rights to such intellectual property or the exclusivity of such rights, and our competitors could market competing products using such intellectual property. In that event, we may be required to expend significant time and resources to develop or license replacement technology.

If we are unable to do so, we or our collaborators may be unable to develop or commercialize the affected product candidates, which could harm our business significantly. In other cases, we control the prosecution of patents resulting from licensed technology. In the event we breach any of our obligations related to such prosecution, we may incur significant liability to our licensing partners.

Licensing of intellectual property is of critical importance to our business and involves complex legal, business and scientific issues and is complicated by the rapid pace of scientific discovery in our industry. Disputes may arise regarding intellectual property subject to a licensing agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe intellectual property of the licensor that is not subject to the licensing agreement;
- the sublicensing of patent and other rights under our collaborative development relationships;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- 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; and
- the priority of invention of patented technology.

If disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates.

If we do not obtain patent term extension in the United States under the Hatch-Waxman Act and in foreign countries under similar legislation with respect to our product candidates, thereby potentially extending the term of marketing exclusivity for such product candidates, our business may be harmed.

In the United States, a patent that covers an FDA-approved drug or biologic may be eligible for a term extension designed to restore the period of the patent term that is lost during the premarket regulatory review process conducted by the FDA. Depending upon the timing, duration and conditions of FDA marketing approval of our product candidates, one or more of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Act, which permits a patent term extension of up to five years for a patent covering an approved product as compensation for effective patent term lost during product development and the FDA regulatory review process.

In the European Union, our product candidates may be eligible for term extensions based on similar legislation. In either jurisdiction, however, we may not receive an extension if we fail to apply within applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements.

Even if we are granted such extension, the duration of such extension may be less than our request. If we are unable to obtain a patent term extension, or if the term of any such extension is less than our request, the period during which we can enforce our patent rights for that product will be in effect shortened and our competitors may obtain approval to market competing products sooner. The resulting reduction of years of revenue from applicable products could be substantial.

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

Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can 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 where we have patent protection, but enforcement is not as strong as that in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our 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.

Third parties may assert claims against us alleging infringement of their patents and proprietary rights, or we may need to become involved in lawsuits to defend or enforce our patents, either of which could result in substantial costs or loss of productivity, delay or prevent the development and commercialization of product candidates, prohibit our use of proprietary technology or sale of potential products or put our patents and other proprietary rights at risk.

Our commercial success depends in part upon our ability to develop, manufacture, market and sell product candidates without alleged or actual infringement, misappropriation or other violation of the patents and proprietary rights of third parties. Litigation relating to infringement or misappropriation of patent and other intellectual property rights in the pharmaceutical, biotechnology is common, including patent infringement lawsuits, and such interference, derivation, reexamination, post-grant review, inter parties review and opposition proceedings before the USPTO and corresponding international patent offices.

The various markets in which we plan to operate are subject to frequent and extensive litigation regarding patents and other intellectual property rights. In addition, many companies in intellectual property-dependent industries, including the biotechnology and pharmaceutical industries, have employed intellectual property litigation as a means to gain an advantage over their competitors.

Numerous United States, EU and other internationally issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we and our collaborators are developing product candidates, and as the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our product candidates may be subject to claims of infringement of the intellectual property rights of third parties.

For example, we are aware of certain patents held by third parties relating to the modification of T/NKT-Like cells, including the production of CAR-T/NKT-Like cells. Although conducting clinical trials and other development activities with respect to our CAR-T/NKT-Like product candidates is not considered an act of infringement in the United States, if and when any of our CAR-T/NKT-Like product candidates are approved by the FDA, those third parties may seek to enforce their patents by filing a patent infringement lawsuit against us.

As a result of any patent infringement claims, or in order to avoid any potential infringement claims, we may choose to seek, or be required to seek, a license from a third party, which may require payment of substantial royalties or fees, or require us to grant a cross-license under our intellectual property rights.

These licenses may not be available on reasonable terms or at all. Even if a license can be obtained on reasonable terms, the rights may be nonexclusive, which would give our competitors access to the same intellectual property rights. If we are unable to enter into a license on acceptable terms, we or our collaborators could be prevented from commercializing one or more product candidates, or forced to modify such product candidates, or to cease some aspect of our business operations, which could harm our business significantly.

We or our collaborators might also be forced to redesign or modify our technology or product candidates so that we no longer infringe the third-party intellectual property rights, which may result in significant cost or delay to us, or which redesign or modification could be impossible or technically infeasible. Even if we were ultimately to prevail, any of these events could require us to divert substantial financial and management resources that we would otherwise be able to devote to our business.

Further, if a patent infringement suit is brought against us, our collaborators or our third-party service providers, our development, manufacturing or sales activities relating to the product or product candidate that is the subject of the suit may be delayed or terminated. In addition, defending such claims has in the past and may in the future cause us to incur substantial expenses and, if successful, could cause us to pay substantial damages if we are found to be infringing a third party's patent rights.

These damages potentially include increased damages and attorneys' fees if we are found to have infringed such rights willfully. Some claimants may have substantially greater resources than we do and may be able to sustain the costs of complex intellectual property litigation to a greater degree and for longer periods of time than we could. In addition, patent holding companies that focus solely on extracting royalties and settlements by enforcing patent rights may target us.

We have been and may in the future be subject to third-party claims and similar adversarial proceedings or litigation in other jurisdictions regarding our infringement of the patent rights of third parties. Even if such claims are without merit, a court of competent jurisdiction could hold that these third-party patents are valid, enforceable and infringed, and the holders of any such patents may be able to block our or our collaborators' ability to further develop or commercialize the applicable product candidate unless we obtain a license under the applicable patents, or until such patents expire or are finally determined to be invalid or unenforceable.

Similarly, if any third-party patents were held by a court of competent jurisdiction to cover aspects of our technologies, compositions, formulations, or methods of treatment, prevention or use, the holders of any such patents may be able to prohibit our use of those technologies, compositions, formulations, methods of treatment, prevention or use or other technologies, effectively blocking our or our collaborators' ability to develop and commercialize the applicable product candidate until such patent expires or is finally determined to be invalid or unenforceable or unless we or our collaborators obtain a license.

Competitors may infringe our patents. In the event of infringement or unauthorized use, we may file one or more infringement lawsuits, which can be expensive and time-consuming. An adverse result in any such litigation proceedings could put one or more of our patents at risk of being invalidated, being found to be unenforceable, and/or being interpreted narrowly and could put our patent applications at risk of not issuing and/or could impact the validity or enforceability positions of our other patents. 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.

Some of our competitors may be able to sustain the costs of complex intellectual property litigation more effectively than we can because they have substantially greater resources. In addition, intellectual property

litigation, regardless of its outcome, may cause negative publicity, adversely impact prospective customers, cause product shipment delays or prohibit us from manufacturing, marketing or otherwise commercializing our products, services and technology.

Any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise additional funds or otherwise have a material adverse effect on our business, results of operation, financial condition or cash flows.

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

The United States has enacted and is currently implementing wide-ranging patent reform legislation. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts and the U.S. PTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

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

We may now and in the future employ individuals who were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed intellectual property, including trade secrets or other proprietary information, of any of our employee's former employer or other third parties. Litigation 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, which could adversely impact our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Risks Related to this Offering and the Market for Our Common Stock

Our common stock may be volatile or may decline regardless of our operating performance, and you may not be able to resell your shares at or above the initial public offering price.

After this offering, the market price for our common stock is likely to be volatile, in part because our shares have not been traded publicly. In addition, the market price of our common stock may fluctuate significantly in response to several factors, most of which we cannot control, including:

- quarterly variations in our operating results compared to market expectations;
- adverse publicity about us, the industries we participate in or individual scandals;
- announcements of new offerings or significant price reductions by us or our competitors;
- stock price performance of our competitors;
- fluctuations in stock market prices and volumes;
- changes in senior management or key personnel;
- changes in financial estimates by securities analysts;

- the market's reaction to our reduced disclosure as a result of being an "emerging growth company" under the JOBS Act;
- negative earnings or other announcements by us or our competitors;
- defaults on indebtedness, incurrence of additional indebtedness, or issuances of additional capital stock;
- global economic, legal and regulatory factors unrelated to our performance; and
- the other factors listed in this "Risk Factors" section.

The public offering price of our common stock has been determined by us based upon many factors and may not be indicative of prices that will prevail following the closing of this offering. Volatility in the market price of our common stock may prevent investors from being able to sell their shares at or above the initial public offering price. As a result, you may suffer a loss on your investment.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the market price for the shares 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. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers us downgrades our common stock or publishes inaccurate or unfavorable research about our business, the market price for our common stock would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our common stock to decline.

As our initial public offering price is substantially higher than our net tangible book value per share, you will experience immediate and substantial dilution.

If you purchase shares in this offering, you will pay more for your shares of common stock than the amount paid by our existing stockholders for their shares on a per share basis. As a result, you will experience immediate and substantial dilution in net tangible book value per share in relation to the price that you paid for your shares. We expect the dilution as a result of the offering to be $[ ] per share to new investors purchasing our shares in this offering if the maximum number of shares being offered are sold, assuming a public offering price of $[ ] per share. In addition, you will experience further dilution to the extent that our shares are issued upon the vesting of restrictive stock or exercise of stock options under any stock incentive plans. All of the shares issuable under our then stock incentive plans will be issued at a purchase price on a per share basis that is less than the assumed public offering price per share in this offering. See "Dilution" for a more complete description of how the value of your investment in our shares will be diluted upon completion of this offering.

Exercise of our outstanding warrants may cause significant dilution to our shareholders.

In connection with our series B financing, we issued warrants for the purchase of 4,891,306 shares of common stock. The warrants have an exercise price of $0.001 per share and expire ten years after the date of issuance. The warrants are exercisable as follows: (i) 30% of the shares underlying the warrants are exercisable from the date that is six months after the date on which our securities are first listed on a U.S. national securities exchange, (ii) an additional 30% of the shares underlying the warrants are exercisable nine months after such listing date, and (iii) the remaining shares underlying the warrants are exercisable twelve months after such listing date.

These warrants provide the right to purchase additional shares of common stock at a price that is significantly less than the offering price, which therefore may cause additional dilution to our shareholders.

We have considerable discretion as to the use of the net proceeds from this offering and we may use these proceeds in ways with which you may not agree.

We intend to the proceeds from this offering primarily for the Phase 1/2 clinical trials for our ALEXIS AIDT-1 product candidate, intellectual property protection and reinforcement, IND applications and IND enabling trials and working capital and general corporate purposes. However, we have considerable discretion in the application of the proceeds. You will not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately. You must rely on the judgment of our management regarding the application of the net proceeds of this offering. The net proceeds may be used for corporate or other purposes with which you do not agree or that do not improve our profitability or increase our share price. The net proceeds from this offering may also be placed in investments that do not produce income or that lose value.

We do not expect to pay dividends in the foreseeable future after this offering, and you must rely on price appreciation of your shares for return on your investment.

We have paid no cash dividends on any class of our stock to date and we do not anticipate paying cash dividends in the near term. For the foreseeable future, we intend to retain any earnings to finance the development and expansion of our business, and we do not anticipate paying any cash dividends on our stock. Accordingly, investors must be prepared to rely on sales of their shares after price appreciation to earn an investment return, which may never occur. Investors seeking cash dividends should not purchase our shares. Any determination to pay dividends in the future will be made at the discretion of our board of directors and will depend on our results of operations, financial condition, contractual restrictions, restrictions imposed by applicable law and other factors our board deems relevant.

We may issue additional debt and equity securities, which are senior to our common stock as to distributions and in liquidation, which could materially adversely affect the market price of our common stock.

In the future, we may attempt to increase our capital resources by entering into additional debt or debt-like financing that is secured by all or up to all of our assets, or issuing debt or equity securities, which could include issuances of commercial paper, medium-term notes, senior notes, subordinated notes or shares. In the event of our liquidation, our lenders and holders of our debt securities would receive a distribution of our available assets before distributions to our stockholders. In addition, any additional preferred stock, if issued by our company, may have a preference with respect to distributions and upon liquidation, which could further limit our ability to make distributions to our stockholders. Because our decision to incur debt and issue securities in our future offerings will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings and debt financing.

Further, market conditions could require us to accept less favorable terms for the issuance of our securities in the future. Thus, you will bear the risk of our future offerings reducing the value of your common stock and diluting your interest in our company.

We will be subject to ongoing public reporting requirements that are less rigorous than Exchange Act rules for companies that are not emerging growth companies and our stockholders could receive less information than they might expect to receive from more mature public companies.

Upon the completion of this offering, we will be required to publicly report on an ongoing basis as an “emerging growth company” (as defined in the JOBS Act) under the reporting rules set forth under the Exchange Act. For so long as we remain an emerging growth company, we may take advantage of certain exemptions from various reporting requirements that are applicable to other Exchange Act reporting companies that are not emerging growth companies, including but not limited to:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act;

- being permitted to comply with reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and
- being exempt from the requirement to hold a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the benefits of this extended transition period. Our financial statements may therefore not be comparable to those of companies that comply with such new or revised accounting standards.

We expect to take advantage of these reporting exemptions until we are no longer an emerging growth company. We would remain an emerging growth company for up to five years, although if the market value of our common stock that is held by non-affiliates exceeds $700 million as of any June 30 before that time, we would cease to be an emerging growth company as of the following December 31.

Because we will be subject to ongoing public reporting requirements that are less rigorous than Exchange Act rules for companies that are not emerging growth companies, our stockholders could receive less information than they might expect to receive from more mature public companies. We cannot predict if investors will find our common stock less attractive if we elect to rely on these exemptions, or if taking advantage of these exemptions would result in less active trading or more volatility in the price of our common stock.

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

Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through a combination of equity and/or debt financings and collaborations, licensing agreements or other strategic 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 of such securities may include liquidation or other preferences that adversely affect your rights as a common stockholder.

To the extent that we raise additional capital through debt financing, it would result in increased fixed payment obligations and a portion of our operating cash flows, if any, being dedicated to the payment of principal and interest on such indebtedness. In addition, debt financing may involve agreements that include restrictive covenants that impose operating restrictions, such as restrictions on the incurrence of additional debt, the making of certain capital expenditures or the declaration of dividends.

To the extent we raise additional capital through arrangements with collaborators or otherwise, we may be required to relinquish some of our technologies, research programs, product development activities, product candidates and/or future revenue streams, license our technologies and/or product candidates on unfavorable terms or otherwise agree to terms unfavorable to us. Furthermore, any capital raising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to advance research programs, product development activities or product candidates.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to us. All statements other than statements of historical facts are forward-looking statements. The forward-looking statements are contained principally in, but not limited to, the sections entitled "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." These statements relate to future events or to our future financial performance 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 include, but are not limited to, statements about:

- our goals and strategies;
- our future business development, financial condition and results of operations;
- expected changes in our revenue, costs or expenditures;
- growth of and competition trends in our industry;
- our expectations regarding demand for, and market acceptance of, our products;
- our expectations regarding our relationships with investors, institutional funding partners and other parties we collaborate with;
- our expectation regarding the use of proceeds from this offering;
- fluctuations in general economic and business conditions in the markets in which we operate, including those fluctuations caused by COVID-19; and
- relevant government policies and regulations relating to our industry.

In some cases, you can identify forward-looking statements by terms such as "may," "could," "will," "should," "would," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "potential," "project" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under the heading "Risk Factors" and elsewhere in this prospectus. If one or more of these risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance.

This prospectus also contains certain data and information, which we obtained from various government and private publications. Although we believe that the publications and reports are reliable, we have not independently verified the data. Statistical data in these publications includes projections that are based on a number of assumptions. If any one or more of the assumptions underlying the market data is later found to be incorrect, actual results may differ from the projections based on these assumptions.

The forward-looking statements made in this prospectus relate only to events or information as of the date on which the statements are made in this prospectus. Although we will become a public company after this offering and have ongoing disclosure obligations under United States federal securities laws, we do not intend to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise.

USE OF PROCEEDS

We estimate that the net proceeds from the sale of the shares of common stock that we are selling in this offering will be approximately $ million, or approximately $ million if the underwriters exercise their over-allotment option in full, and after deducting estimated underwriting discounts and commissions and our estimated offering expenses.

We plan to use the net proceeds of this offering for (i) the initiation of Phase 1/2 clinical trials for our ALEXIS AIDT-1 product candidate (approximately $[ ] million), (ii) intellectual property protection and reinforcement (approximately $[ ] million), (iii) IND applications and IND enabling trials for ALEXIS AIDT-1, ALEXIS AIDT-2 EOC, and ALEXIS AIDT-2 MPM (approximately $[ ] million) and the remainder for (iv) working capital and general corporate purposes.

We may also use a portion of the net proceeds of this offering to acquire or invest in complementary businesses, products, or technologies, or to obtain the right to use such complementary technologies. We have no commitments with respect to any acquisition or investment, and we are not currently involved in any negotiations with respect to any such transaction.

As of the date of this prospectus, we cannot specify with certainty all of the particular uses for the net proceeds to be received upon the completion of this offering. The amounts and timing of our actual expenditures will depend on numerous factors, including the status of our product development efforts, sales and marketing activities, technological advances, amount of cash generated or used by our operations and competition. Accordingly, our management will have broad discretion in the application of the net proceeds and investors will be relying on the judgment of our management regarding the application of the proceeds of this offering.

Pending use of the proceeds from this offering as described above, we intend to invest the net proceeds of this offering in short-term, interest-bearing, investment-grade securities or certificates of deposit.

DIVIDEND POLICY

We have never declared or paid cash dividends on our common stock. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not anticipate paying any cash dividends on our common stock in the near future. See also “Risk Factors—Risks Related to this Offering and the Market for Our Common Stock—Because we do not expect to pay dividends in the foreseeable future after this offering, you must rely on price appreciation of your shares for return on your investment.” We may also enter into credit agreements or other borrowing arrangements in the future that will restrict our ability to declare or pay cash dividends on our common stock.

Any future determination to declare dividends will be made at the discretion of our board of directors and will depend on our financial condition, operating results, capital requirements, contractual restrictions, general business conditions and other factors that our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our total capitalization as of December 31, 2019:

- on an actual basis;
- on a pro-forma basis to give effect to the sale of 6,521,738 shares of Series B Preferred Stock for gross proceeds of $3 million in January 2020; and
- on a pro-forma, as adjusted basis giving further effect to (i) the Preferred Stock Automatic Conversions and (ii) the sale and issuance by us of shares of common stock in this offering at the initial public offering price of $ per share, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table together with our consolidated financial statements, the related notes included elsewhere in this prospectus and the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	December 31, 2019		
	Actual	Pro forma	Pro forma, as adjusted
Cash and cash equivalents	$ 1,929,100	$ 4,929,100	$ [ ]
Long-term debt	—	—	[ ]
Stockholders' equity:			
Series A-1 Preferred Stock	9,134,700	9,134,700	[ ]
Series B Preferred Stock	1,306,900	2,969,800	[ ]
Common Stock	—	—	[ ]
Additional paid-in capital	13,965,000	15,302,100	[ ]
Accumulated deficit	(22,427,600)	(22,427,600)	[ ]
Total stockholders' equity	1,979,000	4,979,000	[ ]
Total capitalization	1,979,000	4,979,000	[ ]

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the midpoint of the price range listed on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, total assets and total stockholders' equity by approximately $, 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 underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price per share, the midpoint of the price range listed on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, and total stockholders' equity by approximately $.

DILUTION

If you purchase shares of our common stock in this offering, your interest will be diluted to the extent of the difference between the initial public offering price per share and our net tangible book value per share after this offering. Dilution results from the fact that the assumed initial public offering price per share is substantially in excess of the net tangible book value per share attributable to the existing stockholders for our presently outstanding common stock.

Our net tangible book value was approximately $1,979,000, or $0.15 per share, as of December 31, 2019. Our net tangible book value represents the amount of our total consolidated tangible assets (which is calculated by subtracting net intangible assets, deferred tax assets, and prepaid offering expenses from our total consolidated assets), less the amount of our total consolidated liabilities.

Our pro forma net tangible book value was approximately $[ ] million, or approximately $[ ] per share, as of December 31, 2019, giving effect to the sale of 6,521,738 shares of Series B Preferred Stock for gross proceeds of $3,000,000 in January 2020.

After giving effect to (i) the Preferred Stock Automatic Conversions and (ii) our sale of the shares offered in this offering at an assumed initial public offering price of $ per share after deducting estimated underwriting discounts and commissions and our estimated offering expenses, our pro-forma, as adjusted net tangible book value as of December 31, 2019 would have been $ or $ per share. This represents an immediate increase in net tangible book value of $ per share to our existing stockholders, and an immediate dilution in net tangible book value of $ per share to new investors. The following table illustrates this per share dilution:

Assumed initial public offering price per share	$
Pro forma net tangible book value per share as of December 31, 2019	$
Pro forma, as adjusted net tangible book value, after this offering	$
Dilution per share to new investors in this offering	$

The pro forma as adjusted information discussed above is illustrative only. Our net tangible book value following the completion of this offering is subject to adjustment based on the actual initial public offering price of our shares and other terms of this offering determined at pricing.

The following tables summarize the differences between our existing stockholders and the investors purchasing shares in this offering with respect to the number of shares purchased from us, the total consideration paid and the average price per share paid, at the assumed initial public offering price of $[_____] per share, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	%	Amount	%	
Common Stock	10,006,005		$ 6,214,800		$ 0.62
Series A-1 Preferred Stock	21,822,301		9,132,700		0.42
Series B Preferred Stock	16,391,397		7,500,000		0.46
New investors	[ ]		[ ]		[ ]
Total			$		$

The number of shares outstanding is based on shares outstanding as of April 7, 2020 and, except as noted above, excludes the following currently outstanding securities:

- 4,891,306 shares of our common stock issuable upon the exercise of outstanding warrants with an exercise price of $0.001 per share;

- 2,028,249 shares of our common stock issuable upon the exercise of outstanding options with a weighted-average exercise price of $3.16 per share;
- up to an additional 1,965,751 shares of our common stock issuable under our 2017 Equity Incentive Plan; and
- [_____] shares of our common stock underlying the warrants to be issued to the representative of the underwriters in connection with this offering.

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

You should read the following discussion together with our financial statements and the related notes included elsewhere in this prospectus. This discussion contains forward-looking statements that are based on our current expectations, estimates and projections about our business and operations. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements as a result of a number of factors, including those which we discuss under "Risk Factors" and elsewhere in this prospectus. See "Special Note Regarding Forward-Looking Statements."

Overview

We are a pre-clinical stage immuno-oncology, target discovery and gene editing company developing tumor-specific cancer engineered immunotherapies to face and defeat multiple cancer types. We are focused on extending the benefits of immunotherapy by leveraging our proprietary technologies. Our approach seeks to generate a therapeutic immune response in patients by unleashing the demonstrated natural power of a patient's own immune system to recognize tumor-specific peptide sequences presented on cancer cells, known as tumor specific iso-antigens, capable of generating an immunological response and therefore eradicate cancer cells.

We are developing our brand of CAR T cell product candidates known as ALEXIS. These are designed to treat cancer by capitalizing on the immune system's ability to destroy cancer cells. These products are in the IND stage of the FDA clinical trial process. We are currently going through the IND validation process and we expect that IND enabling trials will commence in the second half of 2020.

CAR T cell therapy, a form of cancer immunotherapy, has recently emerged as a revolutionary and potentially curative therapy for patients with hematologic cancers, including refractory cancers. In 2017, two autologous anti-CD19 CAR T cell therapies, Kymriah, developed by Novartis International AG, and Yescarta, developed by Kite Pharma, Inc., were approved by the FDA for the treatment of relapsing/remitting B-cell precursor acute lymphoblastic leukemia and relapsing/remitting large B cell lymphoma, respectively. Autologous CAR T cell therapies are manufactured individually for the patient's use by modifying the patient's own T cells outside the body, causing the T cells to express CARs. The entire manufacturing process is dependent on the viability of each patient's T cells and takes approximately two to four weeks. Allogenic T cell therapies involve engineering healthy donor T cells, which we believe will allow for the creation of an inventory of off-the-shelf products that can be delivered to a larger portion of eligible patients throughout the world.

We have not generated any revenue from sales to date, and we continue to incur significant research and development and other expenses related to our ongoing operations. As a result, we are not and have never been profitable and have incurred losses in each period since we began principal business operations in 2012.

Principal Factors Affecting Our Financial Performance

Our operating results are primarily affected by the following factors:

- slow or delayed IND applications;
- slow or delayed clinical trial enrollment;
- patent reinforcement and prosecution; and
- changes in laws or the regulatory environment affecting our company.

Emerging Growth Company

Upon the completion of this offering, we will qualify as an "emerging growth company" under the JOBS Act. As a result, we will be permitted to, and intend to, rely on exemptions from certain disclosure requirements. For so long as we are an emerging growth company, we will not be required to:

- have an auditor report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act;
- comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);
- submit certain executive compensation matters to stockholder advisory votes, such as "say-on-pay" and "say-on-frequency;" and
- disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer's compensation to median employee compensation.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the benefits of this extended transition period. Our financial statements may therefore not be comparable to those of companies that comply with such new or revised accounting standards.

We will remain an emerging growth company for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our total annual gross revenues exceed $1.07 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter or (iii) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three year period.

Components of Results of Operations

Revenue

To date, we have not generated any revenue from product sales and do not expect to generate any revenue from product sales in the foreseeable future. We will record revenue from collaboration agreements, including amounts related to upfront payments, annual fees for licenses of our intellectual property and research and development funding.

Research and Development Expenses

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

- salaries, benefits and other related costs, including stock-based compensation expense, for personnel engaged in research and development functions;
- expenses incurred under agreements with third parties, including CROs and other third parties that conduct preclinical research and development activities and clinical trials on our behalf;

- costs of developing and scaling our manufacturing process and manufacturing drug products for use in our preclinical studies and future clinical trials, including the costs of contract manufacturing organizations, or CMOs, that will manufacture our clinical trial material for use in our preclinical studies and potential future clinical trials;
- costs of outside consultants, including their fees and related travel expenses;
- costs of laboratory supplies and acquiring, developing and manufacturing preclinical study and clinical trial materials;
- license payments made for intellectual property used in research and development activities; and
- facility-related expenses, which include direct depreciation costs and expenses for rent and maintenance of facilities and other operating costs if specifically, identifiable to research activities.

Research and development activities are central to our business model. We expect that our research and development expenses will continue to increase substantially for the foreseeable future and will comprise a larger percentage of our total expenses as we initiate a Phase 1/2a clinical trial for our ALEXIS AIDT-1 product candidate and continue to discover and develop additional product candidates.

We cannot determine with certainty the duration and costs of future clinical trials of our ALEXIS AIDT-1 product candidate or any other product candidate we may develop or if, when or to what extent we will generate revenue from the commercialization and sale of any product candidate for which we obtain marketing approval. We may never succeed in obtaining marketing approval for any product candidate. The duration, costs and timing of clinical trials and development of our ALEXIS AIDT-1 product candidate and any other our product candidate we may develop will depend on a variety of factors, including:

- the scope, rate of progress, expense and results of clinical trials of our ALEXIS AIDT-1 product candidate, as well as of any future clinical trials of other product candidates and other research and development activities that we may conduct;
- uncertainties in clinical trial design and patient enrollment rates;
- the actual probability of success for our product candidates, including their safety and efficacy, early clinical data, competition, manufacturing capability and commercial viability;
- significant and changing government regulation and regulatory guidance;
- the timing and receipt of any marketing approvals; and
- the expense of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights.

A change in the outcome of any of these variables with respect to the development of a product candidate could mean a significant change in the costs and timing associated with the development of that product candidate. For example, if the FDA or another regulatory authority were to require us to conduct clinical trials beyond those that we anticipate will be required for the completion of clinical development of a product candidate, or if we experience significant delays in our clinical trials due to slower than expected patient enrollment or other reasons, we would be required to expend significant additional financial resources and time on the completion of clinical development.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and other related costs, including stock-based compensation, for personnel in our executive, finance, business development, operations and administrative functions. General and administrative expenses also include legal fees relating to intellectual property and corporate matters; professional fees for accounting, auditing, tax and consulting services; insurance costs; travel expenses; and facility-related expenses, which include direct depreciation costs and expenses for rent and maintenance of facilities and other operating costs that are not specifically attributable to research activities.

We expect that our general and administrative expenses will increase in the future as we increase our personnel headcount to support our continued research activities and development of product candidates. Following this offering, we also expect to incur increased expenses associated with being a public company, including costs of accounting, audit, legal, regulatory and tax-related services associated with maintaining compliance with Nasdaq and SEC requirements; director and officer insurance costs; and investor and public relations costs.

Results of Operations

Comparison of the Years Ended December 31, 2019 and 2018

The following table sets forth key components of our results of operations for the years ended December 31, 2019 and 2018.

	Years Ended December 31,		Increase (Decrease)	
	2019	2018	$	%
Operating expenses:				
Research and development	$ 1,201,700	$ 1,424,900	$ (223,200)	15.66%
General and administrative	2,503,700	1,757,700	746,000	42.44%
Total operating expenses	3,705,400	3,182,600	522,800	16.43%
Loss from operations	(3,705,400)	(3,182,600)	(522,800)	16.43%
Other expense				
Interest expense	(22,500)	(633,100)	610,600	96.45%
Total other expense	(22,500)	(633,100)	610,600	96.45%
Net loss	$ (3,727,900)	$ (3,815,700)	$ 87,800	2.30%

Research and development expenses. Our research and development expenses decreased by $223,200, or 15.66%, to $1,201,700 for the year ended December 31, 2019 from $1,424,900 for the year ended December 31, 2018. The following table summarizes our research and development expenses by product candidate or development program:

	Years Ended December 31,		Increase (Decrease)	
	2019	2018	$	%
Direct research and development expenses by product candidate:				
AIDT-1 external development costs	$ 66,900	$ 3,900	$ 63,000	1,615.38%
Platform development, early-stage research and unallocated expenses:				
Employee-related costs	574,300	615,600	(41,300)	6.71%
Laboratory supplies and services	167,600	85,000	82,600	97.18%
Outsourced research and development	321,700	609,200	(287,500)	47.19%
Laboratory equipment and maintenance	17,100	6,400	10,700	167.19%
Facility-related costs	40,700	103,200	(62,500)	60.56%
Other research and development costs	13,400	1,600	11,800	737.50%
Total research and development expenses	$ 1,201,700	$ 1,424,900	$ (223,200)	15.66%

As illustrated above, the decrease in research and development expenses resulted from (i) a $287,500 decrease in outsourced research and development costs, which primarily included a $273,600 decrease in data administration fees, (ii) a $41,300 decrease in employee related costs driven primarily by reimbursements from granting agencies of $26,500 and reimbursements of social security payroll tax credits totaling $15,100 (ii) a $62,500 decrease in facility-related costs, primarily driven by a $52,700 decrease in clinical trials facility fees. These

decreases were as a result of management concluding initial clinical trials testing in May 2019, which halted almost all expenses related to drug manufacturing and data administration that was associated with clinical trials. We also significantly reduced our research and development facility-related costs by obtaining a grant from the National Institute of Health (NIH). In August 2018, NIH, the primary agency of the United States government responsible for biomedical and public health research, awarded a Phase I/II grant in the amount of $2,235,000 for the development and non-clinical testing of a new anti-arteriosclerosis gene therapy delivered by engineered adeno-associated viral vectors. Phase I of the grant approved amounts of $851,000 and which covers the period September 2018 through August 2019, entitles us to reimbursement for certain salaries and wages, materials and supplies, facilities and administrative costs, and fixed fees. Starting in 2020, Phase II of the grant covers reimbursements for certain salaries and wages, materials and supplies, facilities and administrative costs, and fixed fees of $1,384,000. During the years ended December 31, 2019 and 2018, we recognized $322,600 and $258,000, respectively, as reductions to research and development expense within the statements of operations pursuant to the grant from the NIH.

Those reductions were offset by a (i) $63,000 increase in AIDT-1 external development costs, primarily driven by increased spending on disposables and consumables attributable to AIDT-1; and (ii) a $82,600 increase in laboratory supplies and services, primarily driven by a $110,800 increase in disposables and consumables used for experimentation and validation, offset by reduced spending on supplies of $41,100 and reduced shipping, and postage costs. During 2019, we began in vitro testing and validation of our ABBIE delivery vehicle. Thus, higher laboratory supply costs and services were incurred.

General and administrative expenses. Our general and administrative expenses increased by $746,000, or 42.44%, to $2,503,700 for the year ended December 31, 2019 from $1,757,700 for the year ended December 31, 2018. The increase primarily resulted from an increase in professional services related expenses of $873,100, a $387,700 increase in corporate finance and development costs, and increased travel expenses of $34,100. These increases were offset by decreased employee related expenses of $354,200 from wages salaries and benefits and $112,000 reduced expenses from stock based compensation. Additionally, there were decreases of $32,800 from reduced intellectual property administrative expenses, and a $13,600 reduction to professional development costs. The remaining expense increases totaling $3,900 are associated with activities such as, supplies, and other costs associated with our business development.

The increase in professional fees was primarily driven by increased accounting expenses from auditing, tax, and accounting consulting fees to complete SEC filings that had previously not been required by us. Corporate development costs increases were directly related to corporate's legal counsel, SEC filing costs, and increased executive consulting fees compared to prior year. Increased travel expenses were incurred to attend medical conferences, and meetings with potential underwriters and market makers.

The reduction in wages and benefits was primarily driven a reduction in headcount expenses allocated to general and administrative expense January 1, 2018 and December 31, 2019. During those 24 months, headcount allocated to general and administrative expense decreased from 7 employees to 2 employees. Average headcount allocated to general and administrative activity in the years ended December 31, 2019 and 2018 was 2.5 and 5, respectively. The total number of options vesting attributed to general and administrative in the year ended December 31, 2019 and 2018 totaled 165,964 options and 198,120, respectively. That reduction in vested grants drove the decrease in stock compensation expense.

The reduction in intellectual property costs was driven by less required intellectual property filing and maintenance activity compared to prior years. The reduction in professional development costs was driven by fewer education and training requirements in the year ended December 31, 2019 compared to the year ended December 31, 2018.

Interest expense. Interest expense decreased by $610,600, or 96.45%, to $22,500 for the year ended December 31, 2019 from $633,100 for the year ended December 31, 2018. The decrease is driven by the variance

in the balance of convertible promissory notes during the years ended December 31, 2019 and 2018. At December 20, 2018, there were outstanding convertible promissory notes totaling $6,725,000 which accrued interest at a rate of 7% and incurred $453,300 of interest expense. In addition, the convertible promissory notes embedded derivative liability increased interest expenses by approximately $167,000 during 2018 based on increases in the fair value of the liability prior to conversion.

The outstanding balance of convertible promissory notes converted into Series A-1 Preferred Stock on December 20, 2018. The remaining interest expense balance of $12,800 was driven by issuances of Series A-1 Preferred Stock. Between June 8, 2018 and August 14, 2018, we entered into agreements to issue preferred stock and received advances of $900,000. The advances received under the agreements were recorded as liabilities until the preferred stock was issued and bore interest at a rate of 6.5%. The agreements were amended on September 10, 2018, when, in exchange for additional preferred stock to be issued, the advances no longer bore interest. See "—Liquidity and Capital Resources" below.

During the year ended December 31, 2019, we issued and additional $250,000 convertible promissory notes, and we settled an account payable to a vendor for a convertible promissory note of $134,800. The issued notes accrued interest at a rate of 17% per annum, and the vendor settlement accrued interest at a rate of 6% per annum. Total interest expense accrued on the notes as of August 15, 2019 totaled $20,500. On August 15, 2019, each holder of convertible promissory notes issued during 2019 agreed to voluntarily convert the amounts of principal and interest then outstanding into shares of Series A-1 Preferred Stock. The remaining interest of $2,000 is attributable to increases to the fair value of the associated embedded derivable liability prior to conversion. See "—Liquidity and Capital Resources" below for more information.

Net loss. As a result of the cumulative effect of the factors described above, our net loss decreased to $3,727,900 for year ended December 31, 2018 from $3,815,700 for the prior year.

Liquidity and Capital Resources

As of December 31, 2019 and 2018, we had cash and cash equivalents of $1,929,100 and $384,300, respectively. We do not currently have any approved products and have never generated any revenue from product sales. To date, we have financed our operations primarily with proceeds from the sale of our convertible promissory notes and preferred stock.

We believe that, following our recent offering of Series B Preferred Stock discussed below, our current levels of cash will be sufficient to meet our anticipated cash needs for our operations for at least the next 12 months. However, we have incurred significant operating losses since inception, and we expect to incur significant expenses and operating losses for the foreseeable future as we advance the preclinical and clinical development of our product candidates. We expect that our research and development and general and administrative costs will increase, including in connection with conducting preclinical studies and clinical trials for our product candidates, contracting with CMOs and building out internal capacity to have product manufactured to support preclinical studies and clinical trials, expanding our intellectual property portfolio and providing general and administrative support for our operations.

As a result, we will need additional capital to fund our operations, which we may obtain from additional equity or debt financings, collaborations, licensing arrangements or other sources. The sale of additional equity securities could result in dilution to our stockholders. The incurrence of indebtedness would result in increased debt service obligations and could require us to agree to operating and financial covenants that would restrict our operations. Financing may not be available in amounts or on terms acceptable to us, if at all. Any failure by us to raise additional funds on terms favorable to us, or at all, could limit our ability to expand our business operations and could harm our overall business prospects.

Summary of Cash Flow

The following table sets forth a summary of our cash flows for the periods presented:

	Years Ended December 31,	
	2019	2018
Net cash used in operating activities	$ (2,913,900)	$ (2,152,900)
Net cash used in investing activities	(302,700)	(137,300)
Net cash provided by financing activities	4,761,400	1,625,000
Net increase (decrease) in cash and cash equivalents	1,544,800	(665,200)
Cash and cash equivalents at beginning of the year	384,300	1,049,500
Cash and cash equivalents at end of the year	$ 1,929,100	$ 384,300

Net cash used in operating activities was $2,913,900 for the year ended December 31, 2019, as compared to $2,152,900 for year ended December 31, 2018. For the year ended December 31, 2019, the net loss of $3,727,900 and outflows from accrued expenses and other current liabilities in the amount of $151,300, offset by stock compensation expenses in the amount of $522,900, accounts payable of $293,400, depreciation expenses of $87,500, prepaid expenses and other current assets in the amount of $46,200, and NIH grant receivables of $24,300, were the primary drivers of the net cash used in operating activities. For the year ended December 31, 2018, the net loss of $3,815,700 and interest payable in the amount of $363,400, offset by stock compensation expenses in the amount of $633,000, non-cash interest of 633,100, prepaid expenses and other current assets in the amount of $212,500, convertible promissory notes derivative liability in the amount of $369,000, and accrued expenses and other current liabilities in the amount of $149,400, were the primary drivers of the net cash used in operating activities.

Net cash used in operating activities decreased by a total of $761,000 year-over-year. However, this variance was primarily driven by non-cash transactions. The main driver for the decrease is $612,600 decrease in non-cash interest. See the “—Results of Operations” above for further details. However, it is noted that management decided to finance operations primarily using preferred stock instead of interest bearing convertible promissory notes. Accordingly, fewer interest expense was incurred as a result. In addition, reductions to stock compensation expense resulted in a reduction of $110,100 of cash inflows. These reductions to cash inflows were offset by $6,600 of increased cash inflows from depreciation expense.

This remaining reduction in cash flows from operations was driven by reduced cash outflows from net loss and reduced cash inflows from changes in operating assets, offset by increased cash inflows from operating liabilities.

Cash outflows from net loss were reduced by $87,800. See the “—Results of Operations” above for further details.

Reduced cash inflows from changes in operating assets were driven by $166,300 from decreased prepaid and other current assets. Most of this impact is driven by a reclassification of prepaid expenses to accounts payable of $134,800. We ultimately settled that accounts payable with the vendor by converting the balance to a convertible note payable. In addition, there was reduced cash flow impact of $5,900 from inventories, and $3,600 from other non-current assets. These were offset by increased cash inflows of $44,200 from reimbursements under the NIH Grant.

Increased cash inflows from operating liabilities were impacted by $297,800 in accounts payable. This inflow is primarily driven by our management reaching terms with a vendor to delay a payment totaling $176,900. In addition, there was increased cash inflow impact of $363,400 from interest payable. These were offset by decreased cash inflows from the convertible promissory notes derivative liability of $367,000. There were also offsetting increases in cash outflows of $300,700 from accrued expenses and other current liabilities.

Net cash used in investing activities was $302,700 for the year ended December 31, 2019, as compared to $137,300 for the year ended December 31, 2018. Our net cash used in investing activities consisted entirely of purchases of property and equipment.

Net cash provided by financing activities was $4,761,400 during the year ended December 31, 2019 as compared to $1,625,000 for the year ended December 31, 2018. For the year ended December 31, 2019, the net cash provided by financing activities consisted of proceeds from the sale of convertible promissory notes for $250,000, proceeds from preferred stock issuance in the amount of $4,500,000, and exercise of stock options to purchase common stock for $11,400. During the year ended December 31, 2018, the net cash provided by financing activities consisted of proceeds from the sale of convertible promissory notes in the amount of $725,000 and proceeds from preferred stock issuance in the amount of $900,000.

Convertible Promissory Notes

Starting in June 2016, we sold convertible promissory notes to certain investors to help finance our operations. The notes were in amounts ranging from $12,500 to $500,000, earning annual interest at 7% and all maturing on either June 1, 2019 or January 1, 2020. As of December 31, 2017, the combined carrying amount of the convertible promissory notes and the carrying amount of the related embedded derivative liability on the convertible promissory notes was $6,106,000. During the year ended December 31, 2018, an additional $725,000 convertible promissory notes were issued, earning annual interest at 7% and all maturing on June 1, 2019. The notes were convertible into shares issued in our next financing (as defined in the notes) by dividing the total amount of notes payable, plus accrued interest, by the applicable conversion price (defined generally as 80% of the lowest per share selling price in the next financing).

On December 20, 2018, following the issuance of shares of Series A-1 Preferred Stock described below, the outstanding principal and accrued interest was converted into shares of Series A-1 Preferred Stock. At the time of conversion, the outstanding principal and accrued interest of the notes totaled approximately $7,541,600. Accordingly, the notes were converted into an aggregate of 18,854,033 shares of Series A-1 Preferred Stock at a conversion price of $0.40 per share. No additional convertible promissory notes were outstanding as of December 31, 2018 following the conversion on December 20, 2018.

During 2019, we issued additional convertible promissory notes in the aggregate principal amount of $250,000 to certain investors. The notes accrued interest at a rate of 17% and were to mature on June 1, 2021. These notes were convertible into shares issued in our next financing (as defined in the notes) by dividing the total amount of notes payable, plus accrued interest, by the applicable conversion price (defined generally as 85% of the lowest per share selling price in the next financing). Prior to the issuance of shares of Series B Preferred Stock (as discussed below), each holder agreed to voluntarily convert the amounts of principal and interest then outstanding into shares of Series A-1 Preferred Stock. Therefore, on August 15, 2019, these notes were converted into an aggregate of 632,123 shares of Series A-1 Preferred Stock at a conversion price of $0.43 per share.

In addition, during 2019, we settled an outstanding account payable with a vendor in the amount of $134,600 by issuing to that vendor a convertible promissory note for the amount owed. That convertible promissory note accrued interest at a rate of 6% and was to mature on June 30, 2020. This note was convertible into shares issued in our next financing (as defined in the note) by dividing the total amount of notes payable, plus accrued interest, by the applicable conversion price (defined generally as 90% of the lowest per share selling price in the next financing). Prior to the issuance of shares of Series B Preferred Stock (as discussed below), the holder agreed to voluntarily convert the amounts of principal and interest then outstanding into shares of Series A-1 Preferred Stock. Therefore, on August 15, 2019, this note was converted into 303,396 shares of Series A-1 Preferred Stock at a conversion price of $0.45 per share.

Series A-1 Preferred Stock Financing

Between June 8, 2018 and August 14, 2018, we entered into agreements to issue preferred stock and received advances of $900,000. The advances received under the agreements were recorded as liabilities until the

preferred stock was issued and bore interest at a rate of 6.5%. The agreements were amended on September 10, 2018, when, in exchange for additional preferred stock to be issued, the advances no longer bore interest. On December 20, 2018, 2,032,749 shares of Series A-1 Preferred Stock were issued for $912,800, representing the advances received and accrued interest through September 10, 2018. See “Description of Securities” for more information regarding our Series A-1 Preferred Stock.

Series B Preferred Stock Financing

On September 7, 2019, we entered into a Series B Preferred Stock purchase agreement with certain investors for the sale of shares of our Series B Preferred Stock at a price of $0.46 per share. On September 13, 2019, we sold an aggregate of 7,608,696 shares for total gross proceeds of approximately $3,500,000. On November 13, 2019, we sold an additional 2,173,913 shares for gross proceeds of $1,000,000. The shares of Series B Preferred Stock had accrued unpaid dividends at an annual rate of 6% per share. On December 6, 2019, the Series B Preferred Stock investors voted in favor of forfeiting all accrued and unpaid dividends, along with all future dividends. In exchange, we issued 87,050 shares of Series B Preferred Stock to the investors.

On January 24, 2020, we issued 4,782,608 shares of Series B Preferred Stock for $2,200,000. On January 29, 2020, we filed a certificate of correction to its amended and restated its certificate of incorporation to authorize the issuance of up to 16,500,000 shares of Series B Preferred Stock. On January 31, 2020, the Company issued an additional 1,739,130 shares of Series B Preferred Stock for $800,000.

We also issued each investor a warrant to purchase 0.3 shares of common stock for each Series B Preferred share purchased, or warrants for an aggregate of 4,891,306 shares of common stock. The warrants have an exercise price of $0.001 per share and expire ten years after the date of issuance. The warrants are exercisable as follows: (i) 30% of the shares underlying the warrants are exercisable from the date that is six months after the date on which our securities are first listed on a U.S. national securities exchange, (ii) an additional 30% of the shares underlying the warrants are exercisable nine months after such listing date, and (iii) the remaining shares underlying the warrants are exercisable twelve months after such listing date. See “Description of Securities” for more information regarding our Series B Preferred Stock and the warrants issued in this financing.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of December 31, 2019 or 2018.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires our management to make assumptions, estimates and judgments that affect the amounts reported, including the notes thereto, and related disclosures of commitments and contingencies, if any. We have identified certain accounting policies that are significant to the preparation of our financial statements. These accounting policies are important for an understanding of our financial condition and results of operation. Critical accounting policies are those that are most important to the portrayal of our financial condition and results of operations and require management’s difficult, subjective, or complex judgment, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. Certain accounting estimates are particularly sensitive because of their significance to financial statements and because of the possibility that future events affecting the estimate may differ significantly from management’s current judgments. We believe the following critical accounting policies involve the most significant estimates and judgments used in the preparation of our financial statements:

Fair Value Measurements—The carrying value of our cash and cash equivalents, unbilled receivables from granting agencies, prepaid expenses and other assets, accounts payable, accrued expenses and other current liabilities approximate their fair value due to their short-term nature.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In estimating the fair value of an asset or a liability, we take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

We account for financial instruments in accordance with ASC 820, *Fair Value Measurements and Disclosures*. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in non-active markets or in active markets for similar assets or liabilities, observable inputs other than quoted prices, and inputs that are not directly observable but are corroborated by observable market data.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

There were no changes in the fair value hierarchy leveling during the years ended December 31, 2019 and 2018.

Stock-Based Compensation—We record stock compensation expense related to our 2017 Equity Incentive Plan in accordance with ASC 718, *Compensation—Stock Compensation*. We measure and recognize stock compensation expense for all stock-based awards, including stock options, based on estimated fair values recognized using the straight-line method over the requisite service period. The fair value of stock options is estimated on the grant date using the Black-Scholes option-valuation model. The calculation of stock-based compensation expense requires that we make assumptions and judgments about the variables used in the Black-Scholes option-valuation model, including the fair value of our common stock, expected term, expected volatility of the underlying common stock, and risk-free interest rate. Forfeitures are accounted for when they occur.

We estimate the grant-date fair value of stock options using the Black-Scholes option-valuation model and the assumptions used to value such stock options are determined as follows:

Expected Term. The expected term represents the period that our stock options are expected to be outstanding. Due to limitations on the sale or transfer of our common stock as a privately held company, we do not believe our historical exercise pattern is indicative of the pattern we will experience as a future publicly traded company. We have consequently used the SAB No. 110, simplified method to calculate the expected term, which is the average of the contractual term and vesting period. We plan to continue to use the SAB 110 simplified method until we have sufficient trading history as a publicly traded company.

Risk-Free Interest Rate. We base the risk-free interest rate used in the Black-Scholes option-valuation model on the implied yield available on US Treasury zero-coupon issues with a term equivalent to that of the expected term of the stock options for each stock option group.

Volatility. We determine the price volatility based on the historical volatilities of industry peers as we have no trading history for our common stock price. We intend to continue to consistently apply this process using the same or a similar peer group of public companies, until a sufficient amount of historical information regarding the volatility of our own common stock price becomes available, or unless circumstances change such that the identified peer companies are no longer similar, in which case other suitable peer companies whose common stock prices are publicly available would be utilized in the calculation.

Dividend Yield. The expected dividend assumption is based on our current expectations about our anticipated dividend policy. To date, we have not declared any dividends and, therefore, we used an expected dividend yield of zero.

Common Stock Valuations. The fair value of the common stock underlying our stock-based compensation grants has historically been determined by our board of directors, with input from management and third-party valuations. We believe that the board of directors has the relevant experience and expertise to determine the fair value of our common stock. Given the absence of a public trading market of our common stock, and in accordance with the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*, the board of directors exercised reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of the fair value of our common stock at each grant date. These factors include:

- valuations of the common stock performed by third-party specialists;
- the prices, rights, preferences, and privileges of our Series A-1 Preferred Stock and relative to those of our common stock;
- lack of marketability of the common stock;
- current business conditions and projections;
- hiring of key personnel and the experience of management;
- our stage of development;
- likelihood of achieving a liquidity event, such as an initial public offering, a merger or acquisition of our company given prevailing market conditions, or other liquidation event;
- the market performance of comparable publicly traded companies; and
- the U.S. and global capital market conditions.

In valuing our common stock, the board of directors determined the equity value of our business using various valuation methods including combinations of income and market approaches. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in our industry or similar business operations as of each valuation date and is adjusted to reflect the risks inherent in our cash flows. The market approach references actual transactions involving (i) the subject being valued, or (ii) similar assets and/or enterprises.

For each valuation, the equity value determined by the income and market approaches was then allocated to the common stock using either the option pricing method, or OPM, or probability—weighted expected return model, or PWERM.

The option pricing method is based on the Black-Scholes option valuation model, which allows for the identification of a range of possible future outcomes, each with an associated probability. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. In general, while simple in its application, management did not use the OPM approach when considering allocation techniques for the valuation of equity interests in early stage, privately held life science companies. Management determined that applying the OPM would violate the major assumptions of the Black-Scholes option valuation model approach. Additionally, the simulation approach can generally be reasonably approximated by a scenario-based approach like the PWERM as described below.

PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise. This method is particularly useful when discrete future outcomes can be predicted at a relatively high confidence level with a

probability distribution. Discrete future outcomes considered under the PWERM include an initial public offering, as well as non-initial public offering market-based outcomes. Determining the fair value of the enterprise using the PWERM requires us to develop assumptions and estimates for both the probability of an initial public offering liquidity event and stay private outcomes, as well as the values we expect those outcomes could yield. Since in February 2018, we have valued our common stock based on a PWERM.

Application of our approach involves the use of estimates, judgment, and assumptions that are highly complex and subjective, such as those regarding expected future revenue, expenses, and future cash flows, discount rates, market multiples, the selection of comparable companies, and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact valuations as of each valuation date and may have a material impact on the valuation of our common stock.

For valuations after the completion of an initial public offering, the board of directors will determine the fair value of each share of underlying common stock based on the closing price of the common stock as reported on the date of grant. Future expense amounts for any particular period could be affected by changes in assumptions or market conditions.

Warrants Underlying Shares of Series B Preferred Stock—We record warrants to purchase shares of common stock underlying our shares of Series B Preferred Stock in accordance with ASC 470, *Debt with conversion and other options*. The fair value of the warrants is estimated on the purchase date using the Black-Scholes option-valuation model. The calculation of warrants requires that we make assumptions and judgments about the variables used in the Black-Scholes option-valuation model, including the fair value of our common stock, expected term, expected volatility of the underlying common stock, and risk-free interest rate.

We estimate the fair value of warrants using the Black-Scholes option-valuation model and the assumptions used to value such warrants are determined as follows:

Expected Term. The expected term represents the period that our warrants are expected to be outstanding. The warrants become exercisable in accordance with the schedule set forth below following completion by the Company of an initial public offering and thereafter may be exercised at any time prior to expiration ten years from the date of issuance.

- 30% of the warrants beginning six months after the date on which the securities of the Company are first listed on a United States national securities exchange (such date, the “Listing Date”);
- An additional 30% of the warrants beginning nine months after the Listing Date; and
- The remainder of the warrants beginning twelve months after the Listing Date.

Since the vesting schedule is contingent upon completion of an initial public offering, we assessed the expected term of the warrants to be ten years.

Risk-Free Interest Rate. We base the risk-free interest rate used in the Black-Scholes option-valuation model on the implied yield available on US Treasury zero-coupon issues with a term equivalent to that of the expected term of the warrants.

Volatility. We determine the price volatility based on the historical volatilities of industry peers as we have no trading history for our common stock price. We intend to continue to consistently apply this process using the same or a similar peer group of public companies, until a sufficient amount of historical information regarding the volatility of our own common stock price becomes available, or unless circumstances change such that the identified peer companies are no longer similar, in which case other suitable peer companies whose common stock prices are publicly available would be utilized in the calculation.

Dividend Yield. The expected dividend assumption is based on our current expectations about our anticipated dividend policy. To date, we have not declared any dividends and, therefore, we used an expected dividend yield of zero.

Common Stock Valuations. The fair value of the common stock underlying our warrants has historically been determined by our board of directors, with input from management and third-party valuations. We believe that the board of directors has the relevant experience and expertise to determine the fair value of our common stock. Given the absence of a public trading market of our common stock, and in accordance with the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*, the board of directors exercised reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of the fair value of our common stock at each grant date. These factors include:

- valuations of the common stock performed by third-party specialists;
- the prices, rights, preferences, and privileges of our Series A-1 Preferred Stock and Series B Preferred relative to those of our common stock;
- lack of marketability of the common stock;
- current business conditions and projections;
- hiring of key personnel and the experience of management;
- our stage of development;
- likelihood of achieving a liquidity event, such as an initial public offering, a merger or acquisition of our company given prevailing market conditions, or other liquidation event;
- the market performance of comparable publicly traded companies; and
- the U.S. and global capital market conditions.

In valuing our common stock, the board of directors determined the equity value of our business using various valuation methods including combinations of income and market approaches. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in our industry or similar business operations as of each valuation date and is adjusted to reflect the risks inherent in our cash flows. The market approach references actual transactions involving (i) the subject being valued, or (ii) similar assets and/or enterprises.

For each valuation, the equity value determined by the income and market approaches was then allocated to the common stock using either the option pricing method, or OPM, or probability – weighted expected return model, or PWERM.

The option pricing method is based on the Black-Scholes option valuation model, which allows for the identification of a range of possible future outcomes, each with an associated probability. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. In general, while simple in its application, management did not use the OPM approach when considering allocation techniques for the valuation of equity interests in early stage, privately held life science companies. Management determined that applying the OPM would violate the major assumptions of the Black-Scholes option valuation model approach. Additionally, the simulation approach can generally be reasonably approximated by a scenario-based approach like the PWERM as described below.

PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise. This method is particularly useful when discrete future outcomes can be predicted at a relatively high confidence level with a

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Application of our approach involves the use of estimates, judgment, and assumptions that are highly complex and subjective, such as those regarding expected future revenue, expenses, and future cash flows, discount rates, market multiples, the selection of comparable companies, and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact valuations as of each valuation date and may have a material impact on the valuation of our common stock.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, or FASB, or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the impact of recently issued standards that are not yet effective will not have a material impact on the Company's financial position, results of operations, or cash flows upon adoption.

In February 2016, the FASB issued Accounting Standards Update, or ASU, No. 2016-02, *Leases* (Topic 842), which requires lessees to recognize the following for all leases (with the exception of short-term leases) at the commencement date: a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. In July 2018, the FASB issued ASU 2018-11 to amend certain aspects of Topic 842. These amendments provide entities with an additional (and optional) transition method to adopt Topic 842. Under this transition method, an entity initially applies the transition requirements in Topic 842 at that Topic's effective date with the effects of initially applying Topic 842 recognized as a cumulative effect adjustment to the opening balance of retained earnings (or other components of equity or net assets, as appropriate) in the period of adoption. On October 16, 2019, the FASB changed the effective date of this standard to January 1, 2021. We are currently evaluating the potential impact of this standard on our financial position, results of operations, and cash flows.

In March 2016, FASB issued ASU 2016-09, *Stock Compensation—Improvements to Employee Share-Based Payment Accounting*. On January 1, 2018, we adopted the amendments to ASC 718, which simplify accounting for share based payment transactions. As part of the amendment, we have elected to recognize the actual forfeitures by reducing the employee share-based compensation expense in the same period as the forfeitures occur. The adoption did not result in a material impact on our financial statements and related disclosures.

In June 2016, FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326)*. The amendments in ASU 2016-13 affect entities holding financial assets and net investment in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The amendments in ASU 2016-13 require a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) to present the net carrying value at the amount expected to be collected on the financial asset. On October 16, 2019, the FASB changed the effective date of this standard to January 1, 2023. We are currently evaluating the potential impact of this standard on our financial position, results of operations, and cash flows.

On January 1, 2018, we adopted ASU 2018-07, *Improvements to Non-employee Share-Based Payment Accounting* (Topic 718). This standard expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from non-employees. FASB clarified that Topic 718 does not apply to share-based payments used to effectively provide financing to the issuer or awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under ASC 606, *Revenue from Contracts with Customers*. Since we have not generated any revenue to date, this adoption did not result in a material impact on our financial statements and related disclosures.

On January 1, 2019, we adopted ASU 2016-15 (Topic 230), *Classification of Certain Cash Receipts and Payments*, a new standard providing guidance on statement of cash flow classification on specific issues. The standard is effective for financial statements issued for fiscal periods beginning after December 15, 2018. It is required to be applied on a retrospective approach. We determined that this standard had no impact on its financial position, results of operations, and cash flows for the years ended December 31, 2019 and 2018, respectively.

BUSINESS

Overview

We are a target discovery and gene editing company with a therapeutic focus in immuno-oncology. Our proprietary target discovery technology is Diamond.

Diamond (Screening, Prioritizing, and Harmonizing)

Diamond is a computational platform and a neural network that can identify new cancer immunological targets for T cells and B cells. Diamond is a bioinformatic approach that can identify novel surface tumor targets. It uses public and proprietary samples and can expand into the tumor target space.

Diamond addresses the main challenges in today's clinical pipeline: *target identification*.

Diamond generates a prioritized list of cancer immunological targets for T cells and B cells. These targets can be used to create therapies such as antibody therapies, T cell therapies, T cell receptor therapies, CAR T cell therapies and vaccine therapies.

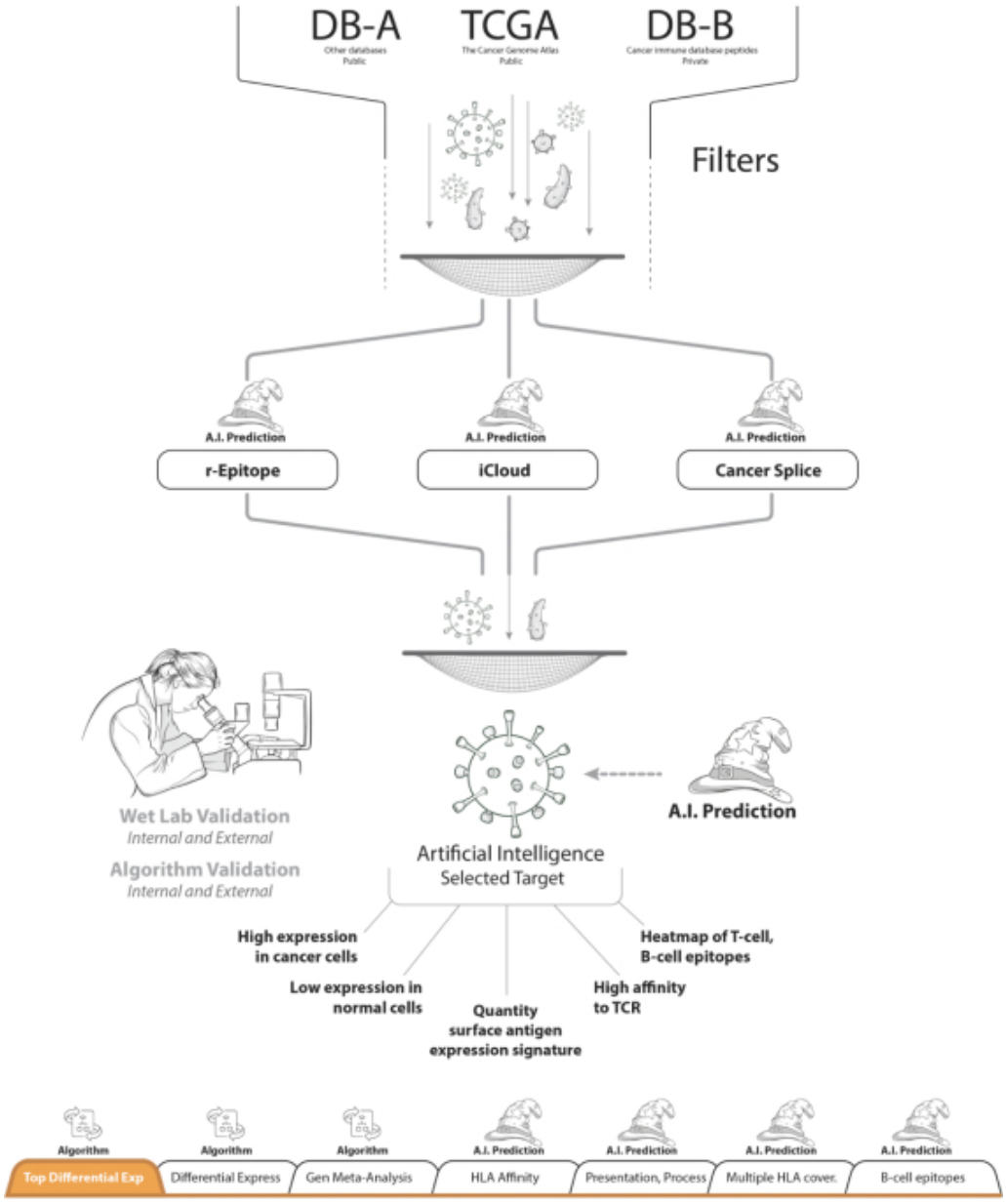
Diamond's cognitive and deep learning capabilities extract information from our extensive digital library consisting of clinical studies, genomic and proteomic datasets. Diamond harmonizes all the raw data and creates datasets which allows us to screen for cancer targets. Diamond will identify and prioritize lists of genes (biomarkers, wild type, mutant, isoform, neoepitope, etc.) that are highly and specifically expressed in the disease of interest while providing its distribution and methylation status across the entire patient population. It also maps out the exact portion of the gene that will elicit an immune response.

Diamond performs meta-analysis and convolution studies while standardizing and normalizing data across multiple and variable experimental platforms, then allows for the visualization of consistent and accurate results in a user-friendly fashion.

See our Diagram below which will walk readers through our process of going from antigens and target libraries to finish with target selection by our artificial intelligence engine.

DIAMOND Artificial Intelligence

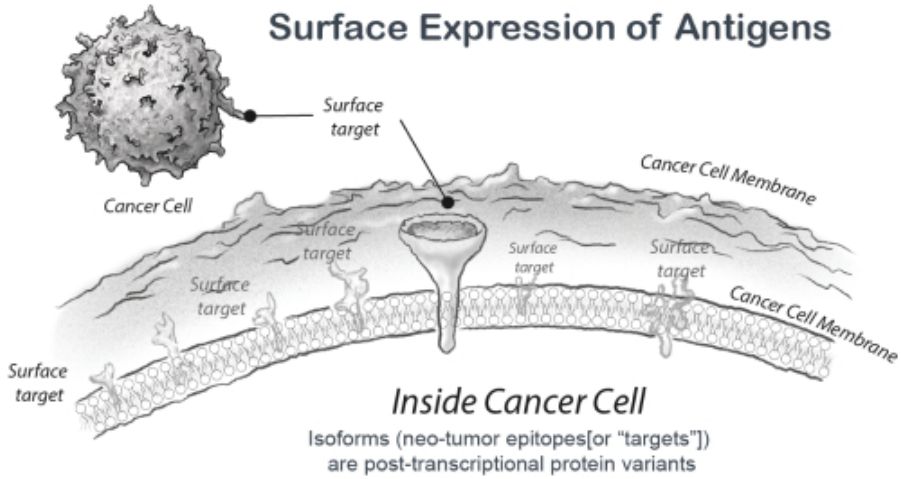
Target Selection Sytem



Actual Software Interface

CancerSplice (Isoform Target Prediction)

Cancer cells will down regulate or shed targets in order to avoid detection and destruction by T cells (the immune system). These variations are known as isoforms. Target isoforms include variations in their primary amino acid sequence that can change both the final folded form of the target plus their ability to be recognized by modified T cells. Within a heterogeneous cancer cell population, isoforms can preferentially expand to avoid detection and destruction by T cells. These isoforms can make it impossible for T cells to outright bind the targets on cancer cells. No binding to the target means no killing of cancer cells.



To solve the problem of identifying shared, common cancer-specific antigens derived from alternative splicing and cancer-specific isoform formation, we have developed a fully integrated in silico methodology to predict cancer specific isoforms called CancerSplice.

CancerSplice allows for the prediction and prioritization of iso-antigens which could serve as a novel source of tumor targets, highly specific for neoplastic cells but without the drawback of also being highly patient-specific.

CancerSplice allows the user to select a tissue type from the cancer genome atlas along with thresholds for filtering isoforms (minimum and maximum normal tumor parts per million). Based on the tissue selected, CancerSplice displays a sorted list of isoforms that are elevated in high expressing tumors versus normal tissues which have low expression. Differential analysis is then performed and used to generate two types of lists: (1) isoforms expressed in tumor but not expressed in normal tissues; and (2) isoforms expressed in normal tissues but yet at a much higher level in tumors. CancerSplice then allows the user to click on an isoform in the list to select a specific isoform to display in a detailed panel, which shows the multi-sequence alignment for the isoform, as well as all the other isoforms of that gene.

Finally, CancerSplice also shows a box plot by tissue of expression of the isoform in normal cancer genome atlas tissues and a box plot of the matching isoform in genotype-tissue expression program normal data. The sequence of amino acids that are specific for the selected cancer isoforms are then directly fed to Diamond's artificial neural capsule network for peptide design and prioritization. Therefore, we believe that we have developed unique tools to address the issue with tumor specific iso-antigens through CancerSplice and Diamond.

Immuno Therapies Using Our Artificial Intelligence Selected Targets

With our artificial intelligence (Diamond), we seek to use our targets to train immune cells. The trained immune cells generate a therapeutic immune response in patients. These peptide sequences, known as tumor specific iso-antigens, generate an immunological response and therefore eradicate cancer cells.

We are developing our brand of CAR cell product candidates known as ALEXIS. These are designed to treat cancer by capitalizing on the immune system's ability to destroy cancer cells. These products are in the IND stage of the FDA clinical trial process. We are currently going through the IND validation process and we expect that IND enabling trials will commence in the second half of 2020.

CAR T cell therapy, a form of cancer immunotherapy, has recently emerged as a revolutionary and potentially curative therapy for patients with hematologic cancers, including refractory cancers. In 2017, two autologous anti-CD19 CAR T cell therapies, Kymriah, developed by Novartis International AG, and Yescarta, developed by Kite Pharma, Inc., were approved by the FDA for the treatment of relapsing/remitting B-cell precursor acute lymphoblastic leukemia and relapsing/remitting large B cell lymphoma, respectively. Autologous CAR T cell therapies are manufactured individually for the patient's use by modifying the patient's own T cells outside the body, causing the T cells to express CARs. The entire manufacturing process is dependent on the viability of each patient's T cells and takes approximately two to four weeks. Allogenic T cell therapies involve engineering healthy donor T cells, which we believe will allow for the creation of an inventory of off-the-shelf products that can be delivered to a larger portion of eligible patients throughout the world.

We have not generated any revenue from sales to date, and we continue to incur significant research and development and other expenses related to our ongoing operations. As a result, we are not and have never been profitable and have incurred losses in each period since we began principal business operations in 2012.

Engineered T Cell Therapy

White blood cells are a component of the immune system and are responsible for defending the body against infectious pathogens and other foreign material. T cells are a type of white blood cell and are involved in both sensing and killing infected or abnormal cells, including cancer cells, as well as coordinating the activation of other cells in an immune response.

T cells can be distinguished from other white blood cells by T cell receptors present on their cell surface. These receptors contribute to tumor surveillance by directing T cells to recognize and destroy cancerous cells. When T cells with cancer-specific receptors are absent, present in low numbers, of poor quality or rendered inactive by suppressive mechanisms, cancer may grow and spread. In addition, standard of care treatments, such as chemotherapy regimens, as well as disease specific factors can damage the patient's immune system, thereby inhibiting the ability of T cells to kill cancer.

Engineered T cell therapy is a type of immunotherapy treatment whereby human T cells are removed from the body and engineered to express CARs which, when infused into a patient, may recognize and destroy cancer cells in a more targeted manner.

CARs are engineered molecules that, when present on the surface of a T cell, enable the T cell to recognize specific proteins or antigens that are present on the surface of other cells.

There are two primary approaches to engineered T cell therapy: autologous and allogenic. Autologous therapies use engineered T cells derived from the individual patient, while allogenic therapies use engineered T cells derived from healthy donor T cells.

The autologous approach, pioneered by Novartis and Kite, has been highly successful in engineering patients' immune systems to fight cancer, in particular CD19 positive cancers, resulting in significant remission rates. Autologous products are manufactured by first collecting a patient's white blood cells, through a process known as leukapheresis, separating the T cells from the patient's blood sample and proliferating the isolated T cells. After the cells have multiplied, the CAR construct is virally transduced into the T cells and the engineered T cells are then propagated until a sufficient number of cells are available for infusion into the patient. Finally, the engineered T cells are frozen, and then shipped back to the clinical center for administration to the patient. The process from leukapheresis to delivery to the clinical center takes approximately two to four weeks.

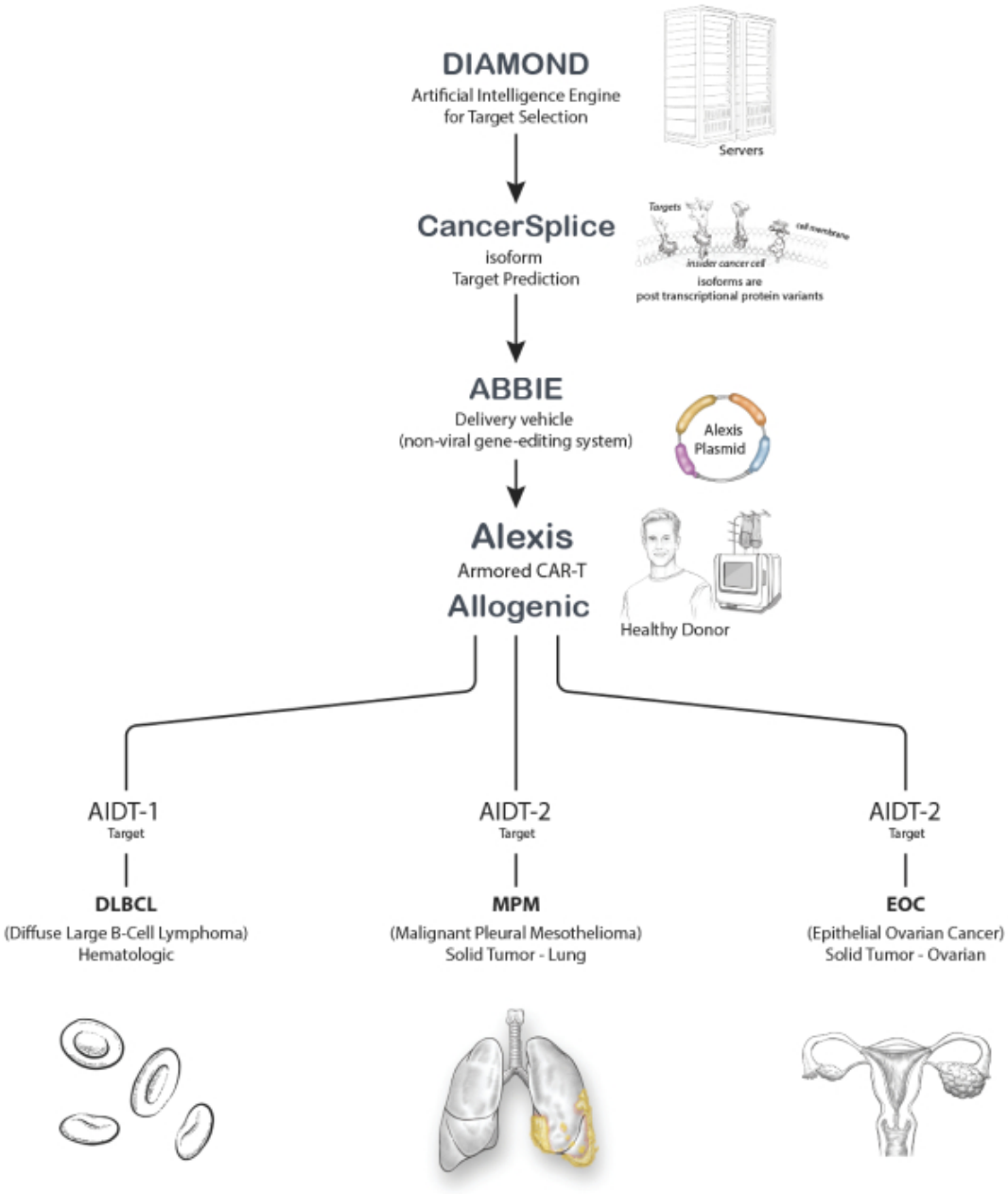
Allogenic engineered T cells are manufactured in a similar manner as autologous, but with two key differences: (1) allogenic T cells are derived from healthy donors, not cancer patients, and (2) allogenic T cells must be genetically engineered to minimize the risk of graft-versus-host disease, a condition where allogenic T cells can recognize the patient's normal tissue as foreign and cause damage and enable a window of persistence in the patient.

Our Approach

Our operating motto is Better Target, Better Life ™.

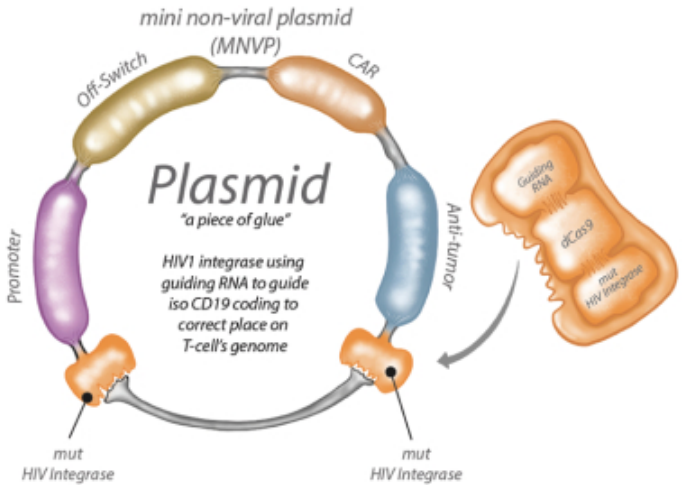
Our goal is to defeat cancer by developing immunotherapies by improving the target discovery and validation. With better targets, we believe our therapies will be more effective than the current crop of immunotherapies using old targets which cannot adapt to rapidly mutating targets.

We are currently in the process of validating different tumor-specific immunotherapy product candidates for refractory CAR T patients. Refractory CAR T patients are those who have received CAR T treatments for their indication, however, they received little or no benefit from these treatments. We validate biomarkers for these product candidates using the technologies and processes discussed in the sections below. The development schema below describes our path forward for developing our product candidates.



ABBIE (Delivery Vehicle)

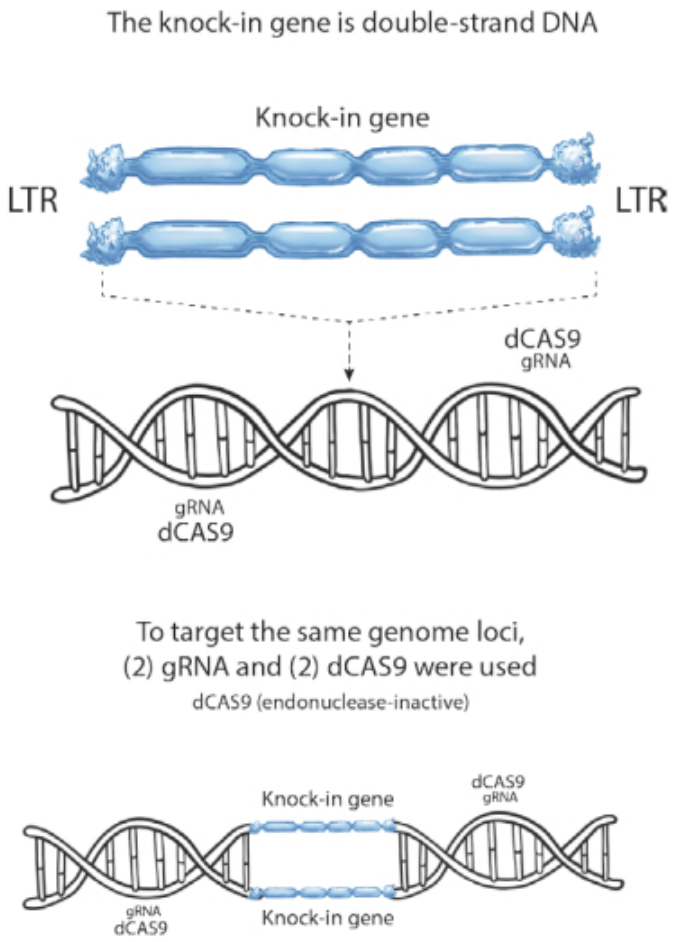
We are currently developing ABBIE (A Binding-Based Integrase Enzyme) for delivery our product candidates. ABBIE is a non-viral gene editing mechanism to insert the target DNA template information into the T cell genome. ABBIE allows the creation of the plasmid ("glue") that goes through the membrane to the nucleus and inserts the genome template into the T cells so that they could express CAR T.



The non-viral vector is then physically comingled with the patient's T cells. The non-viral vector transfers the target's genomic information into the T cells, where it is integrated into the T cell's genome. T cells now have the target's genomic information and can successfully identify the targets on the cancer cells. This T cell therapy is infused into the patient. T cells will hunt down cancer cells with the known targets and destroy these cancer cells.

We believe that this gene delivery platform will deliver the DNA template to the T cell genomes at a lower cost and shorter time versus a viral vector. By comparison, a retrovirus vector would have a longer development lead time (12 months) with an increased insertional mutagenesis risk. Insertional mutagenesis means that a random insertion of the DNA could activate uncontrolled cell growth. ABBIE allows for a more consistent expression and will have a shorter development lead time (3 months). It avoids unnecessary risks by targeting a single locus and produces more predictable cell-to-cell expressions.

The development of ABBIE involves a multi-step process, which includes an integration-deficient lentivirus, a sensitive, targeted gene knock-out assay system, optimization of an inducible ABBIE protein expression system, a powerful screen for gene targeting efficiency, and a sensitive screen of additional ABBIE mutants to further improve efficacy. Altogether, the development plan involves construction of dozens of plasmid constructs, which are complete. To date, we have successfully completed the high transduction efficiency lentivirus system for our assays along with the non-integrating lentivirus system. Optimization of the selection schema is over 70% complete and the construction of the inducible expression and knock-out systems are well underway. If no major obstacles are encountered, we expect to be able to begin producing effector cells for in vitro testing using ABBIE by late May 2020.



Manufacturing T Cells

The three primary steps to creating our engineered T cells are: (1) collection, (2) gene editing, and (3) purification, formulation, and storage.

Our manufacturing and processing of engineered cell therapy product candidates is based on an improved version of the National Cancer Institute's, or NCI, and Kite Pharma's original manufacturing and processing of engineered T cells. For Alexis AIDT-1, we will use the identical anti-CD19 CAR construct and viral vector that is being used in the ongoing NCI clinical trial.

We believe we have streamlined and optimized the NCI's process, such as by removing human serum from the process to minimize risk of viral contamination, moving process steps from an open system to a closed system to minimize the risk of other contamination and standardizing the viral transduction process to help eliminate processing inconsistencies.

Step 1. Collection

The starting material for our engineered T cell products is white blood cells. For our allogenic products, the T cells are collected from a healthy donor. These are collected using a standard blood bank procedure known as

leukapheresis. The collected cells are then sent to a central processing facility, where the peripheral blood mononuclear cells, including T cells, are isolated from the other sample components. The T cells for our allogenic products are isolated and stored frozen, creating an inventory of starting healthy donor cells for manufacturing.

Step 2. Gene Editing

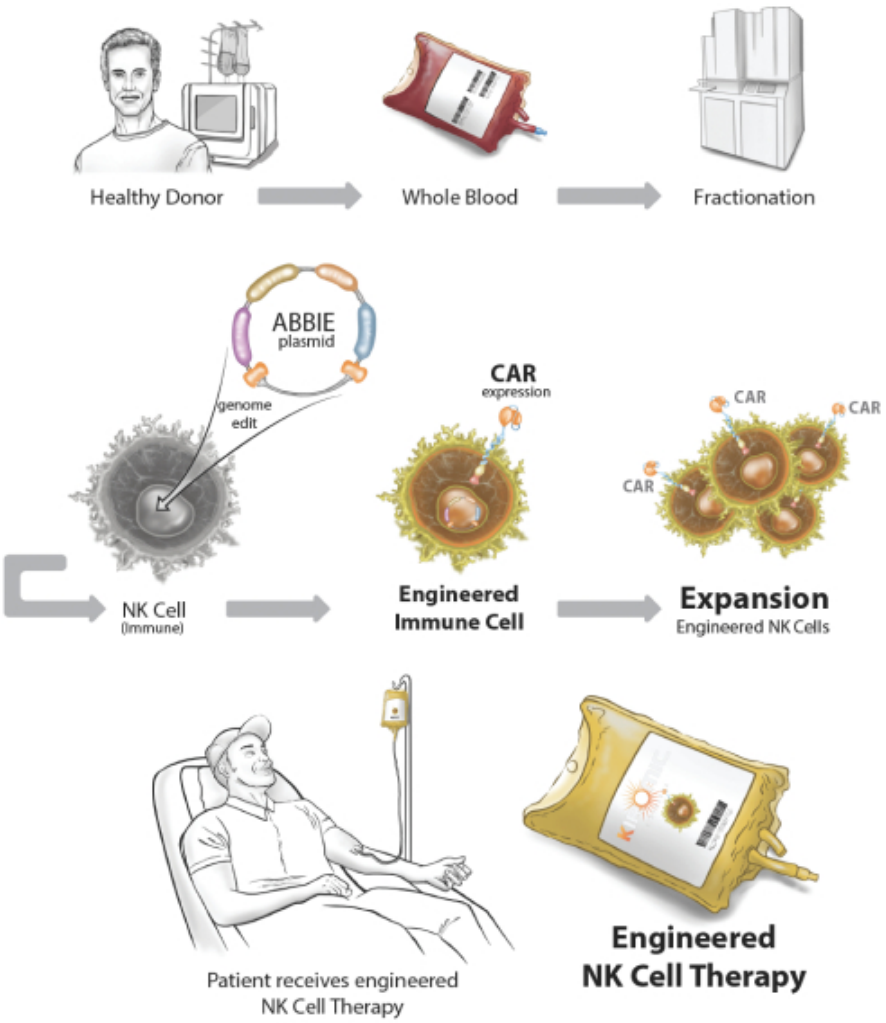
These cells are stimulated to proliferate, then transduced with a retroviral vector to introduce the CAR gene into the patient's T cells.

We are also currently developing ABBIE, which is a non-viral gene editing mechanism to insert the target DNA template information into the T cell genome. The CAR sequence will direct the expression of CAR proteins on the cell surface that allows the transduced T cells to recognize and bind to a target molecule that is present on cancer cells.

Step 3. Purification, Formulation, and Storage

These engineered cells are then propagated in cell culture bags until sufficient cells are available. The engineered T cells are then washed and frozen at the cell processing site.

For our allogenic products, the engineered cells are frozen and sent to long-term storage in the vapor phase of liquid nitrogen. This inventory will be securely stored and then shipped to oncology centers as needed.



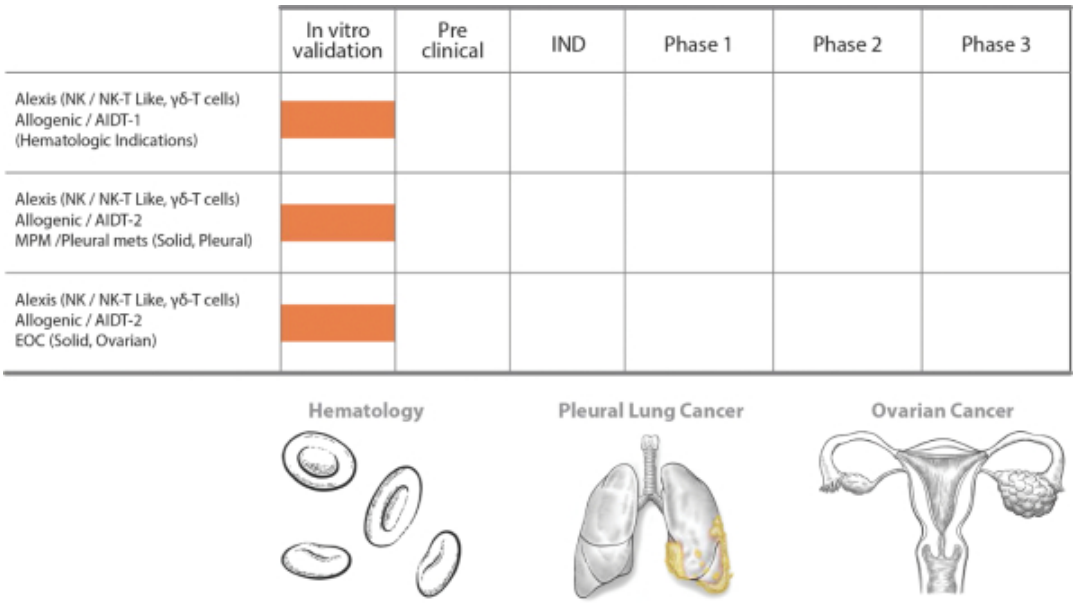
Note that we have not yet completed our ABBIE (gene editing) technology as shown in the fourth diagram above. Our clinical trial will be using the current industry standard retroviral vector.

Our Product Pipeline and Development

Using our proprietary technologies, we are researching and developing multiple product candidates for the treatment of blood cancers and solid tumors. Our product candidates are allogenic engineered cells to be used for specific patients or as off-the-shelf treatments for any patient with a particular cancer type. Each product candidate targets a selected antigen expressed on tumor cells and bears specific engineered attributes.

In the near term, we are progressing multiple product candidates directed at promising targets for blood cancers, including refractory large B cell lymphoma, and targets associated with solid tumors, such as malignant pleural mesothelioma (lung) and epithelial ovarian cancer.

Our product pipeline is represented in the diagram below:



ALEXIS AIDT-1

ALEXIS AIDT-1 is our CAR cell product candidate targeting AIDT-1. This product is currently undergoing preparation for an IND enabling trial. Following the IND enabling trial, we will be applying for a full IND with the FDA. The clinical trial for this product candidate is expected to launch during the second half of 2020. We will be the sponsor of the program and lead the clinical development program.

ALEXIS AIDT-1 targets AIDT-1, an antigen expressed on the surface of B cells, including malignant B cells. The product represents an innovative approach for relapsed B cell acute lymphoblastic leukemia and for refractory large B cell lymphoma and involves the use of adoptive T cells expressing CARs against AIDT-1. We expect our strategy to target B cell malignancies that have become refractory to currently available CAR cell therapies.

Target Indications

ALEXIS AIDT-1 targets DLBCL. According to the American Cancer Society, approximately 30,000 individuals are diagnosed with DLBCL in the U.S. each year, and 200,000 worldwide. The growth rate for DLBCL is relatively stable.

The standard treatment is R-CHOP chemotherapy, which is a combination treatment consisting of five separate drugs: rituximab (Rituxan), cyclophosphamide, doxorubicin hydrochloride, vincristine (Oncovin, Vincasar PFS), and prednisolone. R-CHOP chemotherapy costs approximately $100,000 per year. Average life expectancy following the failure of R-CHOP chemotherapy is approximately 18 months.

The failure rate for R-CHOP chemotherapy is up to 50%. Up to 60% of failures cannot get stem cell transplants and need CAR T therapy. Standard CAR T therapy costs between approximately $373,000 to $475,000.

Out of the 30,000 U.S. patients who are initially diagnosed with DLBCL each year, we believe that approximately 2,100 (7%) will eventually be eligible for our CAR T cell therapy.

Development Plan

ALEXIS AIDT-1 will be studied in a Phase 1 clinical trial for DLBCL, primary mediastinal B cell lymphoma, and transformed follicular lymphoma. We plan to submit an IND and initiate a Phase 1 clinical trial in 2020. We will be the sponsor of the clinical trials, which will be conducted by industry-standard CROs and leading academic institutions in the U.S. and Western Europe.

The Phase 1 trial is expected to be an open label, single arm, multi-center, dose escalation, safety, pharmacokinetic and pharmacodynamic clinical trial in adult patients with DLBCL, who are relapsed or refractory to prior treatment with an anti-CD20 monoclonal antibody therapy and an anthracycline containing chemotherapy and/or an autologous stem cell transplant.

The primary endpoint will be to assess safety and tolerability at increasing dose levels in successive cohorts of patients in order to estimate the maximum tolerated dose and the recommended Phase 2 dose.

Prior to treatment, all patients are expected to undergo selected screening process to assure than the patients are expressing our intended target (AIDT-1).

ALEXIS AIDT-2 EOC

ALEXIS AIDT-2 EOC is our allogenic CAR cell product candidate targeting isoform mesothelin. We are still planning clinical trials before submitting this product for authorization.

ALEXIS AIDT-2 EOC represents an innovative approach for stage IV platinum resistant epithelial ovarian cancer and involves the use of cells which are “like” natural killer T cells.

Target Indications

ALEXIS AIDT-2 EOC targets epithelial ovarian cancer, or EOC. According to the Foundation for Ovarian Cancer, a chapter of the American Cancer Society, approximately 22,000 individuals are diagnosed with EOC in the U.S. each year, and 300,000 worldwide. The growth rate of EOC diagnosis is the U.S. is approximately 1% and it is 2% worldwide.

EOC generally affects elderly women over 60 years old. Genetic mutations and/or a family history of ovarian/breast/colorectal cancer increase the risk of EOC. EOC can metastasize to abdominal peritoneum, which is extremely difficult to treat. The median life expectancy after local recurrence is approximately 24 months.

The standard treatment for EOC involves chemotherapy, which costs approximately $40,000, surgery, which costs approximately $45,000, and radiation, which costs approximately $10,000-$20,000. In total, the standard treatment can cost approximately $100,000. The rate of failure for this treatment is approximately 70%.

Out of the 22,000 U.S. patients who are initially diagnosed with EOC each year, we believe that approximately 15,400 (70%) will eventually be eligible for our CAR cell therapy.

Development Plan

ALEXIS AIDT-2 EOC will be studied in a Phase 1 clinical trial for EOC patients. We plan to submit an IND and initiate a Phase 1 clinical trial in 2020. We will be the sponsor of the clinical trials, which will be conducted by industry-standard CROs and leading academic institutions in the U.S. and Western Europe.

The Phase 1 trial is expected to be an open label, single arm, multi-center, dose escalation, safety, pharmacokinetic and pharmacodynamic clinical trial in adult patients with EOC who have progressed on at least two lines of salvage chemotherapy and/or additional surgical/radiation therapy cell reduction.

The primary goal will be to assess safety and tolerability at increasing dose levels in successive cohorts of patients in order to estimate the maximum tolerated dose and the recommended Phase 2 dose.

Prior to treatment, all patients are expected to undergo selected screening process to assure than the patients are expressing our intended target (AIDT-2).

ALEXIS AIDT-2 MPM

ALEXIS AIDT-2 MPM is our allogenic CAR/NKT-Like cell product candidate targeting AIDT-2. We are still planning clinical trials before submitting this product for authorization.

ALEXIS AIDT-2 MPM represents an innovative approach for malignant pleural mesothelioma and involves the use of cells which are “like” natural killer T cells.

Target Indications

ALEXIS AIDT-2 MPM targets malignant pleural mesothelioma, or MPM. Mesothelioma is a disease in which malignant (cancer) cells form in the thin layer of tissue that covers organs typically in the chest or abdomen. Pleura refers to the thin layer of tissue that lines the chest cavity and covers the lungs. The tumors often spread over the surface of organs often without spreading into the organ. They may spread to nearby lymph nodes or in other parts of the body. Malignant mesothelioma may also form in the testicles or heart, but this is rare.

According to the American Cancer Society, approximately 3,000 individuals are diagnosed with MPM in the U.S. each year, and 30,000 worldwide. The growth rate of MPM diagnosis is the U.S. and Western Europe is relatively stable, however, in emerging growth regions where heavy industries are growing, the MPM growth rates are also growing.

MPM rates are high in the military, particularly for those involved in ship building, construction, mechanics, and insulation/textile production and installation. Due to these higher rates, the U.S. military is currently setting aside approximately $30 billion each year to settle job-related asbestos MPM for their personnel.

The standard treatment for MPM involves chemotherapy, which costs approximately $80,000, surgery, which costs approximately $90,000, and radiation, which costs approximately $10,000-$20,000. In total, the standard treatment can cost up to $200,000. Approximately 80% of patients undergoing this treatment will eventually relapse. The average life expectancy after refractory is approximately 7 months.

Out of the 3,000 U.S. patients who are initially diagnosed with MPM each year, we believe that approximately 2,400 (80%) will eventually be eligible for our CAR/NKT-Like cell therapy.

Development Plan

ALEXIS AIDT-2 MPM will be studied in a Phase 1 clinical trial for mesothelioma, including pleural and peritoneal mesotheliomas. We plan to submit an IND and initiate a Phase 1 clinical trial in 2020. We will be the sponsor of the clinical trials, which will be conducted by industry-standard CROs and leading academic institutions in the U.S. and Western Europe.

The Phase 1 trial is expected to be an open label, single arm, multi-center, dose escalation, safety, pharmacokinetic and pharmacodynamic clinical trial in adult patients with mesothelioma, who are relapsed/refractory to maximal surgical and/or radiation therapy reduction and standard first line chemotherapy.

The primary goal will be to assess safety and tolerability at increasing dose levels in successive cohorts of patients in order to estimate the maximum tolerated dose and the recommended Phase 2 dose.

Prior to treatment, all patients are expected to undergo selected screening process to assure than the patients are expressing our intended target (AIDT-2).

Our Corporate History

We were first organized as a corporation in the State of Texas on August 6, 2006 under the name “Kiromic, Inc.” Between 2006 and 2012, we had minimal operations. On March 15, 2013, we converted to a limited liability company in the State of Texas under the name “Kiromic, LLC.” On May 27, 2016, we converted to a corporation in the State of Delaware under the name “Kiromic, Inc.” On December 16, 2019, we changed our name to Kiromic BioPharma, Inc.

We have one wholly-owned subsidiary, GreenPlanet Pharma, Inc., which was incorporated in the State of Delaware on November 26, 2018.

Our Manufacturing Operations

We have invested resources to optimize our manufacturing process, including the development of improved analytical methods. We plan to continue to invest in process science, product characterization and manufacturing to continuously improve our production and supply chain capabilities over time.

Our product candidates are designed and manufactured via a platform comprised of defined unit operations and technologies. The process is gradually developed from small to larger scales, incorporating compliant procedures to create current cGMP conditions. Although we have a platform-based manufacturing model, each product is unique and for each new product candidate, a developmental phase is necessary to individually customize each engineering step and to create a robust procedure that can later be implemented in a cGMP environment to ensure the production of clinical batches. This work is performed in our research and development environment to evaluate and assess variability in each step of the process in order to define the most reliable production conditions.

We will engage third-party CMOs to manufacture the retroviral vector that delivers the applicable CAR gene into the T cells under cGMP. We believe all materials and components utilized in the production of the cell line, retroviral vector and final T cell product are readily available from qualified suppliers.

We believe the use of contract manufacturing and testing for the first clinical product candidates is cost-efficient and has allowed us to rapidly prepare for clinical trials in accordance with our development plans. We expect third-party CMOs will be capable of providing and processing sufficient quantities of product candidates to meet anticipated clinical trial demands.

In addition, we believe we have sufficient space at our headquarters in Houston, Texas, which is being adapted to manufacture clinical grade products.

If any of our product candidates are approved, to meet projected needs for commercial sale quantities, we anticipate that we will need to obtain additional manufacturing capacity through CMOs to be able to supply and process products on a patient-by-patient basis.

We intend to screen multiple manufacturers, including both current and alternate suppliers, to secure sufficient capacity is available for commercial purposes prior to the filing of a Biological License Application. We believe that commercial requirements can be met, although we cannot be certain that identifying and establishing relationships with such sources, if necessary, would not result in significant delay or material additional costs.

Our Intellectual Property

Our commercial success depends in part on our ability to obtain and maintain proprietary protection for our most advanced product candidate, ALEXIS AIDT-1, as well as novel discoveries, product development technologies, and know-how.

Our commercial success also depends in part on our ability to operate without infringing on the proprietary rights of others and to prevent others from infringing our proprietary rights. Our policy is to develop and maintain protection of our proprietary position by, among other methods, filing or in-licensing U.S. and foreign patents and applications related to our technology, inventions, and improvements that are important to the development and implementation of our business.

We also rely on trademarks, trade secrets, know-how, continuing technological innovation, confidentiality agreements, and invention assignment agreements to develop and maintain our proprietary position. The confidentiality agreements are designed to protect our proprietary information and the invention assignment agreements are designed to grant us ownership of technologies that are developed for us by our employees, consultants, or other third parties. We seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in our agreements and security measures, either may be breached, and we may not have adequate remedies. In addition, our trade secrets may otherwise become known or independently discovered by competitors.

With respect to both licensed and company-owned intellectual property, we cannot be sure that patents will be granted with respect to any of our pending patent applications or with respect to any patent applications filed by us in the future, nor can we be sure that any of our existing patents or any patents that may be granted to us in the future will be commercially useful in protecting our commercial products and methods of using and manufacturing the same.

Patents

We are actively building our intellectual property portfolio around our product candidates and our discovery programs, based on our own intellectual property as well as licensed intellectual property. We are the owners of, co-owners of, or the licensee of multiple patents and patent applications in the United States and worldwide. Our patent portfolio includes protection for our lead product candidates, ALEXIS AIDT-1, ALEXIS AIDT-2 EOC and ALEXIS AIDT-2 MPM, as well as our other research-stage candidates. Our patent portfolio and filing strategy is designed to provide multiple layers of protection by pursuing claims directed toward: (1) antigen binding domains directed to the targets of our product candidates; (2) CAR constructs used in our product candidates; (3) methods of treatment for therapeutic indications; (4) manufacturing processes, preconditioning methods, and dosing regimens; and (5) and methods for genetically engineering immune cells suitable for autologous and allogenic use.

The term of individual patents depends upon the legal term of the patents in the countries in which they are obtained. In most countries in which we file, the patent term is 20 years from the date of filing of the first non-provisional application to which priority is claimed. In the United States, patent term may be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the United States Patent and Trademark Office in granting a patent, or may be shortened if a patent is terminally disclaimed over an earlier-filed patent. In the United States, the term of a patent that covers an FDA-approved drug may also be eligible for a patent term extension of up to five years under the Hatch-Waxman Act, which is designed to compensate for the patent term lost during the FDA regulatory review process. The length of the patent term extension involves a complex calculation based on the length of time it takes for regulatory review. A patent term extension under the Hatch-Waxman Act cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval and only one patent applicable to an approved drug may be extended. Moreover, a patent can only be extended once, and thus, if a single patent is applicable to multiple products, it can only be extended

based on one product. Similar provisions are available in Europe and certain other foreign jurisdictions to extend the term of a patent that covers an approved drug.

As of April 7, 2020, our patent estate includes three issued U.S. patents and 20 pending patent applications (11 of which are in the U.S.), which we either own, jointly own, or for which we have an exclusive commercial license (either in its entirety or within our field of use), as is more fully described below. Our patent families related to our product candidates are described below.

Diamond (Screening, Prioritizing, and Harmonizing)

Our Diamond patent estate includes two patent applications that we developed internally.

The first patent application is titled “Platform for Identification of Tumor-Associated Cancer/Testis Antigens”. It is a United States utility patent application that is expected to expire on April 25, 2037, absent any patent term adjustment (PTA) or patent term extension (PTE). The claims in this patent application include composition of matter, use and process for a method of identifying cancer/testes antigens (CTAs) useful as cancer treatment targets, the method comprising: identifying human sperm proteins to which patients diagnosed with solid or hematological malignancies have established a humoral immune response.

The second patent application is titled “Method for the identification and use of hot-spot mutations and tumor-associated splice isoforms in cancer immunotherapy”. It is a United States provisional patent application that is expected to expire on May 31, 2020. No claims were filed with the provisional application. We plan to file a United States utility patent application claiming priority to the provisional application before the provisional application expires.

CancerSplice (Isoform Target Prediction)

Our CancerSplice patent estate includes one utility patent application that we developed internally. The application is titled, “Anti-Human/Mouse Sperm Protein 17 (SP17) Antibody and Derivatives Thereof”. It is a United States utility patent application that is expected to expire on March 22, 2037, absent any patent term adjustment or patent term extension. The claims in this patent application include composition of matter, use, and method for a novel monoclonal antibody, designated as GD6, and various derivatives thereof, which target an epitope of human and murine Sperm Protein 17 (SP17) which possesses broad expression on cells derived from numerous solid malignancies.

ABBIE (Delivery Vehicle)

Our ABBIE patent estate includes nine patent families, three of which have been exclusively in-licensed from Mercer University, CGA 369, Inc., and Longwood University. ABBIE is the delivery vehicle for our lead product candidates, ALEXIS AIDT-1, ALEXIS AIDT-2 EOC and ALEXIS AIDT-2 MPM, as well as our other research-stage candidates.

The first family is titled “Compositions and Methods for Treating Cancers”, and contains one utility patent application that has been filed in the United States and has entered the national phase in Europe, Mexico, and China that are expected to expire on March 13, 2037, absent any patent term adjustment or patent term extension. The claims in these patent applications include composition of matter, uses and methods related to administering to a subject having a cancer a therapeutically effective amount of the pharmaceutical composition of combinations of Galectins, which are S-type lectins that bind ß-galactose-containing glycoconjugates.

The second family is titled, “CdS quantum dot-Chitosan-Anti-SP17 Nanohybrid as a Potential Cancer Biomarker.” It contains one utility patent filed in the United States that is expected to expire on February 23, 2038, absent any patent term adjustment or patent term extension. The claims in this patent application include composition of matter of A nanoconjugate consisting of a Quantum Dot nanoparticle conjugated to an anti-SP17

antibody, wherein the conjugating molecule is chitosan. The claims in this patent application also include methods for detecting cancer cells in biological systems consisting in administering the anti-SP17 nanoconjugate and performing imaging analysis using the quantum-dot fluorescence emission.

The third family is titled, “Summary of processes for the generation of tumor associated peptide antigen-activated and PBMC-derived T-cells.” It contains one provisional patent application filed in the United States, that is expected to expire on April 30, 2020. There are no claims in this provisional application. We plan to file a United States utility patent application claiming priority to the provisional application before the provisional application expires.

The fourth family is titled, “Summary of processes for the generation of anti-mesothelin 2862-isoform NK-A CAR cells”. It contains one provisional patent application filed in the United States, that is expected to expire on April 30, 2020. There are no claims in this provisional application. We plan to file a United States utility patent application claiming priority to the provisional application before the provisional application expires.

The fifth family is titled, “NK-engineered cell lines for the treatment of cancer”. It contains a provisional patent application filed in the United States, that is expected to expire on June 22, 2020. There are no claims of composition, uses, or methods on this provisional application that have been filed. We plan to file a United States utility patent application claiming priority to the provisional application before the provisional application expires.

The sixth family is titled, “Novel Nanoparticle–Based Vaccine Targeting Cancer/Testis Antigens (CTA) and its’ Use in Solid and Hematological Malignancies”. It contains one utility application filed in Europe that is expected to expire on November 19, 2035, absent any extension of the patent right by a supplementary protection certificate (SPC). The claim in this patent application includes composition of matter, use and methods for a vaccine composition comprising of particles comprising nanoparticles, microparticles or a mixture thereof.

The seventh family has been exclusively in-licensed from Mercer University. It is titled, “Nanospheres Encapsulating Bioactive Material and Method for Formulation of Nanospheres” and contains three issued United States Patents and one pending application that are expected to expire on September 20, 2029 and September 29, 2029 with 540 days of patent term adjustment. The claims in this patent family include composition of matter and methods for a method for forming microspheres containing bioactive material, comprising dissolving a polymer matrix, such as albumin or betacyclodextrin, in an aqueous medium in a first vessel.

The eighth family has been exclusively in-licensed from CGA 369, Inc. It is titled, “CAS 9 Retroviral Integrase and CAS 9 Recombinase Systems for Targeted Incorporation of a DNA Sequence into a Genome of a Cell or Organism.” The patent family contains four utility applications in Europe, China, Japan, Korea, and the United States that are expected to expire on March 31, 2036, absent any patent term adjustment or patent term extension. The claims in this patent family contains composition of matter claims for nucleic acid constructs; organisms comprising nucleic acid construct; fusion proteins; and nucleic acid vectors. The claims in this patent family also contain methods of inserting a DNA sequence into genomic DNA and inhibiting gene expression.

The ninth family has been exclusively in-licensed from Longwood University. It is titled, “PD1-Specific Chimeric Antigen Receptor as an Immunotherapy.” The patent family contains one United States application and one PCT application for which we have entered and plan to enter the national phase in a number of jurisdictions by May 26, 2020 that are expected to expire on September 26, 2038, absent any patent term adjustment or patent term extension. The claims in this patent application contains composition of matter claims for a chimeric antigen receptor (CAR) polypeptide; a vector comprising the CAR polypeptide; and a T lymphocyte genetically modified to express the CAR polypeptide. The claims in the patent application also contain a method of treating cancer using the T lymphocyte genetically modified to express the CAR polypeptide.

License Agreements

Mercer University

On December 1, 2016, we entered into a license agreement with Mercer University, or Mercer, pursuant to which Mercer granted to us an exclusive license for certain inventions and technologies related to nanoparticles useful as vaccines. As compensation for this license, we paid Mercer a license fee and agreed to pay royalties of the net selling price of all licensed products sold once we start selling the products developed with the licensed intellectual property. Finally, we also agreed to make the following milestone payments: (i) upon initiation of an FDA Phase II clinical trial; (ii) upon the first dosing in the FDA Phase III clinical trial, and (iii) upon BLA approval. The potential milestone payments total $325,000 in the aggregate. The term of this license agreement continues until all licensed patents expire. We may terminate this agreement at any time upon sixty (60) days written notice. Mercer may terminate this agreement upon the occurrence of a material breach of the agreement that is not cured by us within sixty (60) days of notice of such breach.

CGA 369

On September 14, 2018, we entered into a license agreement with CGA 369 Intellectual Holdings, Inc., or CGA, which was amended on October 16, 2019. Pursuant to this license agreement, CGA granted to us an exclusive license for certain inventions and technologies related to the use of engineered DNA binding proteins exhibiting genome specificity such as Cas9, TALE, and Zing finger proteins attached by a linker with viral integrases or a recombinase in older to deliver DNA sequence of interest (or gene of interest) to a targeted site in a genome of a cell or organism. As compensation for this license, we agreed to pay CGA a license fee, which payment is conditioned upon a sublicense and our receipt of upfront fee in connection with such sublicense of at least $5 million. We also agreed to pay royalties based on a percentage of the net selling price of all licensed products sold once we start selling the products developed with the licensed intellectual property. Finally, we also agreed to make the following milestone payments: (i) upon completion of a positive Phase III clinical trial; (ii) upon FDA approval; (iii) upon our aggregate net sales of licensed products reaching $100 million in a single calendar year; (iv) upon our aggregate net sales of licensed products reaching $250 million in a single calendar year, and (v) upon our aggregate net sales of licensed products reaching $500 million in a single calendar year. The potential milestone payments total to $9.5 million in the aggregate. The term of this license agreement continues until all licensed patents expire. Any patent covered by the license agreement that may issue is expected to expire on March 31, 2036. We may terminate this agreement at any time upon sixty (60) days written notice. CGA may terminate this agreement upon the occurrence of a material breach of the agreement that is not cured by us within ninety (90) days of notice of such breach.

Longwood University

Effective March 25, 2020, we entered into a license agreement with Longwood University, or Longwood. Pursuant to this license agreement, Longwood granted to us the exclusive right to negotiate a worldwide, exclusive license for certain patent rights. The patent rights pertain to “T-cells expressing a chimeric -PD l-CD3zeta receptor reduce tumor burden in multiple murine syngeneic models of solid cancer.” As compensation for this right, we agreed to pay Longwood an upfront fee of $15,000. We also agreed to reimburse Longwood for fees and expenses incurred for the preparation, filing, prosecution and maintenance of such patent rights.

Our Research and Development Collaborations

MDACC Grant

We provided a grant to the University of Texas, MD Anderson Cancer Center (“MDACC”). The arrangement provides for MDACC to test the efficacy of: 1) CD19 isoform targeting (and/or other isoforms for hematological diseases: The CAR-T CD19DExon2 therapy we propose to evaluate in this pre-clinical study could be potentially indicated for B-ALL and DLBCL subjects who failed to respond to approved anti-CDl9 CAR T cell therapies, and whose leukemic cells express the CD19DExon2 variant and/or alternative targets for non-solid tumor. 2) Mesothelin Isoform Targeting: The anti-mesothelin isoform CAR we plan to test in these pre-clinical studies

could be potentially developed for more effective and safer mesothelin expressing solid malignancies and/or alternative targets for solid tumor. As compensation for this collaboration, we agreed to pay MDACC a fee. The agreement's commencement date was April 1, 2020 and terminates on March 31, 2021. No payments have been made to date for this collaboration agreement.

Molipharma Agreement

On April 3, 2020, we entered into a joint venture agreement ("Joint Venture") with Molipharma, S.R.L. ("Molipharma") to collaborate in (1) a clinical trial program in oncology development ("Oncology") and (2) a clinical trial program in COVID-19 Vaccine ("COVID-19 Vaccine").

With respect to Oncology, we will grant a low single digit royalty to Molipharma for turnover of the marketing of ovarian cancer research in Europe. With respect to COVID-19 Vaccine, economic rights in Europe will transfer to Molipharma, and economic rights in the United States will transfer to us. Molipharma agreed to undertake to financially support the research program for COVID-19 and we agreed to financially support the research program in oncology. The Joint Venture has a duration of five years, extendable for a further five years, unless notice of non- renewal is sent one year before the expiration date. The parties may withdraw from the Joint Venture only for serious and justified reasons or by mutual consent.

Our Competition

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

In 2017, two autologous anti-CD19 CAR T cell therapies, Kymriah, developed by Novartis International AG, and Yescarta, developed by Kite Pharma, Inc., were approved by the FDA for the treatment of relapsing/remitting B-cell precursor acute lymphoblastic leukemia and relapsing/remitting large B cell lymphoma, respectively.

Due to the promising therapeutic effect of T cell therapies in clinical trials, we anticipate increasing competition from existing and new companies developing these therapies, as well as in the development of allogenic T cell therapies.

Potential cell therapy competitors include:

- *Autologous T cell therapy competition*: Adaptimmune Therapeutics PLC, Amgen Inc., Autolus Therapeutics plc, bluebird, Gilead (acquired Kite), Novartis International AG, Celgene (acquired Juno), Tmunity Therapeutics, Inc. and Unum Therapeutics Inc.
- *Allogenic T cell therapy competition*: Atara Biotherapeutics, Inc., Celyad S.A., CRISPR Therapeutics AG, Fate Therapeutics Inc., Intellia Therapeutics, Inc., Gilead (acquired Kite), Allogene Therapeutics, Inc., Poseida Therapeutics, Inc., Precision Biosciences, Inc. and Sangamo Therapeutics, Inc.

Competition will also arise from non-cell based immune and other pursued by small-cap biotechnology and large-cap pharmaceutical companies including Amgen Inc., AstraZeneca plc, Bristol-Myers Squibb Company, Incyte Corporation, Merck & Co., Inc., and F. Hoffmann-La Roche AG. For instance, we may experience competition from companies, such as Amgen Inc., Regeneron Pharmaceuticals, Inc., Xencor Inc., MacroGenics, Inc., GlaxoSmithKline plc and F. Hoffmann-La Roche AG, that are pursuing bispecific antibodies, which target both the cancer antigen and T cell receptor, thus bringing both cancer cells and T cells in close proximity to maximize the likelihood of an immune response to the cancer cells. Additionally, companies, such as Amgen Inc., GlaxoSmithKline plc and Seattle Genetics, Inc., are pursuing antibody drug conjugates, which utilize the targeting ability of antibodies to deliver cell-killing agents directly to cancer cells.

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

Our commercial potential could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than products that we may develop. Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market or make our development more complicated. The key competitive factors affecting the success of all of our programs are likely to be efficacy, safety, and convenience.

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

GreenPlanet Pharma

Our wholly-owned subsidiary, GreenPlanet Pharma, Inc., operates an oral healthcare business. It has developed a mouthwash using a high quality, safe, and natural ingredient formulation to provide effective symptomatic relief for a wide range of oral irritations and health concerns.

This business is recently formed and the product was recently developed. This business has not generated any revenues.

Government Regulation

As a biopharmaceutical company that operates in the United States, we are subject to extensive regulation. Our cell products will be regulated as biologics. With this classification, commercial production of our products will need to occur in registered facilities in compliance with cGMP for biologics. The FDA categorizes human cell- or tissue-based products as either minimally manipulated or more than minimally manipulated and has determined that more than minimally manipulated products require clinical trials to demonstrate product safety and efficacy and the submission of a Biologic License Application, or BLA, for marketing authorization. Our products are considered more than minimally manipulated and will require evaluation in clinical trials and the submission and approval of a BLA before we can market them.

Government authorities in the United States (at the federal, state and local level) and in other countries extensively regulate, among other things, the research, development, testing, manufacturing, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of biopharmaceutical products such as those we are developing. Our product candidates must be approved by the FDA before they may be legally marketed in the United States and by the appropriate foreign regulatory agency before they may be legally marketed in foreign countries. Generally, our activities in other countries will be subject to regulation that is similar in nature and scope as that imposed in the United States, although there can be important differences. Additionally, some significant aspects of regulation in Europe are addressed in a centralized way, but country-specific regulation remains essential in many respects. The process for obtaining regulatory marketing approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources.

U.S. Product Development Process

In the United States, the FDA regulates pharmaceutical and biological products under the Federal Food, Drug and Cosmetic Act, or the FDCA, the Public Health Service Act, or the PHSA, and their implementing

regulations. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or after approval, may subject an applicant to administrative or judicial sanctions. FDA sanctions could include, among other actions, refusal to approve pending applications, withdrawal of an approval, a clinical hold, warning letters, product recalls or withdrawals from the market, product seizures, total or partial suspension of production or distribution injunctions, fines, refusals of government contracts, restitution, disgorgement or civil or criminal penalties. Any agency or judicial enforcement action could have a material adverse effect on us. The process required by the FDA before a biological product may be marketed in the United States generally involves the following:

- completion of nonclinical laboratory tests and animal studies according to good laboratory practices, or GLPs, and applicable requirements for the humane use of laboratory animals or other applicable regulations;
- submission to the FDA of an IND, which must become effective before human clinical trials may begin;
- approval by an independent IRB or ethics committee at each clinical site before the trial is commenced;
- performance of adequate and well-controlled human clinical trials according to the FDA's GCPs, and any additional requirements for the protection of human research patients and their health information, to establish the safety and efficacy of the proposed biological product for its intended use;
- submission to the FDA of a BLA for marketing approval that includes substantial evidence of safety, purity, and potency from results of nonclinical testing and clinical trials;
- satisfactory completion of an FDA Advisory Committee review, if applicable;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities where the biological product is produced to assess compliance with cGMP, to assure that the facilities, methods and controls are adequate to preserve the biological product's identity, strength, quality and purity and, if applicable, the FDA's current good tissue practices, or GTPs, for the use of human cellular and tissue products;
- potential FDA audit of the nonclinical study and clinical trial sites that generated the data in support of the BLA; and
- FDA review and approval, or licensure, of the BLA.

Before testing any biological product candidate, including our product candidates, in humans, the product candidate enters the preclinical testing stage. Preclinical tests, also referred to as nonclinical studies, include laboratory evaluations of product chemistry, toxicity and formulation, as well as animal studies to assess the potential safety and activity of the product candidate. The conduct of the preclinical tests must comply with federal regulations and requirements including GLPs. The clinical trial sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and a proposed clinical protocol, to the FDA as part of the IND. Some preclinical testing may continue even after the IND is submitted. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA raises concerns or questions regarding the proposed clinical trials and places the trial on a clinical hold within that 30-day time period. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. The FDA may also impose clinical holds on a biological product candidate at any time before or during clinical trials due to safety concerns or non-compliance. If the FDA imposes a clinical hold, trials may not recommence without FDA authorization and then only under terms authorized by the FDA. Accordingly, 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 suspend or terminate such trials.

Clinical trials involve the administration of the biological product candidate to patients under the supervision of qualified investigators, generally physicians not employed by or under the trial sponsor's control. 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 to be used to monitor subject safety, including stopping rules that assure a clinical trial will be stopped if certain adverse events should occur. Each protocol and any amendments to the protocol must be submitted to the FDA as part of the IND. Clinical trials must be conducted and monitored in accordance with the FDA's regulations comprising the GCP requirements, including the requirement that all research patients provide informed consent. Further, each clinical trial must be reviewed and approved by an independent IRB at or servicing each institution at which the clinical trial will be conducted. An IRB is charged with protecting the welfare and rights of trial participants and considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also approves the form and content of the informed consent that must be signed by each clinical trial subject or his or her legal representative and must monitor the clinical trial until completed. Certain clinical trials involving human gene transfer research also must be overseen by an Institutional Biosafety Committee, or IBC, a standing committee to provide peer review of the safety of research plans, procedures, personnel training and environmental risks of work involving recombinant DNA molecules. IBCs are typically assigned certain review responsibilities relating to the use of recombinant DNA molecules, including reviewing potential environmental risks, assessing containment levels, and evaluating the adequacy of facilities, personnel training, and compliance with the National Institutes of Health Guidelines. 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 are also requirements governing the reporting of ongoing clinical studies and clinical study results to public registries.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- *Phase 1*. The biological product is initially introduced into healthy human subjects and tested for safety. In the case of some products for severe or life-threatening diseases, especially when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients.
- *Phase 2*. The biological product is evaluated in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance, optimal dosage and dosing schedule.
- *Phase 3*. Clinical trials are undertaken to further evaluate dosage, clinical efficacy, potency, and safety in an expanded patient population at geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk to benefit ratio of the product and provide an adequate basis for product labeling.

Post-approval clinical trials, sometimes referred to as Phase 4 clinical trials, may be conducted after initial marketing approval. These clinical trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication, particularly for long-term safety follow-up. During all phases of clinical development, regulatory agencies require extensive monitoring and auditing of all clinical activities, clinical data, and clinical trial investigators. Annual progress reports detailing the results of the clinical trials must be submitted to the FDA. Written IND safety reports must be promptly submitted to the FDA, and the investigators for serious and unexpected adverse events, any findings from other studies, tests in laboratory animals or *in vitro* testing that suggest a significant risk for human patients, or 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 submit an IND safety report within 15 calendar days after the sponsor determines that the information qualifies for reporting. The sponsor also must notify the FDA of any unexpected fatal or life-threatening suspected adverse

reaction within seven calendar days after the sponsor's initial receipt of the information. Phase 1, Phase 2 and Phase 3 clinical trials may not be completed successfully within any specified period, if at all. The FDA or the sponsor or its data safety monitoring board may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research patients are being exposed to an unacceptable health risk, including risks inferred from other unrelated immunotherapy trials. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the biological product has been associated with unexpected serious harm to patients.

Human immunotherapy products are a new category of therapeutics. Because this is a relatively new and expanding area of novel therapeutic interventions, there can be no assurance as to the length of the trial period, the number of patients the FDA will require to be enrolled in the trials in order to establish the safety, efficacy, purity and potency of immunotherapy products, or that the data generated in these trials will be acceptable to the FDA to support marketing approval.

Concurrently with clinical trials, companies usually complete additional studies and must also develop additional information about the physical characteristics of the biological product as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. To help reduce the risk of the introduction of adventitious agents with use of biological products, the PHSA emphasizes the importance of manufacturing control for products whose attributes cannot be precisely defined. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, the sponsor must develop methods for testing the identity, strength, quality, potency and purity of the final biological product. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the biological product candidate does not undergo unacceptable deterioration over its shelf life.

U.S. Review and Approval Processes

After the completion of clinical trials of a biological product, FDA approval of a BLA must be obtained before commercial marketing of the biological product. The BLA submission must include results of product development, laboratory and animal studies, human trials, information on the manufacture and composition of the product, proposed labeling and other relevant information. The testing and approval processes require substantial time and effort and there can be no assurance that the FDA will accept the BLA for filing and, even if filed, that any approval will be granted on a timely basis, if at all.

Under the Prescription Drug User Fee Act, or the PDUFA, as amended, each BLA must be accompanied by a significant user fee. The FDA adjusts the PDUFA user fees on an annual basis. The PDUFA also imposes an annual program fee for biological products. Fee waivers or reductions are 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 BLAs for products designated as orphan drugs, unless the product also includes a non-orphan indication.

Within 60 days following submission of the application, the FDA reviews a BLA submitted to determine if it is substantially complete before the agency accepts it for filing. The FDA may refuse to file any BLA that it deems incomplete or not properly reviewable at the time of submission and may request additional information. In this event, the BLA must be resubmitted with the additional information. The resubmitted application also is subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review of the BLA. The FDA reviews the BLA to determine, among other things, whether the proposed product is safe, potent, and/or effective for its intended use, and has an acceptable purity profile, and whether the product is being manufactured in accordance with cGMP to assure and preserve the product's identity, safety, strength, quality, potency and purity. The FDA may refer applications for novel biological products or biological products that present difficult questions of safety or efficacy to an advisory committee, typically a panel that includes clinicians and other experts, for review, evaluation and 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. During the biological product approval process, the FDA also will determine whether a Risk Evaluation and Mitigation Strategy, or REMS, is necessary to assure the safe use of the biological product. A REMS is a safety strategy to manage a known or potential serious risk associated with a medicine and to enable patients to have continued access to such medicines by managing their safe use, and 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. If the FDA concludes a REMS is needed, the sponsor of the BLA must submit a proposed REMS. The FDA will not approve a BLA without a REMS, if required.

Before approving a BLA, the FDA will inspect the facilities at which the product is manufactured. The FDA will not approve the product 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. For immunotherapy products, the FDA also will not approve the product if the manufacturer is not in compliance with the GTPs, to the extent applicable. These are FDA regulations and guidance documents that govern the methods used in, and the facilities and controls used for, the manufacture of human cells, tissue, and cellular and tissue based products, or HCT/Ps, which are human cells or tissue intended for implantation, transplant, infusion, or transfer into a human recipient. The primary intent of the GTP requirements is to ensure that cell and tissue based products are manufactured in a manner designed to prevent the introduction, transmission and spread of communicable disease. FDA regulations also require tissue establishments to register and list their HCT/Ps with the FDA and, when applicable, to evaluate donors through screening and testing. Additionally, before approving a BLA, the FDA will typically inspect one or more clinical sites to assure that the clinical trials were conducted in compliance with IND trial requirements and GCP requirements. To assure cGMP, GTP and GCP compliance, an applicant must incur significant expenditure of time, money and effort in the areas of training, record keeping, production, and quality control.

Notwithstanding the submission of relevant data and information, the FDA may ultimately decide that the BLA does not satisfy its regulatory criteria for approval and deny approval. Data obtained from clinical trials are not always conclusive and the FDA may interpret data differently than we interpret the same data. If the agency decides not to approve the BLA in its present form, the FDA will issue a complete response letter that describes all of the specific deficiencies in the BLA identified by the FDA. The deficiencies identified may be minor, for example, requiring labeling changes, or major, for example, requiring additional clinical trials. Additionally, the complete response letter may include recommended actions that the applicant might take to place the application in a condition for approval. If a complete response letter is issued, the applicant may either resubmit the BLA, addressing all of the deficiencies identified in the letter, or withdraw the application.

If a product receives regulatory approval, the approval may be limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Further, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling. The FDA may impose restrictions and conditions on product distribution, prescribing, or dispensing in the form of a risk management plan, or otherwise limit the scope of any approval. In addition, the FDA may require post marketing clinical trials, sometimes referred to as Phase 4 clinical trials, designed to further assess a biological product’s safety and effectiveness, and testing and surveillance programs to monitor the safety of approved products that have been commercialized.

In addition, under the Pediatric Research Equity Act, a BLA or supplement to a BLA must contain data to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may grant deferrals for submission of data or full or partial waivers. Unless otherwise required by regulation, the Pediatric Research Equity Act does not apply to any product for an indication for which orphan designation has been granted. However, if only one indication for a product has orphan designation, a pediatric

assessment may still be required for any applications to market that same product for the non-orphan indication(s).

Orphan Drug Designation

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biologic intended to treat a rare disease or condition, which is generally a disease or condition that affects fewer than 200,000 individuals in the United States, or more than 200,000 individuals in the United States and for which there is no reasonable expectation that the cost of developing and making available in the United States a drug or biologic for this type of disease or condition will be recovered from sales in the United States for that drug or biologic. Orphan drug designation must be requested before submitting a BLA. After the FDA grants orphan drug designation, the generic identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. The orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review or approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval 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 BLA, to market the same biologic 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. Orphan drug exclusivity does not prevent FDA from approving a different drug or biologic for the same disease or condition, or the same drug or biologic for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the 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 orphan designation. In addition, 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 has a fast track program that is intended to expedite or facilitate the process for reviewing new products that meet certain criteria. Specifically, new products are eligible for fast track designation if they are intended to treat a serious or life-threatening disease or condition and demonstrate the potential to address unmet medical needs for the disease or condition. Fast track designation applies to the combination of the product and the specific indication for which it is being studied. Unique to a fast track product, the FDA may consider for review sections of the BLA on a rolling basis before the complete application is submitted, if the sponsor provides a schedule for the submission of the sections of the BLA, the FDA agrees to accept sections of the BLA and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the BLA.

Any product, submitted to the FDA for approval, including a product with a fast track designation, may also be eligible for other types of FDA programs intended to expedite development and review, such as priority review and accelerated approval. A product is eligible for priority review if it has the potential to provide safe and effective therapy where no satisfactory alternative therapy exists or a significant improvement in the treatment, diagnosis or prevention of a disease compared to marketed products. The FDA will attempt to direct additional resources to the evaluation of an application for a new product designated for priority review in an effort to facilitate the review. Additionally, a product may be eligible for accelerated approval. Products studied for their safety and effectiveness in treating serious or life-threatening diseases or conditions may receive accelerated approval upon a determination that the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or

mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. As a condition of approval, the FDA may require that a sponsor of a drug or biological product receiving accelerated approval perform adequate and well-controlled post-marketing clinical studies. 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.

Regenerative Medicine Advanced Therapy, or RMAT, designation was established by FDA in 2017 to facilitate an efficient development program for, and expedite review of, any drug that meets the following criteria: (1) it qualifies as a RMAT, which is defined as a cell therapy, therapeutic tissue engineering product, human cell and tissue product, or any combination product using such therapies or products, with limited exceptions; (2) it is intended to treat, modify, reverse, or cure a serious or life-threatening disease or condition; and (3) preliminary clinical evidence indicates that the drug has the potential to address unmet medical needs for such a disease or condition. RMAT designation provides potential benefits that include more frequent meetings with FDA to discuss the development plan for the product candidate and eligibility for rolling review and priority review. Products granted RMAT designation may also be eligible for accelerated approval on the basis of a surrogate or intermediate endpoint reasonably likely to predict long-term clinical benefit, or reliance upon data obtained from a meaningful number of sites, including through expansion to additional sites. Once approved, when appropriate, the FDA can permit fulfillment of post-approval requirements under accelerated approval through the submission of clinical evidence, clinical studies, patient registries, or other sources of real world evidence such as electronic health records; through the collection of larger confirmatory datasets; or through post-approval monitoring of all patients treated with the therapy prior to approval.

Breakthrough therapy designation is also intended to expedite the development and review of products that treat serious or life-threatening conditions. The designation by FDA requires preliminary clinical evidence that a product candidate, alone or in combination with other drugs and biologics, demonstrates substantial improvement over currently available therapy on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Breakthrough therapy designation comes with all of the benefits of fast track designation, which means that the sponsor may file sections of the BLA for review on a rolling basis if certain conditions are satisfied, including an agreement with FDA on the proposed schedule for submission of portions of the application and the payment of applicable user fees before the FDA may initiate a review.

Fast Track designation, priority review, RMAT and breakthrough therapy designation do not change the standards for approval but may expedite the development or approval process.

Post-Approval Requirements

Any products for which we receive FDA approvals are subject to continuing regulation by the FDA, including, among other things, record-keeping requirements, reporting of adverse experiences with the product, providing the FDA with updated safety and efficacy information, product sampling and distribution requirements, and complying with FDA promotion and advertising requirements, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting products for uses or in patient populations that are not described in the product's approved uses (known as "off-label use"), limitations on industry-sponsored scientific and educational activities, and requirements for promotional activities involving the internet. Although a physician may prescribe a legally available product for an off-label use, if the physicians deems such product to be appropriate in his/her professional medical judgment, a manufacturer may not market or promote off-label uses. However, it is permissible to share in certain circumstances truthful and not misleading information that is consistent with the product's approved labeling.

In addition, quality control and manufacturing procedures must continue to conform to applicable manufacturing requirements after approval to ensure the long-term stability of the product. cGMP regulations require among other things, quality control and quality assurance as well as the corresponding maintenance of records and

documentation and the obligation to investigate and correct any deviations from cGMP. Manufacturers and other entities 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 cGMP and other laws. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain cGMP compliance. Discovery of problems with a product after approval may result in restrictions on a product, manufacturer, or holder of an approved BLA, including, among other things, recall or withdrawal of the product from the market. In addition, changes to the manufacturing process are strictly regulated, and depending on the significance of the change, may require prior FDA approval before being implemented. Other types of changes to the approved product, such as adding new indications and claims, are also subject to further FDA review and approval.

The FDA also may require post-marketing testing, known as Phase 4 testing, and surveillance to monitor the effects of an approved product. Discovery of previously unknown problems with a product or the failure to comply with applicable FDA requirements can have negative consequences, including adverse publicity, judicial or administrative enforcement, warning letters from the FDA, mandated corrective advertising or communications with doctors, and civil or criminal penalties, among others. Newly discovered or developed safety or effectiveness data may require changes to a product's approved labeling, including the addition of new warnings and contraindications, and also may require the implementation of other risk management measures. Also, new government requirements, including those resulting from new legislation, may be established, or the FDA's policies may change, which could delay or prevent regulatory approval of our products under development.

U.S. Marketing Exclusivity

The Biologics Price Competition and Innovation Act amended the PHSA to authorize the FDA to approve similar versions of innovative biologics, commonly known as biosimilars. A competitor seeking approval of a biosimilar must file an application to establish its molecule as highly similar to an approved innovator biologic, among other requirements. The Biologics Price Competition and Innovation Act, however, bars the FDA from approving biosimilar applications for 12 years after an innovator biological product receives initial marketing approval. This 12-year period of data exclusivity may be extended by six months, for a total of 12.5 years, if the FDA requests that the innovator company conduct pediatric clinical investigations of the product.

Depending upon the timing, duration and specifics of the FDA approval of the use of our product candidates, some of our U.S. patents, if granted, 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 Act. The Hatch-Waxman Act permits a patent restoration term of up to five years, as compensation for patent term lost during product development and the FDA regulatory review process. However, patent term restoration cannot extend the remaining term of a patent beyond a total of 14 years from the product's approval date. The patent term restoration period is generally one-half the time between the effective date of an IND and the submission date of a BLA plus the time between the submission date of a BLA and the approval of that application. Only one patent applicable to an approved product is eligible for the extension and the application for the extension must be submitted prior to the expiration of the patent. The U.S. Patent and Trademark Office, in consultation with the FDA, reviews and approves the application for any patent term extension or restoration. In the future, we may intend to apply for restoration of patent term for one of 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 BLA.

Pediatric exclusivity is another type of regulatory market exclusivity in the United States. Pediatric exclusivity, if granted, adds six months to existing exclusivity periods and patent terms. This six-month exclusivity, which runs from the end of other exclusivity protection or patent term, may be granted based on the voluntary completion of a pediatric trial in accordance with an FDA-issued "Written Request" for such a trial.

Other U.S. Healthcare Laws and Compliance Requirements

In the United States, our activities are potentially subject to regulation by various federal, state and local authorities in addition to the FDA, including but not limited to, the CMS, other divisions of the HHS (e.g., the Office of Inspector General, the U.S. Department of Justice, or DOJ, and individual U.S. Attorney offices within the DOJ, and state and local governments). For example, our business practices, including any future sales, marketing and scientific/educational grant programs may be required to comply with the anti-fraud and abuse provisions of the Social Security Act, the false claims laws, the patient data privacy and security provisions of the Health Insurance Portability and Accountability Act, or HIPAA, transparency requirements, and similar state, local and foreign laws, each as amended.

The federal Anti-Kickback Statute prohibits, among other things, any person or entity, from knowingly and willfully offering, paying, soliciting or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce or in return for purchasing, leasing, ordering or arranging for the purchase, lease or order of any item, good, facility or service reimbursable under Medicare, Medicaid or other federal healthcare programs. The term remuneration has been interpreted broadly to include anything of value. The federal Anti-Kickback Statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on one hand and prescribers, purchasers, formulary managers, and other individuals and entities on the other. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution. The exceptions and safe harbors are drawn narrowly and require strict compliance in order to offer protection. Practices that involve remuneration that may be alleged to be intended to induce prescribing, purchasing or recommending may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all of its facts and circumstances. Our practices may not in all cases meet all of the criteria for protection under a statutory exception or regulatory safe harbor.

Additionally, the intent standard under the federal Anti-Kickback Statute was amended by the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010, collectively, the Affordable Care Act, to a stricter standard such that a person or entity no longer needs to have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it in order to have committed a violation. Rather, if “one purpose” of the remuneration is to induce referrals, the federal Anti-Kickback Statute is violated. In addition, the Affordable Care Act codified case law 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 federal civil False Claims Act (discussed below).

The civil monetary penalties statute imposes penalties against any person or entity who, among other things, is determined to have presented or caused to be presented a claim to, among others, a federal healthcare program that the person knows or should know is for a medical or other item or service that was not provided as claimed or is false or fraudulent.

The federal civil False Claims Act prohibits, among other things, any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to, or approval by, the federal government or knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes “any request or demand” for money or property presented to the U.S. government. Several pharmaceutical and other healthcare companies are being investigated or, in the past, have been prosecuted under these laws for allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product. Other companies have been prosecuted for causing false claims to be submitted because of the companies’ marketing of the product for unapproved, and thus non-reimbursable, uses.

HIPAA created additional federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud or to obtain, by means of false or fraudulent pretenses, representations or promises, any money or property owned by, or under the control or custody of, any healthcare benefit program, including private third-party payors and knowingly and willfully falsifying, concealing or covering up by trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services.

Also, many states have similar fraud and abuse statutes or regulations that apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor.

We may be subject to data privacy and security regulations by both the federal government and the states in which we conduct our business. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH, and their implementing regulations, imposes requirements on certain types of individuals and entities relating to the privacy, security and transmission of individually identifiable health information. Among other things, HITECH makes HIPAA's privacy and security standards directly applicable to business associates that are independent contractors or agents of covered entities that receive or obtain protected health information in connection with providing a service on behalf of a covered entity. HITECH also created four 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 damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in specified circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

Additionally, the federal Physician Payments Sunshine Act within the Affordable Care Act, and its implementing regulations, require that certain manufacturers of drugs, devices, biological and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) annually report information to CMS related to certain payments or other transfers of value made or distributed to physicians and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, physicians and teaching hospitals and certain ownership and investment interests held by physicians and their immediate family members.

In order to distribute products commercially, we must comply with state laws that require the registration of manufacturers and wholesale distributors of drug and biological products in a state, including, in certain states, manufacturers and distributors who ship products into the state even if such manufacturers or distributors have no place of business within the state. Some states also impose requirements on manufacturers and distributors to establish the pedigree of product in the chain of distribution, including some states that require manufacturers and others to adopt new technology capable of tracking and tracing product as it moves through the distribution chain. Several states have enacted legislation requiring pharmaceutical and biotechnology companies to establish marketing compliance programs, file periodic reports with the state, make periodic public disclosures on sales, marketing, pricing, clinical trials and other activities, and/or register their sales representatives, as well as to prohibit pharmacies and other healthcare entities from providing certain physician prescribing data to pharmaceutical and biotechnology companies for use in sales and marketing, and to prohibit certain other sales and marketing practices. All of our activities are potentially subject to federal and state consumer protection and unfair competition laws.

If our operations are found to be in violation of any of the federal and state healthcare laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including without limitation, civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government programs, such as Medicare and Medicaid, injunctions, private "qui tam" actions brought by individual whistleblowers in the name of the government, or refusal to allow us to enter into government contracts, contractual damages, reputational harm, administrative burdens, diminished profits and

future earnings, additional reporting requirements and/or oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

Coverage, Pricing and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any product candidates for which we obtain regulatory approval. In the United States and markets in other countries, sales of any products for which we receive regulatory approval for commercial sale will depend, in part, on the extent to which third-party payors provide coverage, and establish adequate reimbursement levels for such products. In the United States, third-party payors include federal and state healthcare programs, private managed care providers, health insurers and other organizations. 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 of a product or for establishing the reimbursement rate that such a payor will pay for the product. Third-party payors may limit coverage to specific products on an approved list, or also known as a formulary, which might not include all of the FDA-approved products for a particular indication. Third-party payors are increasingly challenging the price, examining the medical necessity and reviewing the cost-effectiveness of medical products, therapies and services, in addition to questioning their safety and efficacy. We may need to conduct expensive pharmaco-economic studies in order to demonstrate the medical necessity and cost-effectiveness of our products, in addition to the costs required to obtain the FDA approvals. Our product candidates may not be considered medically necessary or cost-effective. A 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 for the product. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

Different pricing and reimbursement schemes exist in other countries. In the EU, governments influence the price of pharmaceutical products through their pricing and reimbursement rules and control of national health care systems that fund a large part of the cost of those products to consumers. Some jurisdictions operate positive and negative list systems under which products may only be marketed once a reimbursement price has been agreed. To obtain reimbursement or pricing approval, some of these countries may require the completion of clinical trials that compare the cost-effectiveness of a particular product candidate to currently available therapies. Other member states allow companies to fix their own prices for medicines, but monitor and control company profits. The downward pressure on health care costs has become very intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross-border imports from low-priced markets exert a commercial pressure on pricing within a country.

The marketability of any product candidates for which we receive regulatory approval for commercial sale may suffer if the government and third-party payors fail to provide adequate coverage and reimbursement. In addition, emphasis on managed care in the United States has increased and we expect will continue to increase the pressure on healthcare pricing. Coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which we 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 continue to be, several legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of product candidates, restrict or regulate post-approval activities, and affect the ability to profitably sell product candidates for which marketing approval is obtained. Among policy makers and payors in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality and/or expanding access. In the United States, the

pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives.

For example, the Affordable Care Act has substantially changed healthcare financing and delivery by both governmental and private insurers. Among the Affordable Care Act provisions of importance to the pharmaceutical and biotechnology industries, in addition to those otherwise described above, are the following:

- created an annual, nondeductible fee on any entity that manufactures or imports certain specified branded prescription drugs and biologic agents apportioned among these entities according to their market share in some government healthcare programs that began in 2011;
- increased the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program, retroactive to January 1, 2010, to 23.1% and 13% of the average manufacturer price for most branded and generic drugs, respectively, and capped the total rebate amount for innovator drugs at 100% of the Average Manufacturer Price, or AMP;
- created a new Medicare Part D coverage gap discount program, in which manufacturers must now agree to offer 70% point-of-sale discounts, off negotiated prices 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;
- extended manufacturers' Medicaid rebate liability to covered drugs dispensed to individuals who are enrolled in Medicaid managed care organizations;
- expanded eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to additional individuals and added new mandatory eligibility categories for individuals with income at or below 133% of the federal poverty level, thereby potentially increasing manufacturers' Medicaid rebate liability;
- expanded of the list of entities eligible for discounts under the 340B Drug Discount Program;
- created a Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research;
- expanded healthcare fraud and abuse laws, including the Foreign Corrupt Practices Act, or the FCPA, and the Anti-Kickback Statute, new government investigative powers, and enhanced penalties for noncompliance;
- created 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;
- required reporting of certain financial arrangements with physicians and teaching hospitals;
- required annual reporting of certain information regarding drug samples that manufacturers and distributors provide to physicians;
- established a Center for Medicare and Medicaid Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending; and
- created a licensure framework for follow on biologic products.

Some of the provisions of the Affordable Care Act have yet to be implemented, and there have been legal and political challenges to certain aspects of the Affordable Care Act. Since January 2017, the current U.S. President has signed two executive orders and other directives designed to delay, circumvent, or loosen certain requirements mandated by the Affordable Care Act. In December 2017, Congress repealed the tax penalty for an individual's failure to maintain Affordable Care Act-mandated health insurance, commonly known as the "individual mandate", as part of the Tax Cuts and Jobs Act of 2017, or the Tax Act.

On January 22, 2018, the current U.S. President signed a continuing resolution on appropriations for fiscal year 2018 that delayed the implementation of certain Affordable Care Act-mandated fees, including the so-called "Cadillac" tax on certain high cost employer-sponsored insurance plans, the annual fee imposed on certain health insurance providers based on market share, and the medical device excise tax on non-exempt medical devices. The Bipartisan Budget Act of 2018, among other things, amended the Affordable Care Act, effective January 1, 2019, to close the coverage gap in most Medicare drug plans, commonly referred to as the "donut hole". Congress is continuing to consider legislation that would alter other aspects of the Affordable Care Act. The ultimate content, timing or effect of any healthcare reform legislation on the U.S. healthcare industry is unclear. In July 2018, CMS published a final rule permitting further collections and payments to and from certain Affordable Care Act qualified health plans and health insurance issuers under the Affordable Care Act risk adjustment program in response to the outcome of federal district court litigation regarding the method CMS uses to determine this risk adjustment. On December 14, 2018, a Texas U.S. District Court Judge ruled that the Affordable Care Act is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Act. While the Texas U.S. District Court Judge, as well as the Trump administration and CMS, have stated that the ruling will have no immediate effect pending appeal of the decision, it is unclear how this decision, subsequent appeals, and other efforts to repeal and replace the Affordable Care Act will impact the Affordable Care Act.

We anticipate that the Affordable Care Act, if substantially maintained in its current form, will continue to result in additional downward pressure on coverage and the price that we receive for any approved product, and could seriously harm our business. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our products. Such reforms could have an adverse effect on anticipated revenue from product candidates that we may successfully develop and for which we may obtain regulatory approval and may affect our overall financial condition and ability to develop product candidates.

Further legislation or regulation could be passed that could harm our business, financial condition and results of operations. Other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. For example, in August 2011, President Obama signed into law the Budget Control Act of 2011, which, among other things, created the Joint Select Committee on Deficit Reduction to recommend to Congress proposals in spending reductions. The Joint Select Committee on Deficit Reduction did not achieve a targeted deficit reduction of at least $1.2 trillion for fiscal years 2012 through 2021, triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions to Medicare payments to providers of up to 2% per fiscal year, which went into effect beginning on April 1, 2013 and will stay in effect through 2027 unless additional Congressional action is taken. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Additionally, 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 federal and state legislative activity 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 U.S. President's administration's budget proposal for fiscal year 2019 contains further drug price control measures that could be enacted during the 2019 budget process or in other future legislation, including, for example, measures to permit Medicare Part D plans to negotiate the price of certain drugs under Medicare Part B, to allow some states to negotiate drug prices under Medicaid, and to eliminate cost sharing for generic drugs for low-income patients. Additionally, the U.S. President's 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. The HHS has already started the process of soliciting feedback on some of these measures and, at the same, is immediately implementing others under its existing authority. For example, in September 2018, CMS announced that it will allow Medicare Advantage Plans the option to use step therapy for Part B drugs beginning January 1, 2019, and in October 2018, CMS proposed a rule that would require direct-to-consumer television advertisements of prescription drugs and biological products, for which payment is available through or under Medicare or Medicaid, to include in the advertisement the Wholesale Acquisition Cost, or list price, of that drug or biological product. On January 31, 2019, the HHS Office of Inspector General proposed modifications to federal Anti-Kickback Statute safe harbors which, among other things, may affect rebates paid by manufacturers to Medicare Part D plans, the purpose of which is to further reduce the cost of drug products to consumers. While some of these and other proposed measures may require authorization through additional legislation to become effective, Congress and the U.S. President's administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs. Individual states in the United States have also become increasingly active in passing legislation and implementing 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.

The Foreign Corrupt Practices Act

The FCPA prohibits any United States individual or business from paying, offering, or authorizing payment or offering of anything of value, directly or indirectly, to any foreign official, political party or candidate for the purpose of influencing any act or decision of the foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations.

Additional Regulation

In addition to the foregoing, state and federal laws regarding environmental protection and hazardous substances, including the Occupational Safety and Health Act, the Resource Conservancy and Recovery Act and the Toxic Substances Control Act, affect our business. These and other laws govern our use, handling and disposal of various biological, chemical and radioactive substances used in, and wastes generated by, our operations. If our operations result in contamination of the environment or expose individuals to hazardous substances, we could be liable for damages and governmental fines. We believe that we are in material compliance with applicable environmental laws and that continued compliance therewith will not have a material adverse effect on our business. We cannot predict, however, how changes in these laws may affect our future operations.

Overseas Government Regulation

In addition to regulations in the United States, we will be subject to a variety of regulations in other jurisdictions governing, among other things, clinical trials and any commercial sales and distribution of our products. Whether or not we obtain FDA approval of a product, we must obtain the requisite approvals from regulatory authorities in foreign countries prior to the commencement of clinical trials or marketing of the product in those countries. Certain countries outside of the United States have a similar process that requires the submission of a clinical trial application much like the IND prior to the commencement of human clinical trials. In the EU, for example, a clinical trial application must be submitted to each country's national health authority and an independent ethics committee, much like the FDA and IRB, respectively. Once the clinical trial application is approved in accordance with a country's requirements, clinical trial development may proceed. Because biologically sourced raw materials are subject to unique contamination risks, their use may be restricted in some countries.

The requirements and process governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country. In all cases, the clinical trials must be conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

To obtain regulatory approval of an investigational drug or biological product under EU regulatory systems, we must submit a marketing authorization application. The application used to file the BLA in the United States is similar to that required in the EU, with the exception of, among other things, country-specific document requirements.

For other countries outside of the EU, such as countries in Eastern Europe, Latin America or Asia, the requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country. In all cases, again, the clinical trials must be conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

If we or our potential collaborators fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions and criminal prosecution.

European Union General Data Protection Regulation

In addition to EU regulations related to the approval and commercialization of our products, we may be subject to the EU's General Data Protection Regulation, or the GDPR. The GDPR imposes stringent requirements for controllers and processors of personal data of persons in the EU, including, for example, more robust disclosures to individuals and a strengthened individual data rights regime, shortened timelines for data breach notifications, limitations on retention of information, increased requirements pertaining to special categories of data, such as health data, and additional obligations when we contract with third-party processors in connection with the processing of the personal data. The GDPR also imposes strict rules on the transfer of personal data out of the European Union to the United States and other third countries. In addition, the GDPR provides that EU member states may make their own further laws and regulations limiting the processing of personal data, including genetic, biometric or health data.

The GDPR applies extraterritorially, and we may be subject to the GDPR because of our data processing activities that involve the personal data of individuals located in the European Union, such as in connection with our EU clinical trials. Failure to comply with the requirements of the GDPR and the applicable national data protection laws of the EU member states may result in fines of up to €20,000,000 or up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher, and other administrative penalties. GDPR regulations may impose additional responsibility and liability in relation to the personal data that we process and we may be required to put in place additional mechanisms to ensure compliance with the new data protection rules.

California Consumer Privacy Act

California recently enacted legislation that has been dubbed the first "GDPR-like" law in the United States. Known as the California Consumer Privacy Act, or the CPPA, it creates new individual privacy rights for consumers (as that word is broadly defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. When it goes into effect on January 1, 2020, the CCPA will require covered companies to provide new disclosures to California consumers, provide such consumers new ways to opt-out of certain sales of personal information, and allow for a new cause of action for data breaches. Legislators have stated that amendments will be proposed to the CCPA before it goes into effect, but it remains unclear what, if any, modifications will be made to this legislation or how it will be interpreted. As currently written, the CCPA may impact (possibly significantly) our business activities and exemplifies the vulnerability of our business to the evolving regulatory environment related to personal data and protected health information.

Employees

As of April 7, 2020, we had a total of 11 employees. We also utilize a number of consultants for financial reporting, clinical, regulatory, and SEC compliance.

We believe that we maintain a satisfactory working relationship with our employees, and we have not experienced any significant labor disputes or any difficulty in recruiting staff for our operations. None of our employees is represented by a labor union.

Legal Proceedings

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that we believe will have a material adverse effect on our business, financial condition or operating results.

MANAGEMENT

Directors and Executive Officers

The following sets forth information about our directors and executive officers as of the date of this prospectus:

Name	Age	Position
Maurizio Chiriva Internati	51	Chairman, Chief Executive Officer and President
Tony Tontat	54	Chief Financial Officer, Chief Operating Officer and Director
Scott Dahlbeck	58	Chief Medical Officer
Gianluca Rotino	47	Chief Strategy and Innovation Officer and Director
David Spencer	57	Chief Scientific Officer
Angelo Minotti	58	Director
Americo Cicchetti	50	Director
Michael Nagel	56	Director
Jerry Schneider	72	Director

Maurizio Chiriva Internati, DBSc, PhDs. Dr. Chiriva Internati has served as our Chairman and Chief Executive Officer since February 2018 and as our President since October 2019. Prior to that, he served in various other senior positions, including Director of Clinical and Translation Research and Chief Scientific Officer, since he originally joined our company in December 2012. Dr. Chiriva Internati has been an Associate Professor at the MD Anderson Cancer Center in Houston, Texas since August 2019. His research has led to the identification of novel cancer-testis antigens for the development of immunotherapeutic strategies against solid and non-solid tumors. This led to the development of the bioinformatic software Diamond CancerSplice, which is a key core platform of our company, leading to the discovery and prioritization of isoform antigens via insilico system. Dr. Chiriva Internati earned a PhD in Immunology from the University of Nottingham, United Kingdom. He also earned a PhD in Morphological Science from the Università degli Studi di Milano, Italy, and a Doctoral Degree in Biological Sciences from the University of Milan, Italy. Dr. Chiriva-Internati was a Post-Doctoral Fellow in Immunology at the University of Arkansas for Medical Sciences, earned a certificate in Artificial Intelligence from MIT Sloan School of Management and earned a certificate in Financial Technology from Oxford Saïd Business School. Dr. Chiriva Internati was selected to serve on our board of directors due to his tenure with our company and his industry experience.

Tony Tontat. Mr. Tontat has served as our Chief Operating Officer since August 2019, as our Chief Financial Officer since October 2019 and as a member of our board of directors since January 2020. Prior to joining us, Mr. Tontat worked as a business and financial consultant for many private and public companies, helping these companies raise funds at various stages of life cycle. He worked in financial teams to raise funds for public companies like Sorrento Therapeutics, Inc. and NantKwest. He worked as an investment analyst at healthcare-specialist hedge funds in New York. He also worked as an investment banker at HSBC Investment Bank in their New York and Paris offices. Mr. Tontat earned his BA in Economics from Harvard University. Mr. Tontat was selected to serve on our board of directors due to his financing experience.

Scott Dahlbeck, MD, PharmD. Dr. Dahlbeck has served as our Chief Medical Officer since October 2019. He previously served as our President from January 2013 to October 2019. Dr. Dahlbeck is an expert in prostate cancer research and treatment and has served as a Radiation Oncologist for several cancer centers, including as an Adjunct Assistant Professor in Internal Medicine, Pathology, and Urology at the Texas Tech University Health Sciences Center. Dr. Dahlbeck has also patented, manufactured, and commercialized IP and has more than a decade of experience in medical and oncology commerce. Dr. Dahlbeck earned an MD from the University of Texas Health Science Center at Houston, completed residencies in family practice and radiation oncology, and earned a PharmD degree from the University of Nebraska Medical Center, College of Pharmacy.

Gianluca Rotino. Mr. Rotino has served as our Chief Strategy and Innovation Officer and as a member of our board of directors since January 2014. Prior to that, he served in various other senior positions, including Chief

Business Officer and Executive VP of Corporate Development. Mr. Rotino is a seasoned business executive with experience in corporate strategy, business development, and capital fund raising. Mr. Rotino held positions as both CEO and Chairman of the Board for several Italian companies. His previous experience includes senior level managerial positions for companies in Italy in different fields, such as high tech, international development and corporate consulting. Mr. Rotino also worked in several law firm in Milan, Italy, where he specialized in mergers, acquisitions, intellectual property, and corporate law. Mr. Rotino earned his Business Development Degree in Pharma from the EBD Academy in London, UK, and a B.S. by EBD Group and Pharmaceutical Training International (PTI). He has also completed course work for drug discovery, development and commercialization provided by The University of California San Diego, Skaggs School of Pharmacy and Pharmaceutical Sciences Drug Development. Mr. Rotino as earned his BA in Electronics at the Institute of Technology Feltrinelli in Milan. Mr. Rotino was selected to serve on our board of directors due to his tenure with our company and his corporate strategy, business development, and capital fund raising experience.

David Spencer, PhD. Dr. Spencer has served as our Chief Scientific Officer since October 2019. Prior to joining us, Dr. Spencer served as the Chief Scientific Officer at Bellicum Pharmaceuticals, Inc., a clinical stage biopharmaceutical company focused on developing novel cellular immunotherapies for various forms of cancer, from July 2014 to March 2019. Prior to that, Dr. Spencer was the Vice Chairman and the Professor of Immunology at Baylor College of Medicine. Dr. Spencer holds a PhD in Molecular Immunology from Massachusetts Institute of Technology, and a Post-Doctoral Fellowship in Immunology from Stanford University School of Medicine where he was a Howard Hughes Medical Institute Fellow. He earned his BA in Chemistry, Magna Cum Laude, from the University of California, San Diego.

Angelo Minotti. Mr. Minotti has served as a member of our board of directors since October 2019. Mr. Minotti is an entrepreneur with over 35 years of experience in worldwide markets. For the past 20 years, he also served on boards of publicly listed companies in East Asia and carries with him significant experience in their capital markets. Mr. Minotti was selected to serve on our board due to his investment and management experience.

Our directors currently have terms which will end at our next annual meeting of the stockholders or until their successors are elected and qualify, subject to their prior death, resignation or removal. Officers serve at the discretion of the board of directors.

Mr. Minotti was designated by certain holders of the Series B Preferred Stock in accordance with the voting agreement described under “Description of Securities—Voting Agreement.” Except for the foregoing, there is no arrangement or understanding between any director or executive officer and any other person pursuant to which he was or is to be selected as a director or executive officer.

Americo Cicchetti, PhD. Dr. Cicchetti has served as a member of our board of directors since March 2020. Dr. Cicchetti has served as a Professor of Management at Università Cattolica del Sacro Cuore, Faculty of Economics, Rome since 2006. He is also currently the Director of the Graduate School of Health Economics and Management at Università Cattolica del Sacro Cuore.

In addition to his academic experience, Dr. Cicchetti was a member of the Price and Reimbursement Committee of the Italian National Drug Agency from 2009-2015.

He is a member of the European Network of Health Technology Assessment; Member of the Innovation Steering Group of the National HTA Program for Medical Devices (Ministry of Health, Italy); Member of the National Immunization Technical Advisory Group at the Ministry of Health, Italy since 2019; Member of the Health and Research Commission of the Rome Foundation since 2007; and a Member of the Board of Directors of the Health and Research Foundation since 2017.

Furthermore, Dr. Cicchetti is the Chief Executive Officer and Director for Molipharma, whose core business is the research and development of new drugs and diagnostics aimed at predicting, detecting and treating female

oncological diseases. He also serves as an independent board member for Foundation Health and Research, and Leonida SICAF, a fixed capital investment company. He obtained his PhD in Management from University of Bologna, and his B.A. from University of Rome. Dr. Cicchetti was selected to serve on the board due to his industry experience.

Michael Nagel. Mr. Nagel has served as a member of our board of directors since March 2020. He has over 30 years of sales and marketing experience in the medical device industry. Since 2012, Mr. Nagel has served as the President and CEO of Vomaris Innovations, Inc, which specializes in wireless microcurrent-generating technologies that are focused on regeneration, healing, and recovery. Previously, Mr. Nagel served as the Chief Commercial Officer of Neomend, a biomaterial company that developed ProGel, a PMA approved surgical sealant for lung surgery. from 1997 to 2005. Mr. Nagel also served as Co-Founder and Vice President of Worldwide Sales and Marketing at Vascular Solutions (VASC).

In addition to Mr. Nagel's executive experience, he also serves as a director for Franklin Mountain Medical, LLC an early stage company in the structural heart market. Mr. Nagel holds both a B.A. in Business and a M.B.A. from the University of St. Thomas. Mr. Nagel was selected to serve on the board of directors due to his industry experience.

Jerry Schneider. Mr. Schneider has served as a member of our board of directors since March 2020. He has been an independent business and financial consultant since 2014. From 2004 to 2013, he was the Chief Financial Officer of Vistage International, a private equity-owned CEO peer-advisory membership company with over 20,000 global members. Prior to Vistage, Mr. Schneider spent seven years at Fresenius Medical Care—North America, a global dialysis service and products company owned by Fresenius Medical Care, a German publicly DAX traded company, where he served as Chief Financial Officer and later as Senior Vice President of Strategic Planning. Between 1994 and 1997, Mr. Schneider was the Executive Vice President and Chief Financial Officer of then publicly held GranCare, Inc. (GC), a healthcare company in the long-term care, assisted living and institutional pharmacy business. He currently serves on the board of directors and audit committee for Cognex, a provider of vision systems, software, sensors, and industrial barcode readers used in manufacturing automation since 2016. Cognex (CGNX) is publicly traded on the Nasdaq stock exchange. He serves on other for-profit and non-profit boards. Mr. Schneider received his Juris Doctor from Loyola Law School, and a B.S. in Accounting from the University of California at Berkeley. In addition to his business and financial experience, Schneider was selected to serve on the board of directors due to his being an audit committee "financial expert" under the SEC regulations.

Family Relationships

Mr. Rotino is Dr. Chiriva Internati's nephew. There are no other family relationships among any of our officers or directors.

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of our directors or executive officers were involved in any legal proceedings described in Item 401(f) of Regulation S-K in the past ten years.

- been found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or

restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

- been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Corporate Governance

Governance Structure

Currently, our Chief Executive Officer is also our Chairman. Our board believes that, at this time, having a combined Chief Executive Officer and Chairman is the appropriate leadership structure for our company. In making this determination, the board considered, among other matters, Dr. Chiriva Internati's tenure, having served with our company since 2012, and his industry experience. Among the benefits of a combined Chief Executive Officer/Chairman considered by the board is that such structure promotes clearer leadership and direction for our company and allows for a single, focused chain of command to execute our strategic initiatives and business plans.

The Board's Role in Risk Oversight

The board of directors oversees that the assets of our company are properly safeguarded, that the appropriate financial and other controls are maintained, and that our business is conducted wisely and in compliance with applicable laws and regulations and proper governance. Included in these responsibilities is the board's oversight of the various risks facing our company. In this regard, our board seeks to understand and oversee critical business risks. Our board does not view risk in isolation. Risks are considered in virtually every business decision and as part of our business strategy. Our board recognizes that it is neither possible nor prudent to eliminate all risk. Indeed, purposeful and appropriate risk-taking is essential for our company to be competitive on a global basis and to achieve its objectives.

While the board oversees risk management, company management is charged with managing risk. Management communicates routinely with the board and individual directors on the significant risks identified and how they are being managed. Directors are free to, and indeed often do, communicate directly with senior management.

Our board administers its risk oversight function as a whole by making risk oversight a matter of collective consideration. Once the board establishes committees, it is anticipated that much of the work will be delegated to such committees, which will meet regularly and report back to the full board. It is anticipated that the audit committee will oversee risks related to our financial statements, the financial reporting process, accounting and legal matters, that the compensation committee will evaluate the risks and rewards associated with our compensation philosophy and programs, and that the nominating and corporate governance committee will evaluate risk associated with management decisions and strategic direction.

Independent Directors

The Nasdaq Marketplace Rules generally require that a majority of an issuer's board of directors must consist of independent directors. Our board of directors currently consists of five (5) directors, one of whom is independent. We are in the process of identifying candidates to serve as independent directors. Prior to completion of this offering, we intend to appoint additional independent directors so that a majority of our board of directors will be independent.

Committees of the Board of Directors

Our board intends to establish an audit committee, a compensation and nominating and corporate governance committee, each with its own charter to be approved by the board. Upon completion of this offering, we intend to make each committee's charter available on our website at www.kiromic.com.

Until such committees are established, our entire board of directors will undertake the functions that would otherwise be undertaken by the committees. In addition, our board of directors may, from time to time, designate one or more additional committees, which shall have the duties and powers granted to it by our board of directors.

Audit Committee

Our audit committee will consist entirely of directors who satisfy the "independence" requirements of Rule 10A-3 under the Exchange Act and Section 5605 of the Nasdaq Marketplace Rules. At least one of these directors will qualify as an "audit committee financial expert." The audit committee will oversee our accounting and financial reporting processes and the audits of the financial statements of our company.

It is expected that the audit committee will be responsible for, among other things: (i) retaining and overseeing our independent registered public accounting firm; (ii) assisting the board in its oversight of the integrity of our financial statements, the qualifications, independence and performance of our independent registered public accounting firm and our compliance with legal and regulatory requirements; (iii) reviewing and approving the plan and scope of the internal and external audit; (iv) pre-approving any audit and non-audit services provided by our independent registered public accounting firm; (v) approving the fees to be paid to our independent registered public accounting firm; (vi) reviewing with our chief executive officer and chief financial officer and independent registered public accounting firm the adequacy and effectiveness of our internal controls; (vii) reviewing hedging transactions; and (viii) reviewing and assessing annually the audit committee's performance and the adequacy of its charter.

Compensation Committee

Our compensation committee will consist entirely of directors who satisfy the "independence" requirements of Rule 10A-3 under the Exchange Act and Section 5605 of the Nasdaq Marketplace Rules. The members of the compensation committee will also be "outside directors" as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended, and "non-employee directors" within the meaning of Section 16 of the Exchange Act. The compensation committee will assist the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers.

It is expected that the compensation committee will be responsible for, among other things: (i) reviewing and approving the remuneration of our executive officers; (ii) reviewing the compensation of our independent directors; (iii) making recommendations to the board regarding equity-based and incentive compensation plans, policies and programs; and (iv) reviewing and assessing annually the compensation committee's performance and the adequacy of its charter.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee will consist entirely of directors who satisfy the "independence" requirements of Rule 10A-3 under the Exchange Act and Section 5605 of the Nasdaq Marketplace Rules. The nominating and corporate governance committee will assist the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and its committees.

It is expected that the nominating and corporate governance committee will be responsible for, among other things: (i) identifying and evaluating individuals qualified to become members of the board by reviewing nominees for election to the board submitted by stockholders and recommending to the board director nominees for each annual meeting of stockholders and for election to fill any vacancies on the board, (ii) advising the board with respect to board organization, desired qualifications of board members, the membership, function, operation, structure and composition of committees (including any committee authority to delegate to subcommittees), and self-evaluation and policies, (iii) advising on matters relating to corporate governance and monitoring developments in the law and practice of corporate governance, (iv) overseeing compliance with our code of ethics, and (v) approving any related party transactions.

The nominating and corporate governance committee's methods for identifying candidates for election to our board of directors (other than those proposed by our stockholders, as discussed below) will include the solicitation of ideas for possible candidates from a number of sources—members of our board of directors, our executives, individuals personally known to the members of our board of directors, and other research. The nominating and corporate governance committee may also, from time-to-time, retain one or more third-party search firms to identify suitable candidates.

In making director recommendations, the nominating and corporate governance committee may consider some or all of the following factors: (i) the candidate's judgment, skill, experience with other organizations of comparable purpose, complexity and size, and subject to similar legal restrictions and oversight; (ii) the interplay of the candidate's experience with the experience of other board members; (iii) the extent to which the candidate would be a desirable addition to the board and any committee thereof; (iv) whether or not the person has any relationships that might impair his or her independence; and (v) the candidate's ability to contribute to the effective management of our company, taking into account the needs of our company and such factors as the individual's experience, perspective, skills and knowledge of the industry in which we operate.

A stockholder may nominate one or more persons for election as a director at an annual meeting of stockholders if the stockholder complies with the notice and information provisions contained in our bylaws. Such notice must be in writing to our company not less than 120 days and not more than 150 days prior to the anniversary date of the preceding year's annual meeting of stockholders or as otherwise required by requirements of the Exchange Act. In addition, stockholders furnishing such notice must be a holder of record on both (i) the date of delivering such notice and (ii) the record date for the determination of stockholders entitled to vote at such meeting.

Code of Ethics

We have adopted a code of ethics that applies to all of our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer. Such code of ethics addresses, among other things, honesty and ethical conduct, conflicts of interest, compliance with laws, regulations and policies, including disclosure requirements under the federal securities laws, and reporting of violations of the code.

We are required to disclose any amendment to, or waiver from, a provision of our code of ethics applicable to our principal executive officer, principal financial officer, principal accounting officer, controller, or persons performing similar functions. We intend to use our website as a method of disseminating this disclosure, as permitted by applicable SEC rules. Any such disclosure will be posted to our website within four business days following the date of any such amendment to, or waiver from, a provision of our code of ethics.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information concerning all cash and non-cash compensation awarded to, earned by or paid to the named persons for services rendered in all capacities during the noted periods. No other executive officers received total annual salary and bonus compensation in excess of $100,000.

Name and Principal Position	Year	Salary ($)	Option Awards ($)	All Other Compensation ($)	Total ($)
Maurizio Chiriva Internati,	2019	280,000	—	—	280,000
Chief Executive Officer(1)	2018	280,000	—	—	280,000
Tony Tontat,	2019	—	—	—	—
Chief Operating Officer and Chief Financial Officer(2)	2018	—	454,064	—	454,064
Scott Dahlbeck,	2019	—	—	182,800	182,800
Chief Medical Officer(3)	2018	110,000	—	12,500	122,500

(1) Of the salaries owed to Dr. Chiriva Internati, $280,000 and $160,200 was paid in 2019 and 2018, respectively. The difference in 2018 were accrued and paid to Dr. Chiriva Internati as a lump sum in September of 2019.

(2) The amount included in option awards represents the aggregate grant date fair value for options granted to Mr. Tontat computed in accordance with FASB ASC Topic 718. There were no other compensation arrangements in 2017 or 2018.

(3) Dr. Dahlbeck's compensation structure was changed from salary to a consulting agreement in November 2018. Other compensation includes the consulting fees paid to Dr. Dahlbeck under his consulting agreement.

Employment and Consulting Agreements

On March 30, 2016, we entered into an employment agreement with Dr. Maurizio Chiriva Internati, our Chief Executive Officer and President, that set forth the terms and conditions his employment with us. The employment agreement establishes an annual base salary of $280,000, which is subject to our discretionary review and adjustment in accordance with our policies, procedures and practices as they may exist from time to time. Dr. Chiriva Internati is also eligible to receive a based bonus in the discretion of our board. Dr. Chiriva Internati is eligible to participate in all medical, personal leave and other employee benefit plans and programs for which he is eligible, subject to the terms and conditions of such plans and programs. Dr. Chiriva Internati's employment is "at will" and may be terminated by us or Dr. Chiriva Internati at any time and for any reason.

On March 13, 2018, we granted Tony Tontat 200,000 in stock option awards. The stock options were awarded as part of Mr. Tontat's collaboration with the Company to provide financial advisory, but no formal employment or consulting agreements were in place during the years ended December 31, 2019 and 2018.

On November 2, 2018, we entered into a consulting agreement with Dr. Scott Dahlbeck, our Chief Medical Officer, pursuant to which Dr. Dahlbeck was entitled to a monthly consulting fee of $10,000. In December 2018, we amended this consulting agreement to decrease the monthly consulting fee to $2,500 per month. Thereafter, in August 2019 we further amended the consulting agreement to provide that Dr. Dahlbeck would provide services on an hourly basis at a rate of $400 per hour. Dr. Dahlbeck also receives medical benefits from our company. Under the consulting agreement, Dr. Dahlbeck renders the following services to our company: direct the development of clinical strategies and plans to integrate our compounds into standard medical practice, orchestrate and manage clinical aspects of regulatory strategies and interactions with health authorities, oversee the analysis and interpretation of clinical trial data and the reporting of clinical trial results, lead interactions with

investigators, cooperative groups, and other clinical stakeholders, provide clinical support and work with other members of the management team to develop and communicate the overall corporate strategy, represent the company and its programs to external audiences, including the investment, medical and regulatory communities, as well as pharmaceutical or biotechnology industry collaborators and partners. In addition to leading and supervision the clinical research department as Chief Medical Officer, Dr. Dahlbeck has direct line responsibility for the clinical operations, patient advocacy, medical affairs and reports to our company's Chief Executive Officer.

We have also entered into a consulting agreement with Gianluca Rotino, our Chief Strategy and Innovation Officer. Pursuant to the amended agreement, dated July 20, 2018, Mr. Rotino is entitled to a consulting fee of $400 per hour, provided that he is limited to nineteen (19) hours per month unless he obtains approval from our Chief Executive Officer. The consulting agreement indicates that Mr. Rotino will provide a leadership role for our business development strategies.

Outstanding Equity Awards at Fiscal Year-End

The following table includes certain information with respect to the value of all unexercised options and unvested shares of restricted stock previously awarded to the executive officers named above at the fiscal year ended December 31, 2019.

	OPTION AWARDS				
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date
Maurizio Chiriva Internati	—	—	—	—	—
Tony Tontat	30,000	—	—	$ 1.90	11/10/2027
	100,000	—	100,000(1)	$ 3.40	03/13/2028
Scott Dahlbeck	—	—	—	—	—

(1) 25% of the options vested on the one year anniversary of the vesting start date (December 15, 2017), with the remaining 150,000 shares vesting annually until December 15, 2021 in 50,000 share increments.

Director Compensation

No member of our board of directors received any compensation for his services as a director during the fiscal year ended December 31, 2019.

2017 Equity Incentive Plan

On January 20, 2017, our board of directors adopted the Kiromic, Inc. 2017 Equity Incentive Plan, or the Plan. The following is a summary of certain significant features of the Plan. The information which follows is subject to, and qualified in its entirety by reference to, the Plan document itself, which is filed as an exhibit to the registration statement of which this prospectus forms a part.

Awards that may be granted include incentive stock options as described in section 422(b) of the Internal Revenue Code of 1986, as amended, non-qualified stock options (i.e., options that are not incentive stock options), stock appreciation rights, or SARs, and awards of restricted stock or restricted stock units, or RSUs. These awards offer our employees, consultants and directors the possibility of future value, depending on the long-term price appreciation of our common stock and the award holder's continuing service with our company or one or more of its subsidiaries.

All of the permissible types of awards under the Plan are described in more detail as follows:

Purposes of Plan: The purpose of the Plan is to offer selected employees, consultants and directors the opportunity to acquire equity in our company.

Administration of the Plan: Administration of the Plan is entrusted to the board of directors, which may delegate its duties and responsibilities to one or more committees. Among other things, the board or committee has the authority to select persons who will receive awards, determine the types of awards and the number of shares to be covered by awards, and to establish the terms, conditions, restrictions and other provisions of awards.

Eligible Recipients: Persons eligible to receive awards under the Plan will be those employees, consultants and directors of our company and its subsidiaries who are selected by the board or committee.

Shares Available Under the Plan: The maximum number of shares of common stock that may be delivered to participants under the Plan is 3,000,000, subject to adjustment for certain corporate changes affecting the shares, such as stock splits. Shares subject to an award under the Plan for which the award is canceled, forfeited or expires again become available for grants under the Plan. Shares subject to an award that is settled in cash will not again be made available for grants under the Plan.

Stock Options:

General. Subject to the provisions of the Plan, the board or committee has the authority to determine all grants of stock options. That determination will include: (i) the number of shares subject to any option; (ii) the exercise price per share; (iii) the expiration date of the option; (iv) the manner, time and date of permitted exercise; (v) other restrictions, if any, on the option or the shares underlying the option; and (vi) any other terms and conditions as the compensation committee may determine.

Option Price. The exercise price for stock options will be determined at the time of grant. Normally, the exercise price will not be less than the fair market value on the date of grant, as determined in good faith by the board or committee. As a matter of tax law, the exercise price for any incentive stock option awarded may not be less than the fair market value of the shares on the date of grant. However, incentive stock option grants to any person owning more than 10% of our voting stock must have an exercise price of not less than 110% of the fair market value on the grant date.

Exercise of Options. An option may be exercised only in accordance with the terms and conditions for the option agreement as established by the board or committee at the time of the grant. The option must be exercised by notice to us, accompanied by payment of the exercise price. Payments may be made in cash or, at the option of the board or committee, by actual or constructive delivery of shares of common stock to the holder of the option based upon the fair market value of the shares on the date of exercise.

Expiration or Termination. Options, if not previously exercised, will expire on the expiration date established by the board or committee at the time of grant; provided that such term cannot exceed ten years and that such term of an incentive stock option granted to a holder of more than 10% of our voting stock cannot exceed five years. Options will terminate before their expiration date if the holder’s service with us terminates before the expiration date. The option may remain exercisable for specified periods after certain terminations of service, including terminations as a result of death, disability or retirement, with the precise period during which the option may be exercised to be established by the board or committee and reflected in the grant evidencing the award.

SARs. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The board or committee will determine the number of shares covered by SAR, the exercise price of each SAR and the conditions and limitations applicable to the exercise of each SAR. The term of a SAR may not be longer than ten years.

Restricted Stock and RSUs. Restricted stock is an award of nontransferable shares of our common stock that remain forfeitable unless and until specified conditions are met and which may be subject to a purchase price. RSUs are contractual promises to deliver shares of our common stock in the future, which may also remain forfeitable unless and until specified conditions are met and may be accompanied by the right to receive the equivalent value of dividends paid on shares of our common stock prior to the delivery of the underlying shares. The board or committee may provide that the delivery of the shares underlying RSUs will be deferred on a mandatory basis or at the election of the participant. The terms and conditions applicable to restricted stock and RSUs will be determined by the board or committee, subject to the conditions and limitations contained in the Plan.

Other Material Provisions: Awards will be evidenced by a written agreement, in such form as may be approved by the board or committee. In the event of various changes to the capitalization of our company, such as stock splits, stock dividends and similar re-capitalizations, an appropriate adjustment will be made by the board or committee to the number of shares covered by outstanding awards or to the exercise price of such awards. The board or committee is also permitted to include in the written agreement provisions that provide for certain changes in the award in the event of a change of control of our company, including acceleration of vesting. Except as otherwise determined by the board or committee at the date of grant, awards will not be transferable, other than by will or the laws of descent and distribution. Prior to any award distribution, we are permitted to deduct or withhold amounts sufficient to satisfy any employee withholding tax requirements. The board also has the authority, at any time, to discontinue the granting of awards. The board also has the authority to alter or amend the Plan or any outstanding award or may terminate the Plan as to further grants, provided that no amendment will, without the approval of our stockholders, increase the number of shares available under the Plan or change the persons eligible for awards under the Plan. No amendment that would adversely affect any outstanding award made under the Plan can be made without the consent of the holder of such award.

Except as set forth above, we do not have any ongoing plan or arrangement for the compensation of directors and executive officers.

PRINCIPAL STOCKHOLDERS

The following table sets forth certain information with respect to the beneficial ownership of our voting stock as of April 7, 2020, and as adjusted to reflect the sale of common stock offered by us and the selling stockholders in our initial public offering, for:

- each of our named executive officers and directors;
- all of our named executive officers and directors as a group; and
- each other stockholder known by us to be the beneficial owner of more than 5% of the outstanding shares of our voting stock.

We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares that they beneficially own, subject to applicable community property laws. Unless otherwise indicated in the footnotes below, based on the information provided to us by or on behalf of the selling stockholders, no selling stockholder is a broker-dealer or an affiliate of a broker-dealer.

Applicable percentage ownership is based on 13,827,408 shares of common stock at April 7, 2020, assuming the Preferred Stock Automatic Conversion. For purposes of computing percentage ownership after this offering, we have assumed: (i) the Preferred Stock Automatic Conversions and (ii) the sale and issuance by us of shares of common stock in this offering. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of that person, we deemed to be outstanding all shares of common stock subject to options or other convertible securities held by that person or entity that are currently exercisable or releasable or that will become exercisable or releasable within 60 days of April 7, 2020. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person. No holder of our Series A-1 Preferred Stock holds more than 5% of the outstanding shares of our voting stock before or after this offering. Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o our company, 7707 Fannin, Suite 140, Houston, TX 77054.

	Number of Shares Beneficially Owned Prior to Offering (As Converted)	Percentage of Common Stock Beneficially Owned	
		Before Offering	After Offering
Name of the Beneficial Owner			
Maurizio Chiriva Internati	4,805,198	34.75%	[ ]%
Tony Tontat(1)	230,000	1.64%	[ ]%
Scott Dahlbeck	1,489,880	10.77%	[ ]%
Gianluca Rotino(1)	516,432	3.60%	[ ]%
David Spencer(1)	20,000	*	[ ]%
Angelo Minotti(2)	4,964,409	28.30%	[ ]%
Americo Cicchetti	—	*	[ ]%
Michael Nagel	—	*	[ ]%
Jerry Schneider	—	*	[ ]%
All executive officers and directors (9 persons named above)	12,025,919	79.06%	[ ]%
Other 5% Stockholders:			
Jose A. Figueroa(3)	1,673,319	12.10%	[ ]%
Jui-Lien Chou Ho(4)	652,174	6.01%	[ ]%

* Less than 1%

(1) Represents an option for the purchase of shares of common stock exercisable within 60 days.
(2) Includes 5,906,895 shares of Series B Preferred Stock and warrants for the purchase of 1,760,870 shares of common stock held directly, 4,368,194 shares of Series B Preferred Stock and warrants for the purchase of 1,304,348 shares of common stock held by Encap (Global) Asset Management Limited and 2,195,046 shares of Series B Preferred Stock and warrants for the purchase of 652,174 shares of common stock held by Interactive Engineering EOOD. Mr. Minotti is the Investment Officer of Encap (Global) Asset Management Limited and Interactive Engineering EOOD and has voting and investment control over the shares held by them. Mr. Minotti disclaims beneficial ownership of the shares held by Encap (Global) Asset Management Limited and Interactive Engineering EOOD except to the extent of his pecuniary interest, if any, in such shares. The address of Encap (Global) Asset Management Limited is 12-S Sebright Plaza, 6-23 Shell Street, North Point, Hong Kong. The address of Interactive Engineering EOOD is 3 Prof. Milko Bichev, Fl 1, District of Oborishet, 1504 Sofia, Region of Sofia, Municipality of Sofia, Bulgaria.
(3) The address of Jose A. Figueroa is 4504 South Professional Drive, Apt 10208, Edinburg, TX 78539.
(4) The address of Jui-Lien Chou Ho is 4009 19th Street, Ste D, Lubbock, TX 79410.

TRANSACTIONS WITH RELATED PERSONS

Transactions with Related Persons

Through December 31, 2019, we maintained two separate consulting agreements with the Company's Chief Strategy and Innovation Officer (the "CSO") and the Chief Medical Officer (the "CMO").

Beginning in the year ended December 31, 2014, we entered into our first consulting agreement with the CSO. Pursuant to the amended agreement dated July 20, 2018, the CSO is entitled to a consulting fee of $400 per hour, provided that he is limited to nineteen (19) hours per month unless he obtains approval from our Chief Executive Officer. The consulting fees paid to the CSO totaled $207,800 in the year ended December 31, 2019.

Beginning in the year ended December 31, 2018, we entered into our first consulting agreement with the CMO. Pursuant to the amended agreement on August 1, 2019, the CMO is entitled to a consulting fee of $400 per hour. The consulting fees paid to the CMO totaled $182,800 in the year ended December 31, 2019.

On April 3, 2020, we entered into the Joint Venture with Molipharma. Molipharma was founded in part by one of our directors, Americo Cicchetti. Mr. Cicchetti is also the Chief Executive Officer and Director of Molipharma.

DESCRIPTION OF SECURITIES

General

The following description summarizes important terms of the classes of our capital stock. This summary does not purport to be complete and is qualified in its entirety by the provisions of our certificate of incorporation, as amended, and our bylaws, which have been filed as exhibits to the registration statement of which this prospectus is a part.

We are authorized to issue 300,000,000 shares of common stock, par value $0.001 per share, and 60,000,000 shares of preferred stock, $0.0001 par value per share, of which 24,000,000 shares have been designated as series A-1 preferred stock and 16,500,000 have been designated as series B preferred stock.

As of the date of this prospectus, there are 10,006,005 shares of common stock, 21,822,301 shares of series A-1 preferred stock and 16,391,397 shares of series B preferred stock issued and outstanding.

Common Stock

Voting Rights. The holders of common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders. Under our certificate of incorporation and bylaws, any corporate action to be taken by vote of stockholders other than for election of directors shall be authorized by the affirmative vote of the majority of votes cast. Directors are elected by a plurality of votes. Stockholders do not have cumulative voting rights.

Dividend Rights. Subject to preferences that may be applicable to any then-outstanding preferred stock, holders of common stock are entitled to receive ratably those dividends, if any, as may be declared from time to time by the board of directors out of legally available funds.

Liquidation Rights. In the event of our liquidation, dissolution or winding up, holders of common stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then-outstanding shares of preferred stock.

Other Rights. Holders of common stock have no preemptive, conversion or subscription rights and there are no redemption or sinking fund provisions applicable to the common stock. The rights, preferences and privileges of the holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock.

Preferred Stock

Ranking. With respect to rights on liquidation, winding up and dissolution, shares of Series A-1 Preferred Stock and Series B Preferred Stock rank pari passu to each other and senior to all shares of common stock.

Voting Rights. Shares of preferred stock vote together with the holders of common stock on an as-converted basis on all matters for which the holders of common stock vote at any meeting of stockholders or act by written consent, except as required by law. Notwithstanding the foregoing, so long as at least twenty-five percent (25%) of the Series B Preferred Stock collectively remains outstanding, we may not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or our certificate of incorporation) the written consent or affirmative vote of the holders of at least sixty-seven percent (67%) of the then outstanding shares of Series B Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) together as a single class on an as-converted basis, which approval shall not be unreasonably withheld, and any such act or transaction entered into without such consent or vote shall be null and void ab initio, and of no force or effect:

(a) the amend, alter or repeal any provision of our certificate of incorporation or bylaws in a manner adverse to the rights of the Series B Preferred Stock;

(b) create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock unless the same ranks junior to the Series B Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of our company, the payment of dividends and rights of redemption, or increase the authorized number of shares of Series B Preferred stock or increase the authorized number of shares of any additional class or series of capital stock unless the same ranks junior to the Series B Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of our company, the payment of dividends and rights of redemption;

(c) reclassify, alter or amend any security that is junior to the Series B Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of our company, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or pari passu with the Series B Preferred Stock in respect of any such right, preference or privilege;

(d) purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of our capital stock other than dividends or other distributions payable on the common stock solely in the form of additional shares of common stock or repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for us or any subsidiary in connection with the cessation of such employment or service at a price per share and other terms approved by the board;

(e) increase or decrease the authorized number of directors constituting the board of directors;

(f) liquidate, dissolve or wind-up the business and affairs of our company, effect any merger or consolidation or any other deemed liquidation event (as defined in the certificate of incorporation), consummate any public offering of common stock pursuant to an effective registration statement under the Securities Act, or consent to any of the foregoing;

(g) grant any lien or security interest in our assets, other than (i) purchase money liens or statutory liens of landlords, mechanics, materialmen, workmen, warehousemen and other similarly persons arising in the ordinary course of business, (ii) security interests in trade accounts receivable arising in the ordinary course of business, (iii) grants in connection with lines of credit with financial institutions or equipment leases or (iv) with the prior approval of the board, including the director that was designated by the holders of the Series B Preferred Stock;

(h) elect to change our company's status as a C corporation for United States federal tax purposes;

(i) change our principal business, enter into a new line of business or exit our line of business as it existed on September 7, 2019 other than with the prior approval of the board, including the director that was designated by the holders of the series B preferred stock; or

(j) enter into or be party to any transaction with any director, officer or employee of our company or any "associate" (as defined in Rule 12b-2 promulgated under the Exchange Act) of any such person other than (i) transactions resulting in payments to or by us in an amount less than $100,000 per year, (ii) transactions made in the ordinary course of business and pursuant to reasonable requirements of our business and on fair and reasonable terms that receive the prior approval of the board or (iii) with the prior approval of the board, including the director that was designated by the holders of the series B preferred stock;

Dividend Rights. Holders of preferred stock shall be entitled to receive dividends equal, on an as-converted basis, to and in the same form as dividends actually paid on shares of common stock when, as and if such dividends are paid on shares of common stock, no other dividends shall be paid on preferred stock.

Liquidation Rights. In the event of any voluntary or involuntary liquidation, dissolution or winding up of our company or deemed liquidation event, the holders of shares of preferred stock then outstanding shall be entitled

to be paid out of the assets of our company available for distribution to its stockholders before any payment shall be made to the holders of common stock by reason of their ownership thereof, an amount per share of preferred stock equal to the applicable original issue price ($5.00 and $4.60 for the Series A-1 Preferred Stock and Series B Preferred Stock, respectively), plus all accrued and unpaid dividends, if applicable, whether or not declared together with any other dividends declared but unpaid thereon. If upon any such liquidation, dissolution or winding up or deemed liquidation event, the assets of our company available for distribution to its stockholders shall be insufficient to pay the holders of shares of preferred stock the full amount to which they shall be entitled, the holders of shares of preferred stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full. After the payment of all preferential amounts required to be paid to the holders of shares of preferred stock, the remaining assets available for distribution to stockholders shall be distributed among the holders of the shares of preferred stock and common stock, pro rata based on the number of shares held by each such holder, treating for this purpose all such securities as if they had been converted to common stock immediately prior to such liquidation, dissolution or winding up or deemed liquidation event. A “deemed liquidation event” means, unless otherwise determined by the holders of at least a sixty-seven percent (67%) of the Series B Preferred Stock then outstanding (voting separately as a class): (a) a merger or consolidation in which our company or a subsidiary is a constituent party and we issue shares pursuant to such merger or consolidation, except any such merger or consolidation in which our shares of capital stock outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (i) the surviving or resulting corporation; or (ii) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or (b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by our company or any subsidiary of all or substantially all the assets of our company and its subsidiaries taken as a whole, or the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries if substantially all of the assets of our 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.

Conversion Rights. Each share of preferred stock is convertible at any time at the option of the holder at the then current conversion rate. In addition, upon the closing of the sale of shares of common stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act resulting in at least $20,000,000 of net proceeds to us, all shares of preferred stock shall automatically be converted into shares of common stock at the then effective conversion rate. All shares of Series A-1 Preferred Stock or Series B Preferred Stock shall also be automatically converted into shares of common stock at then effective conversion rate upon the vote or written consent of the holders of at least sixty-seven percent (67%) of the then outstanding shares of Series A-1 Preferred Stock or Series B Preferred Stock, as applicable, voting or consenting, as the case may be, as a single class and on an as-converted basis. The conversion rate for the preferred stock is currently 0.1 share of common stock for each share of preferred stock, calculated by dividing the original issue price of such share ($5.00 and $4.60 for the Series A-1 Preferred Stock and Series B Preferred Stock, respectively) by the conversion price per share then in effect (currently $0.50 and $0.46 for the Series A-1 Preferred Stock and Series B Preferred Stock, respectively), which is subject to customary adjustments in the event of any stock splits, stock dividends, mergers or reorganizations. Subject to certain exceptions, the conversion price is also subject to adjustment in the event that we issue additional shares of common stock or shares convertible into common stock.

Other Rights. Holders of preferred stock have no preemptive or subscription rights and there are no redemption or sinking fund provisions applicable to the preferred stock.

Voting Agreement

On September 7, 2019, we entered into a voting agreement with the investors in our Series B Preferred Stock financing and certain other stockholders, pursuant to which such investors and stockholders agreed to vote, or cause to be voted, all shares held by them from time to time 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, one person designated by a majority of the holders of record as of the date of the voting agreement of shares of Series B Preferred Stock with a purchase price of at least $1,000,000 (which we refer to as the major investors) shall be elected to serve as a director for so long as such major investors continue to beneficially own not less than 25% of the issued and outstanding shares of Series B Preferred Stock. In the absence of any designation from the major investors, the director previously designated by them and then serving shall be reelected if still eligible and willing to serve and otherwise, such board seat shall remain vacant. No director elected by the major investors may be removed from office unless such removal is directed or approved by the affirmative vote of the major investors or the major investors are no longer so entitled to designate or approve such director. Any vacancies created by the resignation, removal or death of such designated director shall be filled in accordance with the foregoing. All parties to the voting agreement agreed to execute any written consents required to perform the foregoing obligations, and we agreed to call a special meeting of stockholders for the purpose of electing directors at the request of any major investor.

Notwithstanding the foregoing, each major investor agreed (i) not to designate or participate in the designation of any director designee to whom, to such major investor's knowledge, a "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) under the Securities Act is applicable (which we refer to as a disqualified designee), except for a disqualifying event to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable, and (ii) that in the event such major investor becomes aware that any individual previously designated by any such major investor is or has become a disqualified designee, such major investor 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.

Each party to the voting agreement also agreed to vote or cause to be voted all shares held by them 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 the exercise of any warrant and/or the conversion of all of the shares of Series B Preferred Stock outstanding at any given time.

Investors Rights Agreement

In connection with the Series B Preferred Stock financing, on September 7, 2019, we entered into an investors' rights agreement with the investors, pursuant to which we provided the investors with certain demand registration rights. Pursuant to the investors' rights agreement and subject to certain exceptions set forth therein, if at any time after the earlier of (i) five (5) years after the date of the agreement; or (ii) one hundred eighty (180) days after the effective date of a registration statement for our initial underwritten public offering of our common stock under the Securities Act (which we refer to as an IPO), we receive a request from holders of at least fifty percent (50%) of the securities held by the investors (which we refer to as the registrable securities) then outstanding if prior to an IPO or at least twenty percent (20%) of the registrable securities then outstanding if after an IPO, that we file a Form S-1 registration statement with respect to registrable securities with an anticipated aggregate offering price, net of certain selling expenses, of not less than $10,000,000, then we must (x) within ten (10) days after the date such request is given, give notice thereof 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. In addition, if we propose to register any of our securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in certain excluded registrations), we must, 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 us, we must cause to be registered all of the registrable securities that each such holder has requested to be included in such registration. The registrable securities are being registered in the registration statement of which this prospectus forms a part.

In addition, we agreed that we would not, without the prior written consent of the holders of not less than sixty-seven percent (67%) of the registrable securities then outstanding, enter into any agreement with any other holder or prospective holder of any securities of that would allow such holder or prospective holder (i) to include such securities in any registration unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the number of the registrable securities of the Series B Preferred Stock investors that are included, or (ii) 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 Series B Preferred Stock investor who becomes a party to the investors' rights agreement.

The investors' rights agreement also contains a number of additional rights and covenants, including the following:

- *Information and Inspection Rights*. We are required to provide certain financial information to the investors on a monthly, quarterly and annual basis, as well as the budget for each fiscal year. In addition, we are required to provide certain major investors (defined as any investor that, individually or together with its affiliates, holds shares with an aggregate original issue price of at least $500,000) with such other information relating to the financial condition, business, prospects or corporate affairs of our company as any major investor may from time to time reasonably request upon 10 days' notice (subject to certain exceptions). Such major investors are also entitled to visit and inspect our properties, examine our books of account and records and discuss our affairs, finances and accounts with our officers, during normal business hours as may be reasonably requested by the major investor (subject to certain exceptions).
- *Right of First Offer*. If we propose to offer or sell any additional securities, we must first offer such additional securities to each major investor. This right of first offer does not apply to (i) exempted securities (as defined in our certificate of incorporation); (ii) shares of common stock issued in the IPO; and (iii) the issuance of additional shares of Series B Preferred Stock pursuant to the Series B Preferred Stock purchase agreement.
- *Insurance*. We agreed to obtain and maintain from financially sound and reputable insurers directors and officers liability insurance and term "key person" insurance on Maurizio Chiriva Internati in an amount and on terms and conditions satisfactory to the board of directors, until such time as the director elected by the Series B Preferred Stockholders (which we refer to as the preferred stock director) determines that such insurance should be discontinued. In addition, for so long as the preferred stock director is serving on the board of directors, we shall not cease to maintain a directors and officers liability insurance policy, including non-rescindable Side A coverage, in an amount of at least $3,000,000 unless approved by the preferred stock director then in office.
- *Employee Agreements*. We also agreed to cause (i) each person employed by our company or by any subsidiary (or engaged by our company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets, or who develops intellectual property related to our business, to enter into a nondisclosure and proprietary rights assignment agreement; and (ii) certain key employees to enter into a one year noncompetition and nonsolicitation agreement.
- *Employee Stock*. Unless otherwise approved by the board of directors, including the preferred stock director then in office, if any, all future employees and consultants who purchase, receive options to purchase or receive awards of shares of our capital stock shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four (4) year period, with

the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months; and (ii) a market stand-off provision substantially similar to that contained in the investors' rights agreement. In addition, unless otherwise approved by the board of directors, including the preferred stock director then in office, if any, we shall retain a "right of first refusal" on employee transfers until the IPO and shall have the right to repurchase unvested shares at cost upon termination of employment of a holder of restricted stock.

- *Board Matters*. We also agreed that we will not, without approval of the board of directors, including the affirmative approval of the preferred stock director then in office, if any: (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 our company; (ii) make, or permit any subsidiary to make, any loan or advance to any person, including, without limitation, any employee or director of our company or any subsidiary, except advances and similar expenditures in the ordinary course of business or under the terms of an employee stock or option plan approved by the board of directors; (iii) guarantee, directly or indirectly, or permit any subsidiary to guarantee, directly or indirectly, any indebtedness except for trade accounts of our company or any subsidiary arising in the ordinary course of business; (iv) make any investment inconsistent with any investment policy approved by the board of directors; (v) 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 any transaction with any director, officer or employee or any "associate" (as defined in Rule 12b-2 promulgated under the Exchange Act) of any such person, except for transactions made in the ordinary course of business and pursuant to reasonable requirements of our business and upon fair and reasonable terms that are approved by a majority of the board of directors; (vii) hire, terminate, or change the compensation of the executive officers, including approving any option grants or stock awards to executive officers; (viii) change the principal business of our company, enter new lines of business or exit the current line of business; or (ix) sell, transfer, assign, license, pledge or encumber material technology or intellectual property, other than licenses granted in the ordinary course of business.

The foregoing rights and covenants will terminate (i) immediately before the consummation of the IPO; (ii) upon a deemed liquidation event, as such term is defined in our certificate of incorporation; or (iii) upon the transfer of not less than 50% of the voting securities of our company to one person who is not an existing Series B Preferred Stock holder in a single transaction, whichever event occurs first.

Right of First Refusal and Co-Sale Agreement

In connection with the Series B Preferred Stock financing, on September 7, 2019, we entered a right of first refusal and co-sale agreement with the investors and certain stockholders. Pursuant to the right of first refusal and co-sale agreement, certain stockholders provided us with a right of first refusal to purchase any shares of capital stock that such stockholders propose to transfer and also provided the investors with a secondary refusal right to purchase any such shares that we do not elect to purchase. In addition, the right of first refusal and co-sale agreement provides the investors with a right of co-sale, pursuant to which, if the foregoing right of refusals are not exercised, the investors may elect to participate in the proposed sale on a pro rata basis.

Notwithstanding the foregoing, these rights shall not apply (i) in the case of a stockholder that is an entity, upon a transfer by such stockholder to its stockholders, members, partners or other equity holders, (ii) to a repurchase of shares from a stockholder by us at a price no greater than that originally paid by such stockholder for such shares and pursuant to an agreement containing vesting and/or repurchase provisions approved by a majority of the board of directors, (iii) to a pledge of shares that creates a mere security interest in the pledged shares, provided that the pledgee thereof agrees in writing in advance to be bound by and comply with all applicable provisions of the right of first refusal and co-sale agreement to the same extent as if it were the stockholder making such

pledge, or (iv) in the case of a stockholder that is a natural person, upon a transfer of shares by such stockholder made for bona fide estate planning purposes, either during his or her lifetime or on death by will or intestacy to his or her spouse, child (natural or adopted), or any other direct lineal descendant of such stockholder (or his or her spouse), or any other person approved by unanimous consent of the board of directors, or any custodian or trustee of any trust, partnership or limited liability company for the benefit of, or the ownership interests of which are owned wholly by such stockholder or any such family members; provided that in the case of clauses (i), (iii), and (iv), the stockholder shall deliver prior written notice to the investors of such pledge, gift or transfer and such shares shall at all times remain subject to the terms and restrictions set forth in the right of first refusal and co-sale agreement and such transferee shall, as a condition to such issuance, deliver a counterpart signature page to the right of first refusal and co-sale agreement as confirmation that such transferee shall be bound by all the terms and conditions of the right of first refusal and co-sale agreement as a stockholder (but only with respect to the securities so transferred to the transferee); and provided further in the case of any transfer pursuant to clause (i) or (iv) above, that such transfer is made pursuant to a transaction in which there is no consideration actually paid for such transfer.

In addition, these rights shall not apply to the sale of any shares to the public in an offering pursuant to an effective registration statement under the Securities Act or pursuant to a deemed liquidation event (as defined in our certificate of incorporation).

Warrants

In connection with our Series B Preferred Stock financing, we issued warrants for the purchase of 4,891,306 shares of common stock. The warrants have an exercise price of $0.001 per share and expire ten years after the date of issuance. The warrants are exercisable as follows: (i) 30% of the shares underlying the warrants are exercisable from the date that is six months after the date on which our securities are first listed on a U.S. national securities exchange, (ii) an additional 30% of the shares underlying the warrants are exercisable nine months after such listing date, and (iii) the remaining shares underlying the warrants are exercisable twelve months after such listing date.

Options

As of the date of this prospectus, there are options for the purchase of 2,028,249 shares of common stock outstanding under our 2017 Equity Incentive Plan with a weighted average exercise price of $3.16 per share.

Transfer Agent and Registrar

We are in the process of appointing VStock Transfer, LLC, 18 Lafayette Place, Woodmere, NY 11598, telephone 212-828-8436, as the transfer agent for our common stock.

SHARES ELIGIBLE FOR FUTURE SALE

Upon completion of this offering, we will have [ ] shares of common stock issued and outstanding. All of the shares sold in this offering will be freely transferable without restriction under the Securities Act unless purchased by one of our affiliates as that term is defined in Rule 144 under the Securities Act, which generally includes directors, executive officers and 10% stockholders. Sales of substantial amounts of our shares in the public market could adversely affect prevailing market prices of our shares.

All outstanding shares prior to this offering are "restricted securities" as that term is defined in Rule 144 and may be sold only if they are sold pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act such as those provided in Rules 144 and 701 promulgated under the Securities Act, which rules are summarized below. Restricted shares may also be sold outside of the United States in accordance with Regulation S under the Securities Act. This prospectus may not be used in connection with any resale of our shares acquired in this offering by our affiliates.

Rule 144

In general, under Rule 144 of the Securities Act, a person or entity that has beneficially owned our common stock for at least six months and is not our "affiliate" will be entitled to sell our common stock, subject only to the availability of current public information about us, and will be entitled to sell shares held for at least one year without any restriction. A person or entity that is our "affiliate" and has beneficially owned our common stock for at least six months will be able to sell, within a rolling three month period, the number of shares that does not exceed the greater of the following:

(i) 1% of the then outstanding common stock, which immediately after this offering will equal approximately [ ] shares if the maximum number of shares being offered by us are sold and all shares of series B preferred stock are converted to common stock; and

(ii) the average weekly trading volume of our common stock on Nasdaq during the four calendar weeks preceding the date on which notice of the sale is filed with the SEC.

Sales by affiliates under Rule 144 must be made through unsolicited brokers' transactions. They are also subject to manner of sale provisions, notice requirements and the availability of current public information about us.

Rule 701

In general, under Rule 701 of the Securities Act as currently in effect, each of our employees, directors or consultants who purchases our common stock from us pursuant to a compensatory stock or option plan or other written agreement relating to compensation is eligible to resell such common stock 90 days after we become a reporting company under the Exchange Act in reliance on Rule 144, but without compliance with some of the restrictions, such as the holding period, contained in Rule 144. However, the Rule 701 shares would remain subject to lock-up arrangements and would only become eligible for sale when the lock-up period expires.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF THE COMPANY'S COMMON STOCK

The following is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the ownership and disposition of the Company's common stock but does not purport to be a complete analysis of all the potential tax considerations relating thereto. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended, or the Internal Revenue Code, Treasury regulations promulgated thereunder, administrative rulings and judicial decisions, all as of the date hereof. These authorities may be changed, possibly retroactively, so as to result in U.S. federal income tax consequences different from those set forth below. No ruling on the U.S. federal, state, or local tax considerations relevant to the Company's operations or to the purchase, ownership or disposition of its shares, has been requested from the IRS or other tax authority. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below.

This summary also does not address the tax considerations arising under the laws of any non-U.S., state or local jurisdiction, or under U.S. federal gift and estate tax laws, except to the limited extent set forth below. In addition, this discussion does not address tax considerations applicable to an investor's particular circumstances or to investors that may be subject to special tax rules, including, without limitation:

- banks, insurance companies or other financial institutions, regulated investment companies or real estate investment trusts;
- persons subject to the alternative minimum tax or Medicare contribution tax on net investment income;
- tax-exempt organizations or governmental organizations;
- controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid U.S. federal income tax;
- brokers or dealers in securities or currencies;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- persons that own, or are deemed to own, more than five percent of the Company's capital stock (except to the extent specifically set forth below);
- US expatriates and certain former citizens or long-term residents of the United States;
- partnerships or entities classified as partnerships for U.S. federal income tax purposes or other pass-through entities (and investors therein);
- persons who hold the Company's common stock as a position in a hedging transaction, "straddle," "conversion transaction" or other risk reduction transaction or integrated investment;
- persons who hold or receive the Company's common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons who do not hold the Company's common stock as a capital asset within the meaning of Section 1221 of the Internal Revenue Code; or
- persons deemed to sell the Company's common stock under the constructive sale provisions of the Internal Revenue Code.

In addition, if a partnership or entity classified as a partnership for U.S. federal income tax purposes holds the Company's common stock, the tax treatment of a partner generally will depend on the status of the partner and upon the activities of the partnership. Accordingly, partnerships that hold the Company's common stock, and partners in such partnerships, should consult their tax advisors.

You are urged to consult your tax advisor with respect to the application of the U.S. federal income tax laws to your particular situation, as well as any tax consequences of the purchase, ownership and disposition of the Company's common stock arising under the U.S. federal estate or gift tax rules or under the laws of any state, local, non-U.S., or other taxing jurisdiction or under any applicable tax treaty.

Non-U.S. Holder Defined

For purposes of this discussion, you are a non-U.S. holder (other than a partnership) if you are any holder other than:

- an individual citizen or resident of the United States (for U.S. federal income tax purposes);
- a corporation or other entity taxable as a corporation created or organized in the United States or under the laws of the United States, any state thereof, or the District of Columbia, or other entity treated as such for U.S. federal income tax purposes;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust (x) whose administration is subject to the primary supervision of a U.S. court and which has one or more "U.S. persons" (within the meaning of Section 7701(a)(30) of the Internal Revenue Code) who have the authority to control all substantial decisions of the trust or (y) which has made a valid election to be treated as a U.S. person

Distributions

As described in "Dividend Policy," the Company has never declared or paid cash dividends on its common stock and do not anticipate paying any dividends on its common stock in the foreseeable future. However, if the Company does make distributions on its common stock, those payments will constitute dividends for U.S. tax purposes to the extent paid from the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed both the Company's current and its accumulated earnings and profits, they will constitute a return of capital and will first reduce your basis in the Company's common stock, but not below zero, and then will be treated as gain from the sale of stock as described below under "— Gain on Disposition of common stock."

Subject to the discussion below on effectively connected income, backup withholding and foreign accounts, any dividend paid to you generally will be subject to U.S. withholding tax either at a rate of 30% of the gross amount of the dividend or such lower rate as may be specified by an applicable income tax treaty. In order to receive a reduced treaty rate, you must provide us with an IRS Form W-8BEN, IRS Form W-8BEN-E, or other appropriate version of IRS Form W-8 certifying qualification for the reduced rate. A non-U.S. holder of shares of the Company's common stock eligible for a reduced rate of U.S. withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. If the non-U.S. holder holds the stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to the Company or its paying agent, either directly or through other intermediaries.

Dividends received by you that are effectively connected with your conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, attributable to a permanent establishment maintained by you in the United States) are generally exempt from the withholding tax described above. In order to obtain this exemption, you must provide us with an IRS Form W-8ECI or other applicable IRS Form W-8 properly certifying such exemption. Such effectively connected dividends, although not subject to withholding tax, are taxed at the same graduated rates applicable to U.S. persons, net of certain deductions and credits. In addition, if you are a corporate non-U.S. holder, dividends you receive that are effectively connected with your conduct of a U.S. trade or business may also be subject to a branch profits tax at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty. You should consult your tax advisor regarding any applicable tax treaties that may provide for different rules.

Gain on Disposition of Common Stock

Subject to the discussion below regarding backup withholding and foreign accounts, you generally will not be required to pay U.S. federal income tax on any gain realized upon the sale or other disposition of the Company's common stock unless:

- the gain is effectively connected with your conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, the gain is attributable t o a permanent establishment maintained by you in the United States);
- the gain is effectively connected with your conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, the gain is attributable to a permanent establishment maintained by you in the United States);
- you are a non-resident alien individual who is present in the United States for a period or periods aggregating 183 days or more during the taxable year in which the sale or disposition occurs and certain other conditions are met; or
- the Company's common stock constitutes a United States real property interest by reason of its status as a "United States real property holding corporation," or USRPHC, for U.S. federal income tax purposes at any time within the shorter of (i) the five-year period preceding your disposition of the Company's common stock, or (ii) your holding period for its common stock.

The Company believes that it is not currently and will not become a USRPHC for U.S. federal income tax purposes, and the remainder of this discussion so assumes. However, because the determination of whether it is a USRPHC depends on the fair market value of its U.S. real property relative to the fair market value of its other business assets, there can be no assurance that the Company will not become a USRPHC in the future. Even if it becomes a USRPHC, however, as long as the Company's common stock is regularly traded on an established securities market, such common stock will be treated as U.S. real property interests only if you actually or constructively hold more than five percent of such regularly traded common stock at any time during the shorter of (i) the five-year period preceding your disposition of the Company's common stock, or (ii) your holding period for the Company's common stock.

If you are a non-U.S. holder described in the first bullet above, you will be required to pay tax on the net gain derived from the sale under regular graduated U.S. federal income tax rates, and a corporate non-U.S. holder described in the first bullet above also may be subject to the branch profits tax at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty. If you are an individual non-U.S. holder described in the second bullet above, you will be required to pay a flat 30% tax (or such lower rate specified by an applicable income tax treaty) on the gain derived from the sale, which gain may be offset by U.S. source capital losses for the year (provided you have timely filed U.S. federal income tax returns with respect to such losses). You should consult any applicable income tax or other treaties that may provide for different rules.

Backup Withholding and Information Reporting

Generally, the Company must report annually to the IRS, regardless of whether any tax was withheld, the amount of dividends paid to you, your name and address and the amount of tax withheld, if any. A similar report will be sent to you. Pursuant to applicable income tax treaties or other agreements, the IRS may make these reports available to tax authorities in your country of residence.

Payments of dividends or of proceeds on the disposition of stock made to you may be subject to information reporting and backup withholding at a current rate of 24% unless you establish an exemption, for example, by properly certifying your non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E, or another appropriate version of IRS Form W-8.

Backup withholding is not an additional tax; rather, the U.S. federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of

taxes, a refund or credit may generally be obtained from the IRS, provided that the required information is furnished to the IRS in a timely manner.

Foreign Account Tax Compliance

The Foreign Account Tax Compliance Act, or FATCA, imposes withholding tax at a rate of 30% on dividends on and gross proceeds from the sale or other disposition of the Company's common stock paid to "foreign financial institutions" (as specially defined under these rules), unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding the U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or otherwise establishes an exemption. FATCA also generally imposes a U.S. federal withholding tax of 30% on dividends on and gross proceeds from the sale or other disposition of the Company's common stock paid to a "non-financial foreign entity" (as specially defined for purposes of these rules) unless such entity provides the withholding agent with a certification identifying certain substantial direct and indirect U.S. owners of the entity, certifies that there are none or otherwise establishes an exemption. The withholding provisions under FATCA generally apply to dividends on our common stock, and under current transition rules, are expected to apply with respect to the gross proceeds from the sale or other disposition of the Company's common stock on or after January 1, 2019. An intergovernmental agreement between the United States and an applicable foreign country may modify the requirements described in this paragraph. Non-U.S. holders should consult their own tax advisors regarding the possible implications of this legislation on their investment in the Company's common stock.

Each prospective investor should consult its own tax advisor regarding the particular U.S. federal, state and local and non-U.S. tax consequences of purchasing, holding and disposing of the Company's common stock, including the consequences of any proposed change in applicable laws.

UNDERWRITING

ThinkEquity, a division of Fordham Financial Management, Inc. ("ThinkEquity") is acting as representative of the underwriters of this offering. We have entered into an underwriting agreement dated , 2020 with the representative. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to each underwriter named below, and each underwriter named below has severally agreed to purchase from us, at the public offering price less the underwriting discounts set forth on the cover page of this prospectus, the number of common shares listed next to its name in the following table:

Underwriter	Number of Shares
ThinkEquity, a division of Fordham Financial Management, Inc.	
Total	

The underwriters are committed to purchase all shares offered by us other than those covered by the over-allotment option described below, if any are purchased. The obligations of the underwriters may be terminated upon the occurrence of certain events specified in the underwriting agreement. Furthermore, pursuant to the underwriting agreement, the underwriters' obligations are subject to customary conditions, representations and warranties contained in the underwriting agreement, such as receipt by the underwriters of officers' certificates and legal opinions.

The underwriters are offering the shares subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, and other conditions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The underwriters propose to offer the shares offered by us to the public at the public offering price set forth on the cover of the prospectus. After the shares are released for sale to the public, the underwriters may change the offering price and other selling terms at various times.

Over-Allotment Option

We have granted the underwriters an over-allotment option. This option, which is exercisable for up to 45 days after the date of this prospectus, permits the representative to purchase a maximum of additional shares of common stock (15% of the shares sold in this offering) from us to cover over-allotments, if any. If the representative exercises all or part of this option, it will purchase shares covered by the option at the public offering price per share that appears on the cover page of this prospectus, less the underwriting discount. If this option is exercised in full, the total offering price to the public will be $ and the total net proceeds, before expenses, to us will be $[ ].

Discount

The following table shows the public offering price, underwriting discounts and proceeds, before expenses, to us. The information assumes either no exercise or full exercise by the underwriters of their over-allotment option.

	Per Share	Total Without Over-Allotment Option	Total With Over-Allotment Option
Public offering price	$	$	$
Underwriting discount (7.5%)	$	$	$
Proceeds, before expense, to us	$	$	$

We have agreed to pay a non-accountable expense allowance to the underwriters equal to 1.0% of the gross proceeds received in this offering (excluding proceeds received from exercise of the underwriters' over-allotment option).

We have paid an expense deposit of $35,000 to the representative for out-of-pocket-accountable expenses, which will be returned to us to the extent such out-of-pocket accountable expenses are not actually incurred in accordance with FINRA Rule 5110(f)(2)(C).

In addition, we have agreed to reimburse the representative for fees and expenses of legal counsel to the underwriters in an amount not to exceed $100,000, fees and expenses related to the use of book building, prospectus tracking and compliance software for the offering in the amount of $29,500, up to $15,000 for background checks of our officers and directors, up to $15,000 for all fees, $10,000 for data services and communications expenses, $3,000 for the costs associated with bound volumes of the public offering materials as well as commemorative mementos and lucite tombstones, and the out-of-pocket fees and expenses of the representative for marketing and roadshows for the offering not to exceed $20,000.

We estimate that the total expenses of the offering payable by us, excluding the total underwriting discount and non-accountable expense allowance, will be approximately $.

Representative's Warrants

We have agreed to issue to the representative warrants to purchase up to a total of shares of our common stock (5% of the aggregate number of shares of common stock sold in this offering, excluding shares of common stock sold upon exercise of underwriters' the over-allotment option) (the "Representative's Warrants"). The Representative's Warrants will be exercisable at a per share exercise price equal to 125% of the public offering price per share of the shares of common stock sold in this offering. The Representative's Warrants are exercisable at any time, from time to time, in whole or in part, during the four and one-half year period commencing six months from the effective date of the registration statement related to this offering.

The Representative's Warrants and the shares of common stock underlying the Representative's Warrants have been deemed compensation by FINRA and are, therefore, subject to a 180-day lock-up pursuant to FINRA Rule 5110(g)(1). The Representative or permitted assignees under such rule may not sell, transfer, assign, pledge, or hypothecate the Representative's Warrants or the securities underlying the Representative's Warrants, nor will the representative engage in any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the Representative's Warrants or the underlying shares of common stock for a period of 180 days from the effective date of the registration statement. Additionally, the Representative's Warrants may not be sold, transferred, assigned, pledged, or hypothecated for a 180-day period following the effective date of the registration statement, except to any underwriter and selected dealer participating in the offering and their bona fide officers or partners. The Representative's Warrants will provide for adjustment in the number and price of the Representative's Warrants and the shares of common stock underlying the Representative's Warrants in the event of recapitalization, merger, stock split, or other structural transaction, or a future financing undertaken by us.

Discretionary Accounts

The underwriters do not intend to confirm sales of the securities offered hereby to any accounts over which they have discretionary authority.

Lock-Up Agreements

Pursuant to certain "lock-up" agreements, we, our executive officers and directors and our stockholders, have agreed not to, without the prior written consent of the representative, offer, sell, assign, transfer, pledge,

contract to sell, or otherwise dispose of or announce the intention to otherwise dispose of, or enter into any swap, hedge or similar agreement or arrangement that transfers, in whole or in part, the economic risk of ownership of, directly or indirectly, engage in any short selling of any common stock or securities convertible into or exchangeable or exercisable for any common stock, whether currently owned or subsequently acquired, for a period of 360 days from the date of this prospectus, in the case of our directors and officers, and 180 days from the date of this prospectus, in the case of our principal stockholders.

Right of First Refusal.

Subject to certain limited exceptions, until 12 months after the closing of this initial public offering, ThinkEquity has a right of first refusal to act as sole investment banker, sole book-runner and/or sole placement agent, at ThinkEquity's sole discretion, for each and every future public and private equity and debt offering, including all equity-linked offerings, by us or any of our successors or subsidiaries during such 12-month period on terms customary to the representative.

Indemnification

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make for these liabilities.

Electronic Offer, Sale and Distribution of Shares

A prospectus in electronic format may be made available on the websites maintained by one or more underwriters or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The representative may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make internet distributions on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' websites is not part of, nor incorporated by reference into, this prospectus or the registration statement of which this prospectus forms a part, has not been approved or endorsed by us or any underwriter in its capacity as underwriter, and should not be relied upon by investors.

Stabilization

In connection with this offering, the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate-covering transactions, penalty bids and purchases to cover positions created by short sales.

Stabilizing transactions permit bids to purchase securities so long as the stabilizing bids do not exceed a specified maximum, and are engaged in for the purpose of preventing or retarding a decline in the market price of the securities while the offering is in progress.

Over-allotment transactions involve sales by the underwriters of securities in excess of the number of securities that underwriters are obligated to purchase. This creates a syndicate short position which may be either a covered short position or a naked short position. In a covered short position, the number of securities over-allotted by the underwriters is not greater than the number of securities that they may purchase in the over-allotment option. In a naked short position, the number of securities involved is greater than the number of securities in the over-allotment option. The underwriters may close out any short position by exercising their over-allotment option and/or purchasing securities in the open market.

Syndicate covering transactions involve purchases of securities in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of securities to close out

the short position, the underwriters will consider, among other things, the price of securities available for purchase in the open market as compared with the price at which they may purchase securities through exercise of the over-allotment option. If the underwriters sell more securities than could be covered by exercise of the over-allotment option and, therefore, have a naked short position, the position can be closed out only by buying securities in the open market. A naked short position is more likely to be created if the underwriters are concerned that after pricing there could be downward pressure on the price of the securities in the open market that could adversely affect investors who purchase in the offering.

Penalty bids permit the representative to reclaim a selling concession from a syndicate member when the securities originally sold by that syndicate member are purchased in stabilizing or syndicate covering transactions to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our securities or preventing or retarding a decline in the market price of our securities. As a result, the price of our securities in the open market may be higher than it would otherwise be in the absence of these transactions. Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of our securities. These transactions may be effected on The Nasdaq Capital Market, in the over-the-counter market or otherwise and, if commenced, may be discontinued at any time.

Passive Market Making

In connection with this offering, underwriters and selling group members may engage in passive market making transactions in our common stock on The Nasdaq Capital Market or on the OTCQB in accordance with Rule 103 of Regulation M under the Exchange Act, during a period before the commencement of offers or sales of the securities and extending through the completion of the distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker’s bid, then that bid must then be lowered when specified purchase limits are exceeded.

Other Relationships

Certain of the underwriters and their affiliates may provide in the future, various advisory, investment and commercial banking and other services to us in the ordinary course of business, for which they may receive customary fees and commissions. However, we have not yet had, and have no present arrangements with any of the underwriters for any further services.

LEGAL MATTERS

The validity of the shares of our common stock offered hereby will be passed upon for us by Sheppard, Mullin, Richter & Hampton LLP, New York, New York. Venable, LLP, New York, New York has acted as counsel for the underwriters in connection with certain legal matters related to this offering.

EXPERTS

The consolidated financial statements included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein. Such consolidated financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement, of which this prospectus is a part, on Form S-1 with the SEC relating to this offering. This prospectus does not contain all of the information in the registration statement and the exhibits included with the registration statement. For further information pertaining to us and the common stock to be sold in this offering, you should refer to the registration statement and its exhibits. References in this prospectus to any of our contracts, agreements or other documents are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contracts, agreements or documents. You may read and copy the registration statement, the related exhibits and other material we file with the SEC at the SEC's public reference room in Washington, D.C. at 100 F Street, Room 1580, N.E., Washington, D.C. 20549. You can also request copies of those documents, upon payment of a duplicating fee, by writing to the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. The SEC also maintains an internet site that contains reports, proxy and information statements and other information regarding issuers that file with the SEC. The website address is http://www.sec.gov.

Upon the effectiveness of the registration statement, we will be subject to the informational requirements of the Exchange Act, and, in accordance with the Exchange Act, will file reports, proxy and information statements and other information with the SEC. Such annual, quarterly and special reports, proxy and information statements and other information can be inspected and copied at the locations set forth above. We also anticipate making these documents publicly available, free of charge, on our website as soon as reasonably practicable after filing such documents with the SEC. Information on, or accessible through, our website is not part of this prospectus.

FINANCIAL STATEMENTS

KIROMIC BIOPHARMA, INC. AND SUBSIDIARY

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Kiromic Biopharma, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Kiromic Biopharma, Inc. and Subsidiary (the "Company") as of December 31, 2019 and 2018, the related consolidated statements of operations, changes in stockholders' equity, and cash flows for each of the two years in the period ended December 31, 2019, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Houston, Texas

April 6, 2020

We have served as the Company's auditor since 2016.

Kiromic BioPharma, Inc. and Subsidiary
Consolidated Balance Sheets

	December 31, 2019	December 31, 2018
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,929,100	$ 384,300
Unbilled receivables from granting agency	—	24,300
Inventories	22,200	16,300
Prepaid expenses and other current assets	89,100	135,300
Total current assets	2,040,400	560,200
Property and equipment, net	587,900	298,000
Other assets	24,400	17,800
Total Assets	$ 2,652,700	$ 876,000
Liabilities and Stockholders' Equity:		
Current Liabilities:		
Accounts payable	$ 452,400	$ 219,100
Accrued expenses and other current liabilities	221,300	372,600
Deferred rent, current portion	—	19,000
Total current liabilities	673,700	610,700
Total Liabilities	673,700	610,700
Commitments and contingencies (Note 7)		
Stockholders' Equity:		
Series A-1 Preferred Stock, $0.0001 par value: 24,000,000 shares authorized as of December 31, 2019 and 2018; 21,822,301 and 20,886,782 shares issued and outstanding as of December 31, 2019 and 2018, respectively	9,134,700	8,727,400
Series B Preferred Stock, $0.0001 par value: 14,130,435 shares authorized as of December 31, 2019; 9,869,659 shares issued and outstanding as of December 31, 2019	1,306,900	—
Preferred Stock, $0.0001 par value: 21,869,565 shares authorized as of December 31, 2019; 0 shares issued and outstanding as of December 31, 2019	—	—
Common stock: 300,000,000 shares authorized as of December 31, 2019 and 2018, respectively; 10,006,005 and 10,000,005 shares issued and outstanding as of December 31, 2019 and 2018, respectively	—	—
Additional paid-in capital	13,965,000	10,237,600
Accumulated deficit	(22,427,600)	(18,699,700)
Total Stockholders' Equity	1,979,000	265,300
Total Liabilities and Stockholders' Equity	$ 2,652,700	$ 876,000

See accompanying notes to the consolidated financial statements

Kiromic BioPharma, Inc. and Subsidiary
Consolidated Statements of Operations

	Years Ended December 31, 2019	2018
Operating expenses:		
Research and development	$ 1,201,700	$ 1,424,900
General and administrative	2,503,700	1,757,700
Total operating expenses	3,705,400	3,182,600
Loss from operations	(3,705,400)	(3,182,600)
Other expense		
Interest expense	(22,500)	(633,100)
Other expense	(22,500)	(633,100)
Loss before income taxes	(3,727,900)	(3,815,700)
Income taxes	—	—
Net loss	$ (3,727,900)	$ (3,815,700)
Net loss per common share, basic and diluted	$ (0.40)	$ (0.38)
Weighted average common shares outstanding, basic and diluted	10,002,534	10,000,005
Pro forma net loss per common share, basic and diluted (unaudited)	$ (0.30)	
Pro forma weighted-average common shares outstanding, basic and diluted (unaudited)	12,343,811	

See accompanying notes to the consolidated financial statements

Kiromic BioPharma, Inc. and Subsidiary
Consolidated Statements of Changes in Stockholders' Equity

	Series A-1 Preferred Stock		Series B Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount			
Balance at January 1, 2018	—	$ —	—	$ —	10,000,005	$ —	$ 9,604,600	$ (14,884,000)	$ (5,279,400)
Issuance of Series A-1 Preferred Stock	2,007,000	900,000	—	—	—	—	—	—	900,000
Conversion of convertible promissory notes and accrued interest into Series A-1 Preferred Stock	18,879,782	7,827,400	—	—	—	—	—	—	7,827,400
Stock compensation expense	—	—	—	—	—	—	633,000	—	633,000
Net loss	—	—	—	—	—	—	—	(3,815,700)	(3,815,700)
Balance at December 31, 2018	20,886,782	8,727,400	—	—	10,000,005	—	10,237,600	(18,699,700)	265,300
Conversion of convertible promissory notes and accrued interest into Series A-1 Preferred Stock	935,519	407,300	—	—	—	—	—	—	407,300
Issuance of Series B Preferred Stock	—	—	9,782,609	1,056,300	—	—	—	—	1,056,300
Series B Preferred Stock discount amortization	—	—	—	210,600	—	—	(210,600)	—	—
Warrants underlying Series B Preferred Stock issuance	—	—	—	—	—	—	3,443,700	—	3,443,700
Accretion and settlement of Series B Preferred Stock dividend	—	—	87,050	40,000	—	—	(40,000)	—	—
Exercised stock options	—	—	—	—	6,000	—	11,400	—	11,400
Stock compensation expense	—	—	—	—	—	—	522,900	—	522,900
Net loss	—	—	—	—	—	—	—	(3,727,900)	(3,727,900)
Balance at December 31, 2019	21,822,301	$ 9,134,700	9,869,659	$ 1,306,900	10,006,005	$ —	$ 13,965,000	$ (22,427,600)	$ 1,979,000

See accompanying notes to the consolidated financial statements

Kiromic BioPharma, Inc. and Subsidiary
Consolidated Statements of Cash Flows

	Years Ended December 31, 2019	2018
Cash flows from operating activities:		
Net loss	$ (3,727,900)	$ (3,815,700)
Adjustments to reconcile net loss to net cash used for operating activities:		
Depreciation	87,500	80,900
Stock compensation expense	522,900	633,000
Non-cash interest	20,500	633,100
Changes in operating assets and liabilities:		
Unbilled receivables from granting agency	24,300	(18,900)
Inventories	(5,900)	—
Prepaid expenses and other current assets	46,200	212,500
Other assets	(6,600)	(3,000)
Accounts payable	293,400	(4,400)
Accrued expenses and other current liabilities	(151,300)	149,400
Interest payable	—	(363,400)
Deferred rent	(19,000)	(25,400)
Convertible promissory notes derivative liability	2,000	369,000
Net cash used for operating activities	(2,913,900)	(2,152,900)
Cash flows from investing activities:		
Purchases of property and equipment	(302,700)	(137,300)
Net cash used for investing activities	(302,700)	(137,300)
Cash flows from financing activities:		
Proceeds from sale of convertible promissory notes	250,000	725,000
Exercise of stock options	11,400	—
Proceeds from Series A-1 Preferred Stock issuance	—	900,000
Proceeds from Series B Preferred Stock issuance	4,500,000	—
Net cash provided by financing activities	4,761,400	1,625,000
Net change in cash and cash equivalents	1,544,800	(665,200)
Cash and cash equivalents:		
Beginning of year	384,300	1,049,500
End of year	$ 1,929,100	$ 384,300
Supplemental disclosures of non-cash investing and financing activities:		
Conversion of accounts payable into convertible promissory notes	$ 134,800	$ —
Accretion and settlement of Series B Preferred Stock dividend	$ 40,000	$ —
Accruals for property, plant, and equipment	$ 74,700	$ —
Conversion of convertible promissory notes and accrued interest to Series A-1 Preferred Stock	$ 407,300	$ 7,827,400

See accompanying notes to the consolidated financial statements

Kiromic BioPharma, Inc. and Subsidiary
Notes to Consolidated Financial Statements
As of and for the Years Ended December 31, 2019 and 2018

1. ORGANIZATION

Nature of Business

Kiromic BioPharma, Inc. and Subsidiary (the "Company") is a preclinical stage biopharmaceutical company formed under the Texas Business Organizations Code in December 2012. On May 27, 2016, the Company converted from a Texas limited liability company into a Delaware corporation and changed its name from Kiromic LLC to Kiromic Inc. On December 16, 2019, the Company amended and restated its certificate of incorporation charter to re-name the Company Kiromic BioPharma, Inc.

The Company is focused on discovering, developing, and commercializing novel immune-oncology and small molecule therapy applications through its robust product pipeline, which are in the pre initial new drug ("pre-IND") validation stages of the US Food and Drug Administration clinical trial process. Company maintains offices in Houston, Texas. The Company has not generated any revenues to date.

The Company's wholly-owned subsidiary, GreenPlanet Pharma, Inc., operates an oral healthcare business. It has developed a mouthwash using a high quality, safe, and natural ingredient formulation to provide effective symptomatic relief for a wide range of oral irritations and health concerns. This business is recently formed and the product was recently developed. This business has not generated any revenues.

Going Concern—The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

The Company has incurred losses, negative cash flows from operations, and has not generated any revenues since its inception. In addition to incurring losses from operations, the Company has primarily financed its operations with the proceeds from equity and debt financing arrangements. The Company's long-term success is dependent upon its ability to successfully develop, commercialize and market its products, earn revenue, obtain additional capital when needed, and, ultimately, to achieve profitable operations. Management expects to continue to incur additional substantial losses in the foreseeable future as a result of the Company's research and development activities. The Company does not have sufficient cash on hand or available liquidity that can be utilized to fund future operations for at least twelve months following the date the financial statements were available to be issued. Thus, there are conditions and events that raise substantial doubt regarding the Company's ability to continue as a going concern.

The Company is seeking significant additional capital funding to develop our platform and Pre-IND product lines, additional hiring of scientific professionals and other general and administrative employees, and clinical trials. However, there can be no assurance that such efforts will be successful or that, in the event that they are successful, the terms and conditions of such financing will be favorable. Management has the ability to eliminate certain forecasted discretionary costs that would not be in violation of the intended use of proceeds outlined in the Series B Preferred Stock purchase agreements. The Company has concluded that management's plans are probable of being achieved to have the necessary funding to meet its working capital needs to continue operations for at least twelve months following the date the consolidated financial statements were available to be issued. As a result, the Company has concluded that management's plans are probable of being implemented and alleviate substantial doubt about the Company's ability to continue as a going concern.

The financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

Kiromic BioPharma, Inc. and Subsidiary
Notes to Consolidated Financial Statements
As of and for the Years Ended December 31, 2019 and 2018

NIH Grant—In August 2018, NIH, the primary agency of the US government responsible for biomedical and public health research, awarded a Phase I/II grant to the Company in the amount of $2,235,000 for the development and non-clinical testing of a new anti-arteriosclerosis gene therapy delivered by engineered adeno-associated viral vectors. Phase I of the grant approved amounts of $851,000 and which covered the period September 2018 through August 2019, entitled the Company to reimbursement for certain salaries and wages, materials and supplies, facilities and administrative costs, and fixed fees. Starting in 2020, Phase II of the grant covers reimbursements for certain salaries and wages, materials and supplies, facilities and administrative costs, and fixed fees of $1,384,000.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). All intercompany balances were eliminated upon consolidation. Operating results for the year ended December 31, 2019 are not necessarily indicative of results to be expected for any future year. On December 17, 2019, the Company completed a 1-for-10 reverse stock split of our outstanding common stock. As a result of this stock split, the Company's issued and outstanding common stock decreased from 100,060,000 shares to 10,006,005 shares. Accordingly, unless otherwise noted, all share and per share information has been restated to retroactively show the effect of this stock split.

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include determination of the fair value of common stock and related stock-based compensation, the fair value of convertible promissory notes and the related embedded derivative liability, warrants to purchase common stock underlying shares of Series B Preferred Stock, and estimating services incurred by third-party service providers used to recognize research and development expense.

Cash and Cash Equivalents—As of December 31, 2019 and 2018, cash and cash equivalents consisted entirely of cash on hand and bank deposits. The Company considers all highly liquid instruments with remaining maturities at purchase of 90 days or less to be cash equivalents.

Unbilled Receivables from Granting Agency—Unbilled receivables include certain cost reimbursements owed to the Company resulting from a biomedical research grant from the NIH. Direct costs subject to reimbursement are recorded only after actual expenses have been incurred while indirect costs are calculated using the percentage-of-completion accounting method. Unbilled receivables represent qualified cost reimbursements for which reimbursement which have not yet been requested from or billed to the NIH due to the timing of the accounting invoicing cycle. The Company estimates the amount of probable credit losses from its existing unbilled receivables in the form of an allowance for doubtful accounts. The Company determines the allowance for doubtful accounts based upon an aging of unbilled receivables, historical experience, and management judgment. Unbilled receivable balances are reviewed individually for collectability. For the years ended December 31, 2019 and 2018, the Company has not experienced any credit-related losses.

Concentrations of Credit Risk and Other Uncertainties—Financial instruments that potentially subject the Company to concentration of credit risk consist of cash and cash equivalents. Substantially all of the Company's cash and cash equivalents were deposited in accounts at a small number of national financial institutions. Account balances may at times exceed federally-insured limits. The Company has not incurred losses related to

these cash and cash equivalents deposited at financial institutions and management believes that the Company is not exposed to significant credit risk due to the financial strength of the depository institutions in which the cash is held.

The Company is subject to certain risks and uncertainties from changes in any of the following areas that the Company believes could have a material adverse effect on future financial position or results of operations: the ability to obtain regulatory approval and market acceptance of, and reimbursement for, the Company's product candidates; the performance of third-party clinical research organizations and manufacturers; protection of the intellectual property; litigation or claims against the Company based on intellectual property, patent, product, regulatory or other factors; the Company's ability to attract and retain employees necessary to support commercial success; and changes in the industry or customer requirements including the emergence of competitive products with new capabilities.

The Company records receivables resulting from activities under its research grant from the NIH. Management believes that the Company is not exposed to significant credit risk due to the financial strength of the granting agency.

Deposit— In connection with one of the Company's facility leases, a deposit is held by the lessor per the terms of the noncancelable agreement. The deposit has been recorded as a long-term asset on the Company's consolidated balance sheets.

Inventories—Inventories consist entirely of finished products. The balances presented are stated at the lower of cost or market and is determined using the first-in, first-out method. The Company's policy is to write down inventory that has become obsolete, inventory that has a cost basis in excess of its expected net realizable value, and inventory quantity in excess of expected requirements. The estimate of write downs to inventory from obsolescence, costs in excess of inventory net realizable value, and inventory in excess of expected requirements is subjective and primarily dependent on the estimates of future demand for a particular product. Adjustments generally increase as demand decreases due to market conditions and product life-cycle changes. As of December 31, 2019 and 2018, no such adjustments have been recorded.

Property and Equipment—Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets ranging from 1 to 8 years. Major replacements and improvements are capitalized as leasehold improvements, while general repairs and maintenance are expensed as incurred. Estimated useful lives of leasehold improvements are the shorter of the remaining lease term or the estimated useful economic life of the specific asset.

Estimated useful lives of property and equipment are as follows for the major classes of assets:

Asset Description	Estimated Lives
Laboratory Equipment	3 - 8
Leasehold improvements	1 - 7
Office Furniture, Fixtures, and Equipment	5
Software	5

Internal Use Software Development Costs—The Company capitalizes certain costs incurred to develop internal use software. All costs incurred that relate to planning and post-implementation phases of development are expensed as incurred. Costs incurred in the development and implementation phases are capitalized and

amortized over the estimated life of the software, generally five years. The Company capitalized software development costs of approximately $20,000 and $121,500 for the years ended December 31, 2019 and 2018, respectively.

Impairment of Long-Lived Assets—The Company reviews its long-lived assets, including property and equipment, for impairment indicators. If indicators are noted, the Company compares the carrying amount of the asset to its estimated undiscounted cash flows. If the carrying amount exceeds its estimated undiscounted cash flows, an impairment loss is recognized to adjust the long-lived asset to fair value. There has been no impairment losses on the Company's long-lived assets since inception.

Comprehensive Loss—Comprehensive loss includes net loss as well as other changes in stockholders' equity that result from transactions and economic events other than those with stockholders. For all periods presented, there was no difference between net loss and comprehensive loss.

Income Taxes—The Company files federal and state income tax returns, utilizing the accrual basis of accounting. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due and deferred taxes. Certain transactions of the Company may be subject to accounting methods for income tax purposes, which differ from the accounting methods used in preparing these financial statements in accordance with GAAP. Accordingly, the net income or loss of the Company reported for income tax purposes may differ from the balances reported for those same items in the accompanying consolidated financial statements.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which such temporary differences are expected to be recovered or settled. The Company records valuation allowances to reduce deferred income tax assets to the amount that is more likely than not to be realized.

The Company records uncertain tax positions in accordance with ASC 740, *Income Taxes*, ("ASC 740") on the basis of a two-step process in which (1) the Company determines whether it is more-likely-than-not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The Company recognizes interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying consolidated statements of operations. No such interest or penalties were recognized during the years ended December 31, 2019 and 2018.

Research and Development Expense—The Company expenses research and development costs as incurred. Research and development expenses include personnel and personnel-related costs, costs associated with the Company's pre-clinical development activities including costs of outside consultants and contractors, the submission and maintenance of regulatory filings, equipment and supplies used in developing products prior to market approval and an allocation of certain overhead costs such as facility and related expenses.

The Company accrues and expenses costs of services provided by contract research organizations ("CROs") in connection with preclinical studies and contract manufacturing organizations ("CMOs") engaged to manufacture clinical trial material, costs of licensing technology, and costs of services provided by research organizations and service providers. Upfront payments and milestone payments made for the licensing of technology are expensed as research and development in the period in which they are incurred if the technology is not expected to have

any alternative future uses other than the specific research and development project for which it was intended. Nonrefundable advance payments for goods or services to be received in the future for use in research and development activities are recorded as prepaid expenses. The prepaid amounts are expensed as the related goods are delivered or the services are performed rather than when the payment is made.

Proceeds from Grants—During the years ended December 31, 2019 and 2018, the Company recognized $298,000 and $258,000, respectively, as reductions to research and development expense within the consolidated statements of operations pursuant to its grant from the NIH.

Convertible Promissory Notes Derivative Liability—The Company has recorded an embedded derivative liability related to the discount on the per share selling price the holders of the convertible promissory notes would receive at the time of conversion in connection with the Company's next equity financing ("Next Financing Close"). The embedded derivative liability is initially recorded at fair value, with gains and losses arising from changes in fair value recognized in interest expense in the consolidated statements of operations at each period end while such instruments are outstanding. The embedded derivative liability is valued using a probability weighted expected return model. See Note 6.

Upon repurchase of convertible promissory notes, ASC 470, *Debt with conversion and other options*, ("ASC 470") requires the Company to allocate total settlement consideration, inclusive of transaction costs, amongst the liability components of the instrument based on the fair value of the liability component immediately prior to repurchase. The difference between the settlement consideration allocated to the liability component and the net carrying value of the liability component would be recognized as gain (loss) on extinguishment of debt in the consolidated statements of operations.

Fair Value Measurements—The carrying value of the Company's cash and cash equivalents, unbilled receivables from the granting agency, prepaid expenses and other assets, accounts payable, accrued expenses and other current liabilities approximate their fair value due to their short-term nature.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company accounts for financial instruments in accordance with ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in non-active markets or in active markets for similar assets or liabilities, observable inputs other than quoted prices, and inputs that are not directly observable but are corroborated by observable market data.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

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There were no changes in the fair value hierarchy levels during the years ended December 31, 2019 and 2018.

The Company's liabilities that were measured at fair value on a non-recurring and recurring basis were converted into Series A-1 Preferred Stock as of December 31, 2019 and December 31, 2018. Per ASC 820, the fair values of convertible promissory notes are measured on a non-recurring basis at the relevant measurement date. The fair value of convertible promissory notes embedded derivative liability is measured on a recurring basis at the end of each reporting period.

Rollforward of Level 3 Liabilities Measured at Fair Value on a Non-Recurring Basis:

	December 31, 2019	December 31, 2018
Convertible promissory notes		
Beginning balance	$ —	$ 5,737,000
Amounts allocated to the embedded derivative liability at inception (at fair value)	(21,000)	(8,000)
Conversions from accounts payable into convertible promissory notes	134,800	—
Proceeds from issuances of convertible promissory notes	250,000	725,000
Conversions into Series A-1 Preferred Stock	(363,800)	(6,454,000)
Ending balance	$ —	$ —

Rollforward of Level 3 Liabilities Measured at Fair Value on a Recurring Basis:

Convertible promissory note embedded derivative liability		
Beginning balance	$ —	$ 369,000
Realized and unrealized gains and losses	2,000	167,000
Fair value of embedded derivative liability at inception	21,000	8,000
Amounts derecognized upon conversion of the related convertible promissory notes	(23,000)	(544,000)
Ending balance	$ —	$ —

Nonvested Stock Options—Pursuant to the Company's 2017 Stock Incentive Plan (the "Plan"), the Company has the ability to issue a variety of share-based payments and incentives to members, employees, and non-employees through grants of nonvested stock options. The vesting conditions include annual, monthly, and fully vested. Annual vesting conditions are for 4 years. Monthly vesting conditions range from 10 to 48 months. When nonvested stock options are vested, they become exercisable over a 10 year period from the grant date. Cost of nonvested options are determined by the fair market value of the Company's common stock.

Stock-Based Compensation—The Company records stock compensation expense related to the Plan in accordance with ASC 718, *Compensation—Stock Compensation*. The Company measures and recognizes stock compensation expense for all stock-based awards, including stock options, based on estimated fair values recognized using the straight-line method over the requisite service period. The fair value of stock options is estimated on the grant date using the Black-Scholes option-valuation model (the "Black-Scholes model"). The calculation of stock-based compensation expense requires that the Company make assumptions and judgments about the variables used in the Black-Scholes model, including the fair value of the Company's common stock, expected term, expected volatility of the underlying common stock, and risk-free interest rate. Forfeitures are accounted for when they occur.

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The board of directors' approach to estimating the fair value of the Company's common stock includes utilizing methods outlined in the American Institute of Certified Public Accountants' Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*.

The Company estimates the grant-date fair value of stock options using the Black-Scholes model and the assumptions used to value such stock options are determined as follows:

Expected Term. The expected term represents the period that the Company's stock options are expected to be outstanding. Due to limitations on the sale or transfer of the Company's common stock as a privately held company, the Company does not believe its historical exercise pattern is indicative of the pattern it will experience as a future publicly traded company. The Company has consequently used the Staff Accounting Bulletin ("SAB") No. 110, simplified method to calculate the expected term, which is the average of the contractual term and vesting period. The Company plans to continue to use the SAB 110 simplified method until it has sufficient trading history as a publicly traded company.

Risk-Free Interest Rate. The Company bases the risk-free interest rate used in the Black-Scholes model on the implied yield available on US Treasury zero-coupon issues with a term equivalent to that of the expected term of the stock options for each stock option group.

Volatility. The Company determines the price volatility based on the historical volatilities of industry peers as it has no trading history for its common stock price. The Company intends to continue to consistently apply this process using the same or a similar peer group of public companies, until a sufficient amount of historical information regarding the volatility of its own common stock price becomes available, or unless circumstances change such that the identified peer companies are no longer similar, in which case other suitable peer companies whose common stock prices are publicly available would be utilized in the calculation.

Dividend Yield. The expected dividend assumption is based on the Company's current expectations about its anticipated dividend policy. To date, the Company has not declared any dividends and, therefore, the Company has used an expected dividend yield of zero.

Common Stock Valuations. The fair value of the common stock underlying the Company's stock-based compensation grants has historically been determined by the Company's board of directors, with input from management and third-party valuations. The Company believes that the board of directors has the relevant experience and expertise to determine the fair value of the Company's common stock. Given the absence of a public trading market of the Company's common stock, and in accordance with the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*, the board of directors exercised reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of the fair value of the Company's common stock at each grant date. These factors include:

- valuations of the common stock performed by third-party specialists;
- the prices, rights, preferences, and privileges of the Company's Series A-1 Preferred Stock and Series B Preferred Stock relative to those of the Company's common stock;
- lack of marketability of the common stock;
- current business conditions and projections;
- hiring of key personnel and the experience of management;
- the Company's stage of development;

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- likelihood of achieving a liquidity event, such as an initial public offering, a merger or acquisition of the Company given prevailing market conditions, or other liquidation event;
- the market performance of comparable publicly traded companies; and
- the US and global capital market conditions.

In valuing the common stock, the board of directors determined the equity value of the Company's business using various valuation methods including combinations of income and market approaches. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in the Company's industry or similar business operations as of each valuation date and is adjusted to reflect the risks inherent in the Company's cash flows. The market approach references actual transactions involving (i) the subject being valued, or (ii) similar assets and/or enterprises.

For each valuation, the equity value determined by the income and market approaches was then allocated to the common stock using either the option pricing method ("OPM") or probability – weighted expected return model ("PWERM").

The option pricing method is based on the Black-Scholes option valuation model, which allows for the identification of a range of possible future outcomes, each with an associated probability. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. In general, while simple in its application, management did not use the OPM approach when considering allocation techniques for the valuation of equity interests in early stage, privately held life science companies. Management determined that applying the OPM would violate the major assumptions of the Black-Scholes option valuation model approach. Additionally, the simulation approach can generally be reasonably approximated by a scenario-based approach like the PWERM as described below.

PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise. This method is particularly useful when discrete future outcomes can be predicted at a relatively high confidence level with a probability distribution. Discrete future outcomes considered under the PWERM include an initial public offering, as well as non- initial public offering market-based outcomes. Determining the fair value of the enterprise using the PWERM requires the Company to develop assumptions and estimates for both the probability of an initial public offering liquidity event and stay private outcomes, as well as the values the Company expects those outcomes could yield. Since February 2018, the Company has valued its common stock based on a PWERM.

Application of the Company's approach involves the use of estimates, judgment, and assumptions that are highly complex and subjective, such as those regarding expected future revenue, expenses, and future cash flows, discount rates, market multiples, the selection of comparable companies, and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact valuations as of each valuation date and may have a material impact on the valuation of the common stock.

For valuations after the completion of an initial public offering, the board of directors will determine the fair value of each share of underlying common stock based on the closing price of the common stock as reported on the date of grant. Future expense amounts for any particular period could be affected by changes in assumptions or market conditions.

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Segment Data—The Company manages its operations as a single segment for the purposes of assessing performance and making operating decisions.

Reclassifications—Certain reclassifications have been made to the 2018 financial statements in order to conform to the 2019 presentation. Specifically, inventory balances have now been separately presented from prepaid expenses and other current assets. There were no changes to previously reported shareholders' equity or net loss as a result of the reclassifications.

Recently Issued Accounting Pronouncements—From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the impact of recently issued standards that are not yet effective will not have a material impact on the Company's financial position, results of operations, or cash flows upon adoption.

In February 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-02, *Leases* (Topic 842), which requires lessees to recognize the following for all leases (with the exception of short-term leases) at the commencement date: a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. In July 2018, the FASB issued ASU 2018-11 to amend certain aspects of Topic 842. These amendments provide entities with an additional (and optional) transition method to adopt Topic 842. Under this transition method, an entity initially applies the transition requirements in Topic 842 at that Topic's effective date with the effects of initially applying Topic 842 recognized as a cumulative effect adjustment to the opening balance of retained earnings (or other components of equity or net assets, as appropriate) in the period of adoption. On October 16, 2019, the FASB changed the effective date of this standard applicable to the Company as an emerging growth company to January 1, 2021. The Company is currently evaluating the potential impact of this standard on its financial position, results of operations, and cash flows.

In March 2016, FASB issued ASU 2016-09, *Stock Compensation—Improvements to Employee Share-Based Payment Accounting*. On January 1, 2018, the Company adopted the amendments to ASC 718, which simplify accounting for share based payment transactions. As part of the amendment, the Company has elected to recognize the actual forfeitures by reducing the employee share-based compensation expense in the same period as the forfeitures occur. The adoption did not result in a material impact on the Company's financial statements and related disclosures.

In June 2016, FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326)*. The amendments in ASU 2016-13 affect entities holding financial assets and net investment in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The amendments in ASU 2016-13 require a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) to present the net carrying value at the amount expected to be collected on the financial asset. On October 16, 2019, the FASB has changed the effective date of this standard applicable to the Company as an emerging growth company to January 1, 2023. The Company is currently evaluating the potential impact of this standard on its financial position, results of operations, and cash flows.

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On January 1, 2018, the Company adopted ASU 2018-07, *Improvements to Non-employee Share-Based Payment Accounting* (Topic 718). This standard expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from non-employees. FASB clarified that Topic 718 does not apply to share-based payments used to effectively provide financing to the issuer or awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under ASC 606 - Revenue from Contracts with Customers. Since the Company has not generated any revenue to date, this adoption did not result in a material impact on the Company's consolidated financial statements and related disclosures.

On January 1, 2019, the Company adopted ASU 2016-15 (Topic 230), *Classification of Certain Cash Receipts and Payments*, a new standard providing guidance on statement of cash flow classification on specific issues. The standard is effective for financial statements issued for fiscal periods beginning after December 15, 2018. It is required to be applied on a retrospective approach. The Company determined that this standard had no impact on its financial position, results of operations, and cash flows for the years ended December 31, 2019 and 2018, respectively.

3. NET LOSS PER COMMON SHARE

Basic and diluted net loss per common share is determined by dividing net loss less deemed dividends by the weighted-average common shares outstanding during the period. For all periods presented, the common shares underlying the stock options, the common shares underlying the Series B Preferred Stock, convertible promissory notes, and convertible preferred stock have been excluded from the calculation because their effect would be anti-dilutive. Therefore, the weighted-average common shares outstanding used to calculate both basic and diluted loss per common shares are the same. The following table illustrates the computation of basic and diluted earnings per share:

	Years Ended December 31,	
	2019	**2018**
Net loss per common share, basic and diluted		
Net loss	$ (3,727,900)	$ (3,815,700)
Less: Accretion and settlement of Series B Preferred Stock dividend	(40,000)	—
Less: Series B Preferred Stock discount amortization	(210,600)	—
Net loss attributable to common shareholders, basic and diluted	$ (3,978,500)	$ (3,815,700)
Weighted average common shares outstanding, basic and diluted	10,002,534	10,000,000
Net loss per common share, basic and diluted	$ (0.40)	$ (0.38)

For the years ended December 31, 2019 and 2018, potentially dilutive securities excluded from the computations of diluted weighted-average common shares outstanding were (in shares):

	2019	2018
Options to purchase	262,891	204,363
Series A-1 Preferred Stock	2,182,258	2,088,704
Series B Preferred Stock	986,959	—
Warrants underlying Series B Preferred Stock	2,928,914	—
Total	6,361,022	2,293,067

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Unaudited Pro Forma Net Loss Per Common Share

Upon the closing of the sale of shares of common stock to the public in an initial public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $20,000,000 of net proceeds to the Company, all shares of Series A-1 Preferred Stock and Series B Preferred Stock shall automatically be converted into shares of common stock at the then effective conversion rate. In addition, the warrants to purchase shares of common stock underlying Series B Preferred Stock were not considered in the calculation due to duration of the warrant vesting schedule in relation to Series B Preferred Stock issuance dates. No warrants would be exercisable based on the issuance date of the Series B Preferred Stock. The vesting schedule of the warrants is as follows:

- 30% of the warrants beginning six months after the date on which the securities of the Company are first listed on a United States national securities exchange (such date, the "Listing Date");
- An additional 30% of the warrants beginning nine months after the Listing Date; and
- The remainder of the warrants beginning twelve months after the Listing Date.

The unaudited pro forma basic and diluted net loss per common share for the year ended December 31, 2019 has been prepared to give effect to adjustments arising upon the completion of such public offering. The unaudited pro forma net loss attributable to common stockholders used in the calculation of unaudited pro forma basic and diluted net loss per common share does not include any pro forma adjustments to net loss.

The unaudited pro forma basic and diluted weighted-average common shares outstanding used in the calculation of unaudited pro forma basic and diluted net loss per common share for the year ended December 31, 2019 has been prepared to give effect, upon such a public offering, to the automatic conversion of all outstanding shares of Series A-1 Preferred Stock and Series Preferred B Stock into common stock as if the proposed public offering had occurred January 1, 2019 for any shares issued and outstanding on December 31, 2018 and on the date of issuance for any shares issued during the year ended December 31, 2019.

Pro forma basic and diluted net loss per share attributable to common stockholders was calculated as follows:

	Year Ended December 31, 2019
Numerator:	
Net loss	$ (3,727,900)
Pro forma net loss - basic and diluted	$ (3,727,900)
Denominator:	
Weighted-average common stock outstanding - basic and diluted	10,002,534
Pro forma adjustment to reflect automatic conversion of Series A-1 Preferred Stock to common stock upon the completion of the proposed initial public offering	2,124,321
Pro forma adjustment to reflect automatic conversion of Series B Preferred Stock to common stock upon the completion of the proposed initial public offering	216,956
Pro forma weighted-average common stock outstanding - basic and diluted	12,343,811
Pro forma net loss per common share - basic and diluted	$ (0.30)

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4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2019	2018
Equipment	$ 488,800	$ 158,000
Leasehold improvements	302,700	282,600
Office furniture, fixtures, and equipment	16,600	10,100
Software	141,500	121,500
	949,600	572,200
Less: Accumulated depreciation	(361,700)	(274,200)
Total	$ 587,900	$ 298,000

Depreciation expense was $87,500 and $80,900 for the years ended December 31, 2019 and 2018, respectively. Depreciation expense is recorded within general and administrative operating expenses on the consolidated statements of operations.

5. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following at December 31:

	2019	2018
Accrued consulting and outside services	$221,300	$221,300
Accrued compensation	—	145,000
Accrued other	—	6,300
Total	$221,300	$372,600

6. CONVERTIBLE PROMISSORY NOTES

Starting in June 2016, the Company sold convertible promissory notes to certain investors to help finance its operations. The convertible promissory notes were in amounts ranging from $12,500 to $500,000, earning annual interest between 6% and 17% and all maturing either on June 1, 2019, January 2, 2020, or June 30, 2020 (the “Maturity Date”).

The convertible promissory notes were convertible into shares issued in the Company’s Next Financing Close by dividing the total amount of convertible promissory notes, plus accrued interest (the “Balance”) by the applicable conversion price, as defined in the convertible promissory notes. If the convertible promissory notes have not been converted, the Balance shall be payable in full if the Company consummates a change of control transaction. If there has not been a Next Financing Close or a change in control by the Maturity Date, then at the noteholders’ option, the Company shall either repay the Balance then outstanding or convert into the Company’s common stock at a set conversion price then in effect, as defined in the convertible promissory notes.

The estimated fair value of the conversion discount related embedded derivative was determined using a probability-weighted expected return model. The probability of a Next Financing Close occurring prior to the Maturity Date was determined to be 55% during the years ended December 31, 2019 and 2018. The net present value of the conversion discount related embedded derivative was measured using a discount rate of 25% as of

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December 31, 2019 and 50% as of December 31, 2018. Below is a table that outlines the initial value of issuances and the bifurcated embedded derivative liability during the years ended December 31:

	2019	2018
Convertible promissory notes- issuances	$250,000	$ 725,000
Conversion of accounts payable into convertible promissory notes	134,800	—
Total issuances and conversions into convertible promissory notes	384,800	725,000
Embedded derivative liability		
Initial fair value upon issuance of convertible promissory notes	21,000	271,000
Change in fair value	2,000	273,000
Converted embedded derivative liability into Series A-1 Preferred Stock	(23,000)	(544,000)
Embedded derivative liability balance at December 31	$ —	$ —

On August 15, 2019, each holder of convertible promissory notes issued during 2019 agreed to voluntarily convert the amounts of principal and interest then outstanding into shares of Series A-1 Preferred Stock. See Note 8 for further details. No additional convertible promissory notes were issued for the year ended December 31, 2019 following the conversion on August 15, 2019.

On December 20, 2018, the Company closed the capital raise of Series A-1 Preferred Stock, which qualified as the Next Financing Close. In accordance with the convertible promissory notes, all of the convertible promissory notes were converted into Series A-1 Preferred Stock. See Note 8 for further details. No additional convertible promissory notes were issued for the year ended December 31, 2018 following the conversion on December 20, 2018.

7. COMMITMENTS AND CONTINGENCIES

Facility Lease Agreements—The Company leases its premises in Houston, Texas under a noncancelable operating lease expiring in May 2021. The lease renewal which occurred in 2019 resulted in an expansion to the lease of approximately 4,100 square feet. The Company may extend this lease for up to two years. The total lease payments per month will be $21,353 beginning January 1, 2020. The Company records rent expense on a straight-line basis over the term of the respective leases.

As of December 31, 2019, future minimum commitments under facility lease agreements were as follows:

	Amount
2020	256,200
2021	85,400
Total	$ 341,600

Annual rent expense for the facility lease agreements was $129,100 and $156,700 for the years ended December 31, 2019 and 2018, respectively, and is included as an allocation between research and development and general and administrative expense in the consolidated statements of operations.

License Agreements—The Company has entered into a number of licensing arrangements for various intellectual property and licensed patent rights for technologies being developed for commercial sale. As part of these arrangements, the Company is subject to contingent milestone payments in accordance with agreed-upon

development objectives, as well as future royalty payments on product sales of the underlying assets. As of December 31, 2019 and 2018, the Company has not incurred any milestone or royalty liabilities related to these license agreements.

Legal Proceedings—In the normal course of business, the Company may have various claims in process and other contingencies. The Company regularly assesses all contingencies and believes, based on information presently known, the Company is not involved in any matters that would have a material effect on the Company's financial position.

8. STOCKHOLDERS' EQUITY

Third Amended and Restated Certificate of Incorporation

On December 16, 2019, the Company amended and restated its certificate of incorporation,

The amendments to the Charter are the following:

(i) Change the name of the Company to "Kiromic BioPharma, Inc.",

(ii) 1-for-10 reverse split of the Company's outstanding shares of Common Stock. Shares of common stock have been retrospectively revised to reflect the reverse split,

(iii) Increase the Company's authorized Preferred Stock to 60,000,000 shares,

(iv) Change the par value of the Preferred Stock, from $0.01 to $0.0001 per share

Following the amendments to the Charter, the Company had 21,869,565 remaining shares of Preferred Stock authorized for issuance. The total authorized 60,000,000 Preferred Stock shares was reduced by 24,000,000 shares designated as Series A-1 Preferred Stock and 14,130,435 shares designated as Series B Preferred Stock.

Common Stock—From inception in December 2012 through May 2016, the Company raised proceeds from capital contributions for common stock at a $0.001 par value, net of redemptions, totaling $6,214,800. When the Company converted from Kiromic, LLC to Kiromic, Inc., the shares converted from two classes to a single class of common stock. At the time of conversion, the par value on the two classes of common stock eliminated, and the par value of common stock transferred entirely into additional paid-in capital. Other than from proceeds for the exercise of vested stock options, there were no additional raises from common stock that occurred in the years ended December 31, 2019 or 2018.

The Company authorized shares of 300,000,000 as of December 31, 2019 and 2018, respectively. The certificate of incorporation authorizing 600,000,000 shares was dated May 27, 2016. The Company amended its certificate of incorporation on December 20, 2018 to reduce the number of authorized shares. As of December 31, 2019 and 2018, the Company issued 10,006,005 and 10,000,005 shares of common stock, respectively.

Each holder of outstanding shares of common stock shall be entitled to one vote in respect of each share. The number of authorized shares of common stock may be increased or decreased by the affirmative vote of a majority of the outstanding shares of common stock and preferred stock voting together as a single class.

The Company has never paid dividends and has no plans to pay dividends on common stock. As of December 31, 2017, the Company adopted a stock option plan. On September 25, 2019, the board of directors approved an additional 10,000,000 shares to be reserved and authorized under the Plan. This approval increased the total number of authorized shares from 20,000,000 to 30,000,000. After the 1-for-10 reverse stock split, the total number of authorized shares was updated to 3,000,000.

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There were 904,351 shares and 181,352 shares available for issuance as of December 31, 2019 and 2018, respectively (see Note 9). In the year ended December 31, 2019, option grantees exercised their option to purchase 6,000 shares of common stock for $1.90 per share for proceeds of $11,400. No options were exercised in 2018.

Series A-1 Preferred Stock—Between June 8, 2018 and August 14, 2018, the Company entered into agreements to issue preferred stock and received advances of $900,000. The advances received under the agreements were recorded as liabilities until the preferred stock was issued and bore interest at a rate of 6.5%. The agreements were amended on September 10, 2018, when, in exchange for additional preferred stock to be issued, the advances no longer bore interest. On December 20, 2018, 2,032,749 shares of Series A-1 Preferred Stock were issued for the $912,800, representing the advances received and accrued interest through September 10, 2018.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company or the occurrence of a liquidation the holders of the shares of Series A-1 Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its stockholders, before any payment shall be made to the holders of common stock by reason of their ownership thereof, an amount per share equal to $0.50, the Original Issue Price.

On matters submitted to a vote of the stockholders of the Company, Series A-1 Preferred Stock and common stock (see above) vote together as one class, with the vote of the Series A-1 Preferred Stock on an as-converted basis. Each holder of Series A-1 Preferred Stock shall have a number of votes equal to the shares of common stock into which the shares of Series A-1 Preferred Stock held by such holder are then convertible.

With respect rights on liquidation, winding up and dissolution, shares of Series A-1 Preferred Stock rank senior to all shares of common stock.

Each share of Series A-1 Preferred Stock is convertible at any time at the option of the holder at the then current conversion rate. In addition, upon the closing of the sale of shares of common stock to the public in an initial public offering pursuant to an effective registration statement under the Securities Act resulting in at least $20,000,000 of net proceeds to the Company, all shares of preferred stock shall automatically be converted into shares of common stock at the then effective conversion rate.

Series B Preferred Stock—On September 13, 2019, the Company amended and restated its certificate of incorporation to authorize the issuance of up to 14,130,435 shares of Series B Preferred Stock. On September 13, 2019, the Company sold 7,608,696 shares of Series B Preferred Stock for $3,500,000. On November 13, 2019, the Company issued an additional 2,173,913 shares of Series B Preferred Stock for $1,000,000. In connection with the sale of the Series B Preferred Stock, each investor was issued warrants to purchase 0.3 shares of Common Stock for each share of Series B Preferred Stock purchased at a price of $0.001 per share of common stock (“Warrants”). See below for further details.

Until the effective date of the Charter, shares of Series B Preferred Stock had accrued unpaid dividends at an annual rate of 6% per share. The amended and restated certificate of incorporation eliminated the clause requiring the dividend accrual. In addition, on December 6, 2019, the Series B Preferred Stock investors voted in favor of forfeiting all accrued and unpaid dividends, along with all future dividends. In exchange, the Company issued 87,050 shares of Series B Preferred Stock to the investors. The Company treated this transaction as accretion and settlement of a Series B Preferred Stock dividends in the amount of $40,000. Accordingly, additional paid-in capital was reduced by $40,000.

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The Series B Preferred Stock conversion price shall initially be equal to the Series B Preferred Stock Original Issue Price of $0.46 per share divided by the rate at which shares of Series B Preferred Stock may be converted into shares of common stock. The holders of the Series B Preferred Stock held a special redemption right. In the event the Company had not filed an initial registration statement with the United States Securities and Exchange Commission and submitted an application to be listed on the Nasdaq Stock market on or prior to November 15, 2019, subject to Delaware law governing distributions to stockholders and the Company's ability to redeem its shares, all or part of the shares of Series B Preferred Stock held by any holder of record as of such date of shares of Series B Preferred Stock with an aggregate purchase price of at least $1,000,000 shall thereafter be redeemable at the option of such holders of record commencing any time on or after November 16, 2019 at a price equal to the purchase price paid for such shares plus all unpaid dividends accrued on such shares. Also, in the event that the Company was not ultimately approved for listing on a Nasdaq Stock Market tier lower than the Nasdaq Global Select Market, the special redemption right would remain in effect and may have been exercisable on any date thereafter. If the Company was unable to execute a redemption upon request of a holder, interest would accrue on the shares at rate of 14.6%, or warrants underlying the shares would be exercisable and the fair market value of the shares of common stock received in connection therewith would be treated as payment in exchange for the shares of Series B Preferred Stock submitted for redemption by such holder.

On November 12, 2019 and November 13, 2019, the Series B Preferred Stock investors signed waivers, which provided consent to the Company to eliminate the special redemption right. When the Company amended and restated the Charter on December 16, 2019, the special redemption right provision was eliminated.

The elimination of the special redemption right allows for permanent equity classification for the Series B Preferred Stock. Since the Warrants are equity classified, the Company allocated the relative fair value of the cash proceeds between the Series B Preferred Stock and the Warrants. The fair value of the Warrants is offset by a contra account, which is classified as a discount to the Series B Preferred Stock. The discount is amortized using the effective interest method at an effective interest rate of 28% per annum. Below is a table that outlines the initial value of issuances allocated to Series B Preferred Stock and the Series B Preferred Stock discount amortized during the year ended December 31, 2019:

	December 31, 2019
Series B Preferred Stock proceeds	$ 4,500,000
Series B Preferred Stock discount	(3,443,700)
Series B Preferred Stock discount amortization	210,600
Accretion and settlement of Series B Preferred Stock dividend	40,000
Series B Preferred Stock ending balance	$ 1,266,900

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company or the occurrence of a liquidation, the holders of the shares of Series B Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its stockholders, before any payment shall be made to the holders of common stock by reason of their ownership thereof, an amount per share equal to $0.46, the Original Issue Price.

On matters submitted to a vote of the stockholders of the Company, Series B Preferred Stock, Series A-1 Preferred Stock, and common stock (see below) vote together as one class, with the vote of the Series B Preferred Stock on an as-converted basis. Each holder of Series B Preferred Stock shall have a number of votes equal to the

shares of common stock into which the shares of Series B Preferred Stock held by such holder are then convertible.

With respect rights on liquidation, winding up and dissolution, shares of Series B Preferred Stock rank senior to all shares of common stock, but not senior to Series A-1 Preferred Stock.

Each share of Series B Preferred Stock is convertible at any time at the option of the holder at the then current conversion rate. In addition, upon the closing of the sale of shares of common stock to the public in an initial public offering pursuant to an effective registration statement under the Securities Act resulting in at least $20,000,000 of net proceeds to the Company, all shares of preferred stock shall automatically be converted into shares of common stock at the then effective conversion rate.

Conversion of Convertible Promissory Notes—On December 20, 2018, the Company's certificate of incorporation was amended to authorize 24,000,000 shares Series A-1 Preferred Stock. This amendment qualified as the Next Financing Close with respect to the convertible promissory notes. Therefore, the outstanding principal and accrued interest was converted into Series A-1 Preferred Stock. At the time of conversion, outstanding principal and accrued interest of the convertible promissory notes totaled $7,541,600. Per the convertible promissory notes, the conversion price was $0.40. Accordingly, 18,854,033 shares were issued to convert the outstanding principal and accrued interest into Series A-1 Preferred Stock.

On August 15, 2019, each holder of convertible promissory notes issued during 2019 agreed to voluntarily convert the amounts of principal and interest then outstanding into shares of Series A-1 Preferred Stock. At the time of conversion, outstanding principal and accrued interest of the convertible promissory notes totaled $405,300. Per the convertible promissory notes, the notes containing a $250,000 principal balance with a 17% coupon rate had a conversion price of $0.43. Additionally, the Company settled an accounts payable with a vendor by issuing a convertible promissory note in the amount of $134,800 with a 6% coupon rate, with a conversion rate of $0.43. Accordingly, 935,519 shares were issued to convert the outstanding principal and accrued interest into Series A-1 Preferred Stock.

Warrants Underlying Series B Preferred Stock—In connection with the sale of the Series B Preferred Stock, each investor was issued warrants to purchase 0.3 shares of common stock for each share of Series B Preferred Stock purchased at a price of $0.001 per share of common stock ("Warrants"). The Warrants become exercisable in accordance with the schedule set forth below following completion by the Company of an initial public offering and thereafter may be exercised at any time prior to expiration ten years from the date of issuance.

- 30% of the warrants beginning six months after the date on which the securities of the Company are first listed on a United States national securities exchange (such date, the "Listing Date");
- An additional 30% of the warrants beginning nine months after the Listing Date; and
- The remainder of the warrants beginning twelve months after the Listing Date.

As of December 31, 2019, the Company sold 9,782,609 shares of Series B Preferred Stock, which contained 2,934,783 underlying warrants to purchase common stock based on the exercise price and vesting schedule outlined above. These warrants are equity classified and the fair value of $3,233,000 is reflected as additional paid-in capital.

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The Black-Scholes option-pricing model was used to estimate the fair value of the warrants with the following weighted-average assumptions for the years ended December 31, 2019:

	December 31, 2019
Risk-free interest rate	1.54% - 1.88%
Expected volatility	71.95% - 72.20%
Expected life (years)	10.00
Expected dividend yield	0%

9. STOCK-BASED COMPENSATION

2017 Stock Incentive Plan

In January 2017, the Company's board of directors approved the adoption of the Plan. The Plan permits the Company to grant up to 3,000,000 shares of the Company's common stock awards, including incentive stock options; non-statutory stock options; and conditional share awards to employees, directors, and consultants of the Company. All granted shares that are canceled, forfeited, or expired are returned to the Plan and are available for grant in conjunction with the issuance of new common stock awards. Stock options granted are exercisable over a maximum term of 10 years from the date of grant and generally vest over an agreed service period.

The Black-Scholes option-pricing model was used to estimate the fair value of stock options with the following weighted-average assumptions for the years ended December 31:

	2019	2018
Risk-free interest rate	1.60% - 2.92%	2.24% - 2.92%
Expected volatility	72.29% - 78.16%	74.54% - 78.16%
Expected life (years)	4.93 – 6.07	4.93 – 6.01
Expected dividend yield	0%	0%

The fair value of the common shares underlying the stock options has historically been determined by the board of directors, with input from management. Because there was no public market for Company's common shares, the board of directors determined the fair value of the common shares at the time of grant of the stock option by considering a number of objective and subjective factors, including important developments in the Company's operations, third-party valuations performed, sales of Series A-1 Preferred Stock, sales of Series B Preferred Stock, actual operating results and financial performance, the conditions in the biotechnology industry and the economy in general, the stock price performance and volatility of comparable public companies, and the lack of liquidity of the Company's common shares, among other factors.

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The following table summarizes the activity for all stock options outstanding at December 31 under the Plan:

	2019		2018	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Options outstanding at beginning of year	1,818,649	$ 2.47	1,229,812	$ 1.90
Granted	732,000	4.95	873,900	3.25
Exercised	(6,000)	1.90		
Cancelled and forfeited	(455,000)	3.31	(285,063)	2.40
Balance at December 31	2,089,649	$ 3.18	1,818,649	$ 2.47
Options exercisable at December 31:	1,287,632	$ 2.21	1,191,649	$ 2.07
Weighted average grant date fair value for options granted during the year:		$ 3.10		$ 1.81

The following table summarizes additional information about stock options outstanding and exercisable at December 31, 2019 and 2018 under the Plan. The intrinsic value of options exercised during the year ended December 31, 2019 was $17,600.

	Options Outstanding				Options Exercisable		
Year Ended December 31,	Options Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Aggregate Intrinsic Value	Options Exercisable	Weighted Average Exercise Price	Aggregate Intrinsic Value
2018	1,818,649	9.16	$ 2.47	$ 1,687,000	1,191,649	$ 2.07	$ 1,589,500
2019	2,089,649	8.07	$ 3.18	$ 19,163,700	1,287,632	$ 2.21	$ 13,031,000

Total stock compensation expense recognized for all stock-based compensation awards recognized in the consolidated statements of operations for the years ended December 31, 2019 and 2018, is as follows:

	2019	2018
Research and development	$332,000	$303,000
General and administrative	190,900	330,000
Total	$522,900	$633,000

As of December 31, 2019, total unrecognized stock compensation expense is $2,354,097, related to unvested stock options to be recognized over the remaining weighted-average vesting period of 3.5 years.

10. INCOME TAXES

For the years ended December 31, 2019 and 2018, the Company recognized no provision or benefit from income taxes.

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The following is a reconciliation of the effective income tax rate to the statutory federal income tax rate for the years ended December 31, 2019 and 2018.

	2019	2018
Federal income tax at statutory rates	21.00%	21.00%
Federal income tax rate reduction	— %	— %
Change in valuation allowance	(21.00)%	(21.00)%
Effective income tax rate	— %	— %

Deferred income taxes reflect the net effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company's deferred tax assets relate primarily to its net operating loss carryforwards and other balance sheet basis differences. The Company recorded a valuation allowance to fully offset the net deferred tax asset, because it is more likely than not that the Company will not realize future benefits associated with these deferred tax assets as of December 31, 2019 and 2018 due to the significant uncertainty about the realization of the deferred tax asset until the Company can operate profitably.

The Tax Cuts and Jobs Act was enacted on December 22, 2017, and has several key provisions that significantly changed US tax law by, including lowering US corporate income tax rate to 21%, creating a new limitation on deductible interest expense, and changing rules related to use and limitations of net operating loss carryforwards for tax years beginning after December 31, 2017.

The tax effects of temporary differences and carryforwards that give rise to significant portions of the deferred tax assets are as follows:

	2019	2018
Deferred tax assets (liabilities):		
Net operating loss carryforward	$ 2,605,400	$ 1,941,000
Stock compensation expense	597,400	487,600
Intangible assets	27,800	36,100
Total gross deferred tax assets	3,230,600	2,464,700
Valuation allowance	(3,198,100)	(2,455,100)
Property and equipment	(32,500)	(9,600)
Net deferred tax assets (liabilities)	$ —	$ —

As of December 31, 2019 and 2018, the Company has a US net operating loss ("NOL") carryforward of $12,406,800 and $9,242,900, respectively. The NOL carryforwards may be subject to annual limitations due to "change in ownership" provisions of Internal Revenue Code Section 382 ("Section 382") that can be triggered due to future ownership changes. Additionally, the NOL loss carryforwards are subject to examination and adjustments by the Internal Revenue Service until the statute of limitations closes on the year in which the NOL is utilized.

As of December 31, 2019 and 2018, there were no material uncertain tax positions taken by the Company. Additionally, the Company does not expect any unrecognized tax benefits to change significantly over the next twelve months.

As of December 31, 2019, the Company is not currently under audit by any income tax authority.

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11. RELATED PARTY TRANSACTIONS

Through December 31, 2019, the Company maintained three separate consulting agreements with the Company's Chief Strategy and Innovation Officer (the "CSO"), the Chief Financial Officer and Chief Operating Officer (the "CFO and COO"), and the Chief Medical Officer (the "CMO").

Beginning in the year ended December 31, 2014, the Company entered into its first consulting agreement with the CSO. Pursuant to the amended agreement dated July 20, 2018, the CSO is entitled to a consulting fee of $400 per hour, provided that he is limited to nineteen (19) hours per month unless he obtains approval from the Company's Chief Executive Officer. The consulting agreement indicates that the CSO will provide a leadership role for the Company's business development strategies. The consulting fees paid to the CSO totaled $207,800 and $119,100 in the years ended December 31, 2019 and 2018, respectively.

Beginning in the year ended December 31, 2018, the Company entered into our first consulting agreement with the CFO and COO. Initially, his title was "Consultant", and the Company changed his title to CFO and COO on October 25, 2019. The CFO and COO was elected as a director of the Company on January 17, 2020. Pursuant to the agreement on April 18, 2018 and amended on September 4, 2019, the CFO is entitled to a consulting fee of $2,500 per month amended to $10,000 per month. The consulting fees paid to the CFO totaled $67,500 and $22,500 in the years ended December 31, 2019 and 2018, respectively.

Beginning in the year ended December 31, 2018, the Company entered into its first consulting agreement with the CMO. Pursuant to the amended agreement on August 1, 2019, the CMO is entitled to a consulting fee of $400 per hour. The consulting agreement indicates that the CMO will direct the development of clinical strategies and plans to integrate the Company's compounds into standard medical practice. The consulting fees paid to the CMO totaled $182,800 and $12,500 in the years ended December 31, 2019 and 2018, respectively.

12. SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the consolidated balance sheet date through April 6, 2020, the date at which the consolidated financial statements were available to be issued, and determined that other than the events mentioned below, no events or transactions occurred that are required to be disclosed.

Preferred Share Issuance

On January 24, 2020, the Company issued 4,782,608 shares of Series B Preferred Stock for $2,200,000. On January 29, 2020, the Company filed a certificate of correction to its amended and restated its certificate of incorporation to authorize the issuance of up to 16,500,000 shares of Series B Preferred Stock. On January 31, 2020, the Company issued an additional 1,739,130 shares of Series B Preferred Stock for $800,000.

In connection with the sale of the Series B Preferred Stock, each investor was issued warrants to purchase three shares of common stock for each share of Series B Preferred Stock purchased at a price of $0.001 per share of common stock ("Warrants"). The Warrants become exercisable in accordance with the schedule set forth below following completion by the Company of an initial public offering and thereafter may be exercised at any time prior to expiration ten years from the date of issuance.

- 30% of the warrants beginning six months after the date on which the securities of the Company are first listed on a United States national securities exchange (such date, the "Listing Date");

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- An additional 30% of the warrants beginning nine months after the Listing Date; and
- The remainder of the warrants beginning twelve months after the Listing Date.

The Series B Preferred Stock conversion price shall initially be equal to the Series B Preferred Stock Original Issue Price of $4.60 per share divided by the rate at which shares of Series B Preferred Stock may be converted into shares of common stock.

Capital Expenditures

On January 6, 2020, the Board of Directors approved construction of the Company's Good Manufacturing Practices ("GMP") and Vivarium facility. The GMP and Vivarium are being built on the expansion to the Houston lease, which has approximately 4,100 square feet. The initial approved cost of the facilities totaled $598,900.

On March 17, 2020, the Board of Directors approved additional capital expenditures for two clean rooms and office re-modeling within the Vivarium. The cost of these additions totaled $238,200.

Joint Venture Agreement

On April 3, 2020, the Company entered into a joint venture agreement ("Joint Venture") with Molipharma, S.R.L. ("Molipharma") to collaborate in (1) a clinical trial program in oncology development ("Oncology") and (2) a clinical trial program in COVID-19 Vaccine ("COVID-19 Vaccine"). Molipharma was founded in part by one of our directors, Americo Cicchetti. Mr. Cicchetti is also the Chief Executive Officer and Director of Molipharma.

With respect to Oncology, the Company will grant a low single digit royalty to Molipharma for turnover of the marketing of ovarian cancer research in Europe. With respect to COVID-19 Vaccine, economic rights in Europe will transfer to Molipharma, and economic rights in the United States will transfer to the Company. Molipharma agreed to undertake to financially support the research program for COVID-19 and the Company agreed to financially support the research program in oncology. The Joint Venture has a duration of five years, extendable for a further five years, unless notice of non-renewal is sent one year before the expiration date. The parties may withdraw from the Joint Venture only for serious and justified reasons or by mutual consent.

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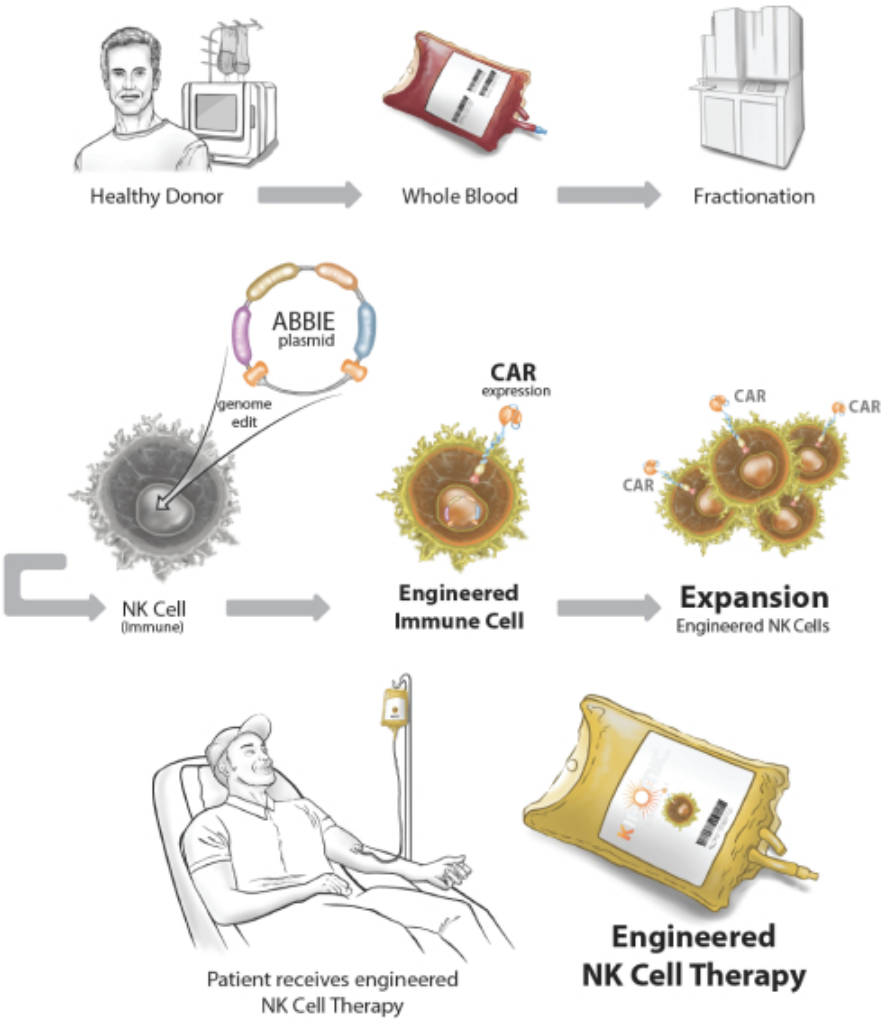

[ ] Shares of Common Stock

Kiromic BioPharma, Inc.

PROSPECTUS

ThinkEquity
a division of Fordham Financial Management, Inc.

[ ], 2020

Through and including , 2020 (the 25th day after the date of this offering), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by us in connection with the sale of common shares being registered. All amounts, other than the SEC registration fee, Nasdaq listing fee and FINRA filing fee, are estimates. We will pay all these expenses.

	Amount
SEC registration fee	$ 2,596
FINRA fee	3,500
Nasdaq listing fee	55,000
Accounting fees and expenses	200,000
Legal fees and expenses	
Transfer agent fees and expenses	1,000
Printing and related fees	130,000
Miscellaneous fees	
Total	$

Item 14. Indemnification of Directors and Officers

Section 145 of the General Corporation Law of the State of Delaware provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement in connection with specified actions, suits and proceedings whether civil, criminal, administrative, or investigative, other than a derivative action by or in the right of the corporation, if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful. A similar standard is applicable in the case of derivative actions, except that indemnification extends only to expenses, including attorneys' fees, incurred in connection with the defense or settlement of such action and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's certificate of incorporation, bylaws, disinterested director vote, stockholder vote, agreement or otherwise.

Our certificate of incorporation and bylaws provide for indemnification of directors and officers to the fullest extent permitted by law, including payment of expenses in advance of resolution of any such matter.

We intend to enter into separate indemnification agreements with our directors and officers. Each indemnification agreement will provide, among other things, for indemnification to the fullest extent permitted by law and our certificate of incorporation and bylaws against any and all expenses, judgments, fines, penalties and amounts paid in settlement of any claim. The indemnification agreements will provide for the advancement or payment of all expenses to the indemnitee and for reimbursement to us if it is found that such indemnitee is not entitled to such indemnification under applicable law and our certificate of incorporation and bylaws.

We maintain standard policies of insurance under which coverage is provided (a) to our directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act, and (b) to us with respect to payments which we may make to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us under the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Item 15. Recent Sales of Unregistered Securities

During the past three years, we issued the following securities, which were not registered under the Securities Act.

Starting in June 2016, we sold convertible promissory notes to certain investors to help finance our operations. The notes were in amounts ranging from $12,500 to $500,000, earning annual interest at 7% and all maturing on June 1, 2019. As of December 31, 2017, the outstanding balance on these notes was $6,106,000. The notes were convertible into shares issued in our next financing (as defined in the notes) by dividing the total amount of convertible promissory notes, plus accrued interest, by the applicable conversion price (defined generally as 80% of the lowest per share selling price in the next financing).

On December 20, 2018, following the issuance of shares of Series A-1 Preferred Stock described below, the outstanding principal and accrued interest was converted into shares of series A-1 preferred stock. At the time of conversion, the outstanding principal and accrued interest of the notes totaled approximately $7,541,600. Accordingly, the notes were converted into an aggregate of 18,854,033 shares of Series A-1 Preferred Stock at a conversion price of $0.40 per share.

Between June 8, 2018 and August 14, 2018, we entered into agreements to issue preferred stock and received advances of $900,000. The advances received under the agreements were recorded as liabilities until the preferred stock was issued and bore interest at a rate of 6.5%. The agreements were amended on September 10, 2018, when, in exchange for additional preferred stock to be issued, the advances no longer bore interest. On December 20, 2018, 2,032,749 shares of Series A-1 Preferred Stock were issued for $912,800, representing the advances received and accrued interest through September 10, 2018.

During 2019, we issued additional convertible promissory notes in the aggregate principal amount of $250,000 to certain investors. The notes accrued interest at a rate of 17% and were to mature on June 1, 2021. These notes were convertible into shares issued in our next financing (as defined in the notes) by dividing the total amount of notes, plus accrued interest, by the applicable conversion price (defined generally as 85% of the lowest per share selling price in the next financing). Prior to the issuance of shares of Series B Preferred Stock (as discussed below), each holder agreed to voluntarily convert the amounts of principal and interest then outstanding into shares of Series A-1 Preferred Stock. Therefore, on August 15, 2019, these notes were converted into an aggregate of 632,123 shares of series A-1 preferred stock at a conversion price of $0.43 per share.

In addition, during 2019, we settled an outstanding account payable with a vendor in the amount of $134,600 by issuing to that vendor a convertible promissory note for the amount owed. That convertible promissory note accrued interest at a rate of 6% and was to mature on June 30, 2020. This note was convertible into shares issued in our next financing (as defined in the note) by dividing the total amount of the convertible promissory note, plus accrued interest, by the applicable conversion price (defined generally as 90% of the lowest per share selling price in the next financing). Prior to the issuance of shares of Series B Preferred Stock (as discussed below), the holder agreed to voluntarily convert the amounts of principal and interest then outstanding into shares of Series A-1 Preferred Stock. Therefore, on August 15, 2019, this note was converted into 303,396 shares of Series A-1 Preferred Stock at a conversion price of $0.45 per share.

On September 7, 2019, we entered into a Series B Preferred Stock purchase agreement with certain investors for the sale of shares of our series B preferred stock at a price of $0.46 per share. On September 13, 2019, we sold an aggregate of 7,608,696 shares for total gross proceeds of approximately $3,500,000. On November 13, 2019, we sold an additional 2,173,913 shares for gross proceeds of $1,000,000. The shares of Series B Preferred Stock had accrued unpaid dividends at an annual rate of 6% per share. On December 6, 2019, the Series B Preferred Stock investors voted in favor of forfeiting all accrued and unpaid dividends, along with all future dividends. In exchange, we issued 87,050 shares of Series B Preferred Stock to the investors.

On January 24, 2020, the Company issued 4,782,608 shares of Series B Preferred Stock for $2,200,000. On January 29, 2020, the Company filed a certificate of correction to its amended and restated its certificate of

incorporation to authorize the issuance of up to 16,500,000 shares of Series B Preferred Stock. On January 31, 2020, the Company issued an additional 1,739,130 shares of Series B Preferred Stock for $800,000.

We also issued each investor a warrant to purchase 0.3 shares of common stock for each series B preferred share purchased, or warrants for an aggregate of 4,891,306 shares of common stock. The warrants have an exercise price of $0.001 per share and expire ten years after the date of issuance. The warrants are exercisable as follows: (i) 30% of the shares underlying the warrants are exercisable from the date that is six months after the date on which our securities are first listed on a U.S. national securities exchange, (ii) an additional 30% of the shares underlying the warrants are exercisable nine months after such listing date, and (iii) the remaining shares underlying the warrants are exercisable twelve months after such listing date. See "Description of Securities" for more information regarding our Series B Preferred Stock and the warrants issued in this financing.

No underwriters were involved in these issuances. We believe that each of the above issuances was exempt from registration under the Securities Act in reliance on Regulation S under the Securities Act or pursuant to Section 4(2) of the Securities Act regarding transactions not involving a public offering.

Item 16. Exhibits.

(a) Exhibits

Exhibit No.	Description
1.1**	Form of Underwriting Agreement
3.1*	Third Amended and Restated Certificate of Incorporation of Kiromic BioPharma, Inc., as amended
3.2*	Amended and Restated Bylaws of Kiromic BioPharma, Inc.
4.1*	Form of Warrant to Purchase Common Stock
4.2**	Form of Representative's Warrant
5.1**	Opinion of Sheppard Mullin Richter & Hampton, LLP
10.1*	Series B Preferred Stock Purchase Agreement, dated September 7, 2019, among Kiromic BioPharma, Inc. and certain investors
10.2*	Investors' Rights Agreement, dated September 7, 2019, among Kiromic BioPharma, Inc. and certain investors
10.3*	Right of First Refusal and Co-Sale Agreement, dated September 7, 2019, among Kiromic BioPharma, Inc., certain investors and certain stockholders
10.4*	Voting Agreement, dated September 7, 2019, among Kiromic BioPharma, Inc., certain investors and certain stockholders
10.5*	Form of Securities Purchase Agreement for Series A-1 Preferred Stock
10.6*	Convertible Promissory Note issued by Kiromic BioPharma, Inc. to Prevail Partners on May 30, 2019
10.7*	Form of 17% Convertible Promissory Note issued by Kiromic BioPharma, Inc. to certain investors
10.8*	Form of 7% Convertible Promissory Note issued by Kiromic BioPharma, Inc. to certain investors
10.9*	Stockholders' Agreement, dated May 27, 2016, among Kiromic BioPharma, Inc. and certain stockholders
10.10*#	License Agreement, dated December 1, 2016, between Mercer University and Kiromic BioPharma, Inc.
10.11*#	License Agreement, dated September 14, 2018, between CGA 369 Intellectual Holdings, Inc. and Kiromic BioPharma, Inc.

Exhibit No.	Description
10.12*#	Amendment to License Agreement, dated October 16, 2019, between CGA 369 Intellectual Holdings, Inc. and Kiromic BioPharma, Inc.
10.13*#	License Agreement, effective March 25, 2020, between Longwood University and Kiromic BioPharma, Inc.
10.14*#	Grant Agreement, dated February 6, 2020, between University of Texas MD Anderson Cancer Center and Kiromic BioPharma, Inc.
10.15*	Lease Agreement, dated October 9, 2015, between Timothy L. Sharma d/b/a Cambridge Properties and Kiromic, Inc.
10.16*	Second Amendment to Lease Agreement, dated May 6, 2016, between Cambridge Properties and Kiromic, Inc.
10.17*	Third Amendment to Lease Agreement, dated November 7, 2018, between Cambridge Properties and Kiromic, Inc.
10.18*	Fourth Amendment to Lease Agreement, dated October 8, 2019, between Cambridge Properties and Kiromic, Inc.
10.19*†	Employment Agreement, dated March 20, 2016, between Kiromic, Inc. and Maurizio Chiriva Internati
10.20*†	Addendum to Employment Agreement, dated March 20, 2016, between Kiromic, Inc. and Maurizio Chiriva Internati
10.21*†	Consulting Agreement, dated November 2, 2018, between Kiromic, Inc. and Scott Dahlbeck
10.22*†	Addendum to Consulting Agreement, dated August 1, 2019, between Kiromic, Inc. and Scott Dahlbeck
10.23*†	Consulting Agreement, dated July 20, 2018, between Kiromic, Inc. and Gianluca Rotino
10.24*†	Addendum to Consulting Agreement, dated August 1, 2019, between Kiromic, Inc. and Gianluca Rotino
10.25*†	Kiromic, Inc. 2017 Equity Incentive Plan
10.26*	Form of Independent Director Agreement
10.27**	Form of Indemnification Agreement
10.28*#	Joint Venture Agreement, dated April 3, 2020, between Molipharma S.R.L. and Kiromic BioPharma, Inc.
14.1*	Code of Ethics
23.1**	Consent of Sheppard Mullin, LLC (included in Exhibit 5.1)
24.1**	Power of Attorney (included in the signature page)

* Filed herewith
** To be filed by amendment
† Executive Compensation Plan or Agreement
# Portions of this exhibit (indicated by asterisks) have been redacted in Compliance with Regulation S-K Item 601(b)(10)(iv).

(b) Financial Statement Schedules

All financial statement schedules are omitted because the information called for is not required or is shown either in the consolidated financial statements or in the notes thereto.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sells are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement; provided, however, that paragraphs (1)(i), (1)(ii) and (1)(iii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 and Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment 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.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) For determining liability of the undersigned Registrant under the Securities Act to any purchaser in the initial distribution of the securities, that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(a) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(b) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(c) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(d) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(5) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration

statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(6) That, insofar as indemnification for liabilities arising under the Securities Act of 1933 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 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 Act and will be governed by the final adjudication of such issue.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on April 7, 2020.

KIROMIC BIOPHARMA, INC.

By: /s/ Maurizio Chiriva Internati
Maurizio Chiriva Internati
Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints each of Maurizio Chiriva Internati and Tony Tontat as his or her true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him and his name, place and stead, in any and all capacities, to sign any or all amendments (including post-effective amendments) to this registration statement and to file a new registration statement under Rule 461, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the foregoing, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ Maurizio Chiriva Internati Maurizio Chiriva Internati	Chairman and Chief Executive Officer (principal executive officer)	April 7, 2020
/s/ Tony Tontat Tony Tontat	Chief Financial Officer and Director (principal financial and accounting officer)	April 7, 2020
/s/ Gianluca Rotino Gianluca Rotino	Director	April 7, 2020
/s/ Angelo Minotti Angelo Minotti	Director	April 7, 2020
/s/ Americo Chicchetti Americo Chicchetti	Director	April 7, 2020
/s/ Michael Nagle Michael Nagle	Director	April 7, 2020
/s/ Jerry Schneider Jerry Schneider	Director	April 7, 2020

THIRD AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF KIROMIC, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Kiromic, Inc. (the "***Corporation***"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "***DGCL***"), does hereby certify as follows:

1. The Corporation's original Certificate of incorporation was filed with the Secretary of State of the State of Delaware on May 27, 2015 under the name Kiromic, Inc. An Amended and Restated Certificate of Incorporation was filed on December 20, 2018. A Second Amended and Restated Certificate of Incorporation was filed on September 13, 2019. Certificates of Correction were filed on October 15, 2019, October 18, 2019, October 29, 2019 and October 29, 2019.

2. The Board of Directors of the Corporation duly adopted resolutions proposing to amend and restate the Second Amended and Restated Certificate of Incorporation of the Corporation, declaring said amendment and restatement to be advisable and in the best interests of the Corporation and its stockholders, and authorizing the appropriate officers of the Corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Second Amended and Restated Certificate of Incorporation of the Corporation be amended and restated in its entirety to read as follows:

ARTICLE I
NAME

The name of the Corporation is Kiromic BioPharma, Inc.

ARTICLE II
REGISTERED AGENT AND REGISTERED OFFICE

The address of the registered office of the Corporation in the State of Delaware is 160 Greentree Drive, Suite 101, in the City of Dover, 19904, County of Kent. The name of its registered agent at such address is National Registered Agents, Inc.

ARTICLE III
BUSINESS PURPOSE

The nature of the business or purpose to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV
CAPITAL STOCK

4.1. Authorized Stock. The aggregate number of shares which the Corporation shall have authority to issue shall consist of 300,000,000 shares of common stock ("***Common Stock***"), $0.0001 par value, and 60,000,000 shares of preferred stock ("***Preferred Stock***"), $0.0001 par value.

4.2. Common Stock. The holders of the Common Stock are entitled to one (1) vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Third Amended and Restated Certificate of Incorporation (this "***Restated Certificate***") that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected Preferred Stock are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Restated Certificate or pursuant to the DGCL. Unless required by law, there shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by, in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of this Restated Certificate, the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the DGCL.

Effective as of the filing date of this Restated Certificate, each ten (10) shares of the issued and outstanding Common Stock shall be combined into one (1) share of Common Stock. No fractional shares shall be issued in connection with this combination. Any fractional share that would otherwise be issued as a result of this combination will be rounded up to the nearest whole share.

Effective as of the first business day following the filing date of this Restated Certificate, each ten (10) shares of the issued and outstanding Common Stock shall be combined into one (1) share of Common Stock. No fractional shares shall be issued in connection with this combination. Any fractional share that would otherwise be issued as a result of this combination will be rounded up to the nearest whole share. For the avoidance of doubt, the Conversion Price of the Designated Preferred Stock as set forth below in this Restated Certificate does not give effect to the stock combination provided for in this paragraph and at the effective time of such stock combination, an adjustment to the Conversion Price of the Designated Preferred Stock shall occur pursuant to Section 4.3.8(b) of this Restated Certificate.

4.3. Preferred Stock.

4.3.1. General. Shares of Preferred Stock may be issued from time to time in one or more classes or series, each of which class or series shall have such distinctive designation or title as shall be fixed by the Board of Directors of the Corporation (the "***Board***") or, to the extent permitted by the DGCL, any committee thereof established by resolution of the Board pursuant to the bylaws of the Corporation (the "***Bylaws***") prior to the issuance of any shares thereof. Each

such class or series of Preferred Stock shall have such voting powers, full or limited, or no voting powers, and such preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof, as shall be stated in such resolution or resolutions providing for the issue of such class or series of Preferred Stock as may be adopted from time to time by the Board prior to the issuance of any shares thereof pursuant to the authority hereby expressly vested in it, all in accordance with the laws of the State of Delaware.

4.3.2. Designations. 24,000,000 shares of the authorized Preferred Stock of the Corporation are hereby designated as "***Series A-1 Preferred Stock***" and 14,130,435 shares of the authorized Preferred Stock of the Corporation are hereby designated as "***Series B Preferred Stock***" with the rights, preferences, powers, privileges and restrictions, qualifications and limitations given such shares in this Restated Certificate (the Series A-1 Preferred Stock and Series B Preferred Stock are collectively referred to in this Restated Certificate as the "***Designated Preferred Stock***"). The number of shares of Designated Preferred Stock may from time to time be increased or decreased (but not below the number of shares of a particular series then outstanding) by the Board in accordance with this Restated Certificate and applicable law. The Series A-1 Preferred Stock shall have an original issue price $0.50 per share (the "***Series A-1 Original Issue Price***") and the Series B Preferred Stock shall have an original issue price of $0. 46 per share (the "***Series B Original Issue Price***"), each subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Designated Preferred Stock.

4.3.3. Dividends. Except for stock dividends or distributions for which adjustments are to be made pursuant to Section 4.3.8, holders of Designated Preferred Stock shall be entitled to receive, and the Corporation shall pay, dividends on shares of Designated Preferred Stock equal (on an as-if-converted-to-Common-Stock basis) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock No other dividends shall be paid on shares of Designated Preferred Stock.

4.3.4. Liquidation, Dissolution or Winding Up; Certain Mergers. Consolidations and Asset Sales.

(a) *Preferential Payments to Holders of Preferred Stock.* In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event (as defined below), the holders of shares of Designated Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share of Designated Preferred Stock equal to the Series A-1 Original Issue Price or Series B Original Issue Price, as applicable. If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Designated Preferred Stock the full amount to which they shall be entitled under this Section 4.3.4(a), the holders of shares of Designated Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(b) *Distribution of Remaining Assets.* In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, after the payment of all preferential amounts required to be paid to the holders of shares of Designated Preferred Stock pursuant to Section 4.3.4(a) the remaining assets of the Corporation available for distribution to its stockholders shall be distributed among the holders of the shares of Designated Preferred Stock and Common Stock, pro rata based on the number of shares held by each such holder, treating for this purpose all such securities as if they had been converted to Common Stock pursuant to the terms of this Restated Certificate immediately prior to such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event. Thereafter, the remaining assets shall be distributed to the holders of the Designated Preferred Stock and Common Stock pro rata based on the number of shares held by each such holder, treating for this purpose all such securities as if they had been converted to Common Stock pursuant to the terms of this Restated Certificate immediately prior to such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event. The aggregate amount which a holder of a share of Designated Preferred Stock is entitled to receive under Sections 4.3.4(a) and 4.3.4(b) is hereinafter referred to as the "***Liquidation Amount***").

(c) *Deemed Liquidation Events.*

(i) Definition. Each of the following events shall be considered a "***Deemed Liquidation Event***" unless the holders of at least 67% of the outstanding shares of Series B Preferred Stock (voting or consenting separately as a class) (collectively, the "***Required Holders***") elect otherwise by written notice sent to the Corporation at least ten (10) days prior to the effective date of any such event:

(A) a merger or consolidation in which **(1)** the Corporation is a constituent party, or (2) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (a) the surviving or resulting corporation; or (b) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(B) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger, consolidation or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

(ii) Effecting a Deemed Liquidation Event.

(A) The Corporation shall not have the power to effect, complete, or consummate a Deemed Liquidation Event referred to in Section 4.3.4(c)(i)(A)(l) unless the agreement or plan of merger or consolidation for such transaction (the "***Merger Agreement***") provides that the consideration payable to the stockholders of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 4.3.4(a) and 4.3.4(b).

(B) In the event of a Deemed Liquidation Event referred to in Section 4.3.4(c)(i)(A)(2) or 4.3.4(c)(i)(B), if the Corporation does not effect a dissolution of the Corporation under the DGCL within ninety (90) days after such Deemed Liquidation Event, then (1) the Corporation shall send a written notice to each holder of Designated Preferred Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause; (2) to require the redemption of such shares of Designated Preferred Stock, and (3) if the Required Holders so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "***Available Proceeds***"), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event (the "***Redemption Date***"), to redeem (i) all outstanding shares of Designated Preferred Stock at a price per share equal to the applicable Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Designated Preferred Stock, the Corporation shall redeem each holder's shares of Designated Preferred Stock in conformity with the priorities set forth in Section 4.3.4(a) and Section 4.3.4(b), and shall redeem the remaining shares to have been redeemed as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Upon receipt of a request from the Required Holders to redeem the shares pursuant to this Section 4.3.4(c)(ii)(B), the Corporation shall send written notice of the mandatory redemption to each holder of Designated Preferred Stock not later than 10 days prior to the Redemption Date (the "***Redemption Notice***"). If the Corporation receives, prior to the Redemption Date, written notice from any holder of Designated Preferred Stock that such holder elects to be excluded from such redemption provided in this Section 4.3.4(c)(ii)(B), then the shares registered on the books of the Corporation in the name of such holder at the time of the Corporation's receipt of such notice shall thereafter be "***Excluded Shares***." Excluded Shares shall not be redeemed or redeemable pursuant to this Section 4.3.4(c)(ii)(B) and shall remain outstanding and entitled to all the rights, preferences, powers and privileges provided herein. On or before the Redemption Date, each holder of shares to be redeemed, unless such holder has exercised his, her or its rights to convert such shares as provided in Section 4.3.6, shall, if a holder of shares in certificated form, surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the

Corporation, in the manner and at the place designated in the Redemption Notice. In the event that less than all of the shares represented by a certificate are redeemed, a new certificate, instrument, or book entry representing the unredeemed shares shall promptly be issued to such holder. Prior to the distribution provided for in this Section 4.3.4(c)(ii)(B), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event.

(iii) Amount Deemed Paid or Distributed. If the amount deemed paid or distributed under this Section 4.3.4(c)(iii) is made in property other than in cash, the value of such distribution shall be the fair market value of such property, determined as follows:

(A) For securities not subject to investment letters or other similar restrictions on free marketability, (1) if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange or market over the thirty (30) day period ending three (3) days prior to the closing of such transaction; (2) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) days prior to the closing of such transaction; or (3) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board.

(B) The method of valuation of securities subject to investment letters or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall take into account an appropriate discount (as determined in good faith by the Board) from the market value as determined pursuant to Section 4.3.4(c)(iii)(A) above so as to reflect the approximate fair market value thereof.

(C) For property or rights not described in Section 4.3.4(c)(iii)(A) or 4.3.4(c)(iii)(B) above, the value of such property or rights shall be determined in good faith by the Board.

(iv) Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event pursuant to Section 4.3.4(c)(i)(A)(l), if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the "***Additional Consideration***"), the Merger Agreement shall provide that (i) the portion of such consideration that is not Additional Consideration (such portion, the "***Initial Consideration***") shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 4.3.4(a) and 4.3.4(b) as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (ii) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 4.3.4(a) and 4.3.4(b) after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Section 4.3.4(c)(iv), consideration placed into escrow or retained as holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

4.3.5. Voting.

(a) *General.* On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Designated Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or by the other provisions of this Restated Certificate, holders of Designated Preferred Stock shall vote together with the holders of Common Stock as a single class.

(b) *Series B Preferred Stock Protective Provisions.* The rights of the holders of Series B Preferred Stock under this Section 4.3.5(b) shall terminate on the first date after September 13, 2019 (the "***Series B Original Issue Date***") on which there are issued and outstanding less than 25% of the shares of Series B Preferred Stock sold on the Series B Original Issue Date (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock) (such number of shares, as so adjusted, the "***Requisite Series B Shares***"). At any time when not less than the Requisite Series B Shares are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by the DGCL or this Restated Certificate) the written consent or affirmative vote of the holders of at least 67% of the then outstanding shares of Series B Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) together as a single class and not as separate series, and on an as-converted basis, which approval shall not be unreasonably withheld, and any such act or transaction entered into without such consent or vote shall be null and void ab initio, and of no force or effect:

(i) amend, alter or repeal any provision of this Restated Certificate or Bylaws of the Corporation in a manner adverse to the rights of the Series B Preferred Stock;

(ii) create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock unless the same ranks junior to the Series B Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation including any Deemed Liquidation Event, the payment of dividends and rights of redemption, or increase the authorized number of shares of Series B Preferred Stock or increase the authorized number of shares of any additional class or series of capital stock unless the same ranks junior to the Series B Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation including any Deemed Liquidation Event, the payment of dividends and rights of redemption;

(iii) reclassify, alter or amend any security of the Corporation that is junior to the Series B Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation including any Deemed Liquidation Event, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or *pari passu* with the Series B Preferred Stock in respect of any such right, preference or privilege;

(iv) purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of capital stock of the Corporation other than dividends or other distributions payable on the Common Stock solely in the form of additional shares of Common Stock, or repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary in connection with the cessation of such employment or service at a price per share and other terms approved by the Board;

(v) increase or decrease the authorized number of directors constituting the Board;

(vi) liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any merger or consolidation or any other Deemed Liquidation Event, consummate any public offering of Common Stock pursuant to an effective registration statement under the Securities Act of 1933, as amended, or consent to any of the foregoing;

(vii) grant any lien or security interest in the assets of the Corporation, other than (A) purchase money liens or statutory liens of landlords, mechanics, materialmen, workmen, warehousemen and other similarly persons arising in the ordinary course of business, (B) security interests in trade accounts receivable arising in the ordinary course of business, (C) grants in connection with lines of credit with financial institutions or equipment leases or (D) with the prior approval of the Board, including the director designated by the holders of record of shares of Series B Preferred Stock with a purchase price of at least $1,000,000 (such director, the "***Series B Designee***");

(viii) elect to change the Corporation's status as a C corporation for United States federal tax purposes;

(ix) change the Corporation's principal business, enter into a new line of business or exit the Corporation's line ofbusiness as it existed on the Series B Original Issue Date other than with the prior approval of the Board, including the Series B Designee; or

(x) enter into or be party to any transaction with any director, officer or employee ofthe Corporation or any "associate" (as defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934) of any such person other than (A) transactions resulting in payments to or by the Corporation in an amount less than $100,000 per year, (B) transactions made in the ordinary course of business and pursuant to reasonable requirements of the Corporation's business and on fair and reasonable terms that receive the prior approval of the Board or (C) with the prior approval of the Board, including the Series B Designee.

4.3.6. Optional Conversion.

(a) *Right to Convert.* Each share of Designated Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and non -assessable shares of Common Stock as is determined by dividing the Series A-1 Original Issue Price or Series B Original Issue Price, as applicable, by the Series A-1 Conversion Price or Series B Conversion Price, as applicable, in effect at the time of conversion. The "***Series A-1 Conversion***

Price" shall initially be equal to the Series A-1 Original Issue Price and the "***Series B Conversion Price***" shall initially be equal to the Series B Original Issue Price (each, a "***Conversion Price***"). Each Conversion Price and the rate at which shares of Designated Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

(b) *Fractional Shares.* No fractional shares of Common Stock shall be issued upon conversion of the Designated Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board. If the Corporation elects not, or is unable, to make such a cash payment, the holder shall be entitled to receive, in lieu of the final fraction of a share, one whole share of Common Stock. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Designated Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

(c) *Mechanics of Conversion.* In order for a holder of Designated Preferred Stock to voluntarily convert shares of Designated Preferred Stock into shares of Common Stock, such holder shall surrender the certificate or certificates for such shares of Designated Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Designated Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares of the Designated Preferred Stock represented by such certificate or certificates and, if applicable, any event on which such conversion is contingent. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close ofbusiness on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such certificates (or lost certificate affidavit and agreement) and notice shall be the time of conversion (the "***Conversion Time***"), and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time, (A) issue and deliver to such holder of Designated Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Designated Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, and (B) pay in cash such amount as provided in Section 4.3.6(b) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion, if applicable.

(d) *Reservation of Shares.* The Corporation shall at all times when the Designated Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Designated Preferred

Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Designated Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Designated Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate. Before taking any action which would reduce the applicable Conversion Price below the then par value ofthe shares of Common Stock issuable upon conversion ofthe Designated Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock at such adjusted Conversion Price.

(e) *Effect of Conversion.* All shares of Designated Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor and to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Section 4.3.6(b), if applicable. Any shares of Designated Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Designated Preferred Stock accordingly.

(f) *Taxes.* The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of shares of Designated Preferred Stock pursuant to this Section 4.3.6. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Designated Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.3.7. Mandatory Conversion.

(a) *Trigger Events.* Upon either (i) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $20,000,000 of net proceeds (defined as gross proceeds net of the underwriting discount and commissions), to the Corporation (a "***Qualified IPO***") or (ii) the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least 67% of the then outstanding shares of Series B Preferred Stock, voting or consenting, as the case may be, together as a single class and not as separate series, and on an as-converted basis (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "***Series B Mandatory Conversion Time***"), then (A) all outstanding shares

of Series B Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate as calculated pursuant to Section 4.3.6(a)(i) and (B) such shares may not be reissued by the Corporation. Upon either (a) a Qualified IPO or the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least 67% of the then outstanding shares of Series A-1 Preferred Stock (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "***Series A-1 Mandatory Conversion Time***"), then (A) all outstanding shares of Series A-1 Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate as calculated pursuant to Section 4.3.6(a)(i) and (B) such shares may not be reissued by the Corporation. The term "***Mandatory Conversion Time***" shall refer to the Series B Mandatory Conversion Time or Series A-1 Mandatory Conversion Time, as applicable.

(b) *Procedural Requirements.* All holders of record of shares of Designated Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Designated Preferred Stock pursuant to this Section 4.3.7. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Designated Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her, or its attorney duly authorized in writing. All rights with respect to the Designated Preferred Stock converted pursuant to Section 4.3.7(a), including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 4.3.7(b). As soon as practicable after the Mandatory Conversion Time and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Designated Preferred Stock, the Corporation shall (i) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and (ii) pay cash as provided in Section 4.3.6(b) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion, if applicable. Such converted Designated Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Designated Preferred Stock accordingly.

4.3.8. Adjustments to Conversion Price.

(a) *Adjustments for Diluting Issues.*

(i) Special Definitions. For purposes of this Article IV, the following definitions shall apply:

(A) "***Option***" shall mean rights, options, or warrants to subscribe for, purchase, or otherwise acquire Common Stock or Convertible Securities.

(B) "***Convertible Securities***" shall mean any evidences of indebtedness, shares, or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(C) "***Additional Shares of Common Stock***" shall mean all shares of Common Stock issued (or, pursuant to Section 4.3.8(a)(iii) below, deemed to be issued) by the Corporation after the Series B Original Issue Date, other than (i) the following shares of Common Stock and (ii) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (i) and (ii), collectively, "***Exempted Securities***"):

(1) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on Designated Preferred Stock;

(2) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Section 4.3.8(b), 4.3.8(c), 4.3.8(d) or 4.3.8(e);

(3) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board, including the Series B Designee then in office, if any (the "***Equity Plan***");

(4) shares of Common Stock or Convertible Securities actually issued other than pursuant to the Equity Plan upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security and such Option or Convertible Security was outstanding on the Series B Original Issue Date;

(5) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board;

(6) shares of Common Stock, Options or Convertible Securities issued in any transaction approved by the Board, including the Series B Designee then in office, if any, with such approval expressly stating that such shares of Common Stock, Options or Convertible Securities shall be treated as Exempted Securities;

(7) shares of Common Stock, Options or Convertible Securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by the Board, including the approval of the Series B Designee then in office, if any;

(8) shares of Common Stock, Options or Convertible Securities issued as acquisition consideration pursuant to the acquisition of another corporation or entity by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided that such issuances are approved by the Board, including the approval of the Series B Designee then in office, if any;

(9) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, original equipment manufacturer, marketing or other similar agreements or strategic partnerships approved by the Board, including the approval of the Series B Designee then in office, if any; or

(10) shares of Common Stock issued in a Qualified IPO pursuant to an effective registration statement under the Securities Act of 1933, as amended.

(ii) No Adjustment of Conversion Price. No adjustment of the Series A-1 Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the holders of at least 67% of the then outstanding shares of Series A-1 Preferred Stock agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock. No adjustment of the Series B Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the holders of at least 67% of the then outstanding shares of Series B Preferred Stock voting or consenting, as the case may be, together as a single class and not as separate series, and on an as-converted basis, agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

(iii) Deemed Issue of Additional Shares of Common Stock.

(A) If the Corporation at any time or from time to time after the Series B Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record

date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(B) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to any Conversion Price pursuant to the terms of Section 4.3.8(a)(iv), are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the applicable Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to the Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (B) shall have the effect of increasing the Conversion Price to an amount which exceeds the lower of the Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(C) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Conversion Price pursuant to the terms of Section 4.3.8(a)(iv) (either because the consideration per share (determined pursuant to Section 4.3.8(a)(v)) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series B Original Issue Date), are revised after the Series B Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Section 4.3.8(a)(iii) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(D) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to any Conversion Price pursuant to the terms of Section 4.3.8(a)(iv), the Conversion Price shall be readjusted to the Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(E) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Conversion Price provided for in this Section 4.3.8(a)(iii) shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (B) and (C) of this Section 4.3.8(a)(iii)). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Conversion Price that would result under the terms of this Section 4.3.8(a)(iii) at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

(iv) Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Series B Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4.3.8(a)(iii)), without consideration or for a consideration per share less than the applicable Conversion Price in effect immediately prior to such issue, then the Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$CP2 = CPl * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(A) "***CP2***" shall mean the Conversion Price in effect immediately after such issue of Additional Shares of Common Stock;

(B) "***CPJ***" shall mean the Conversion Price in effect immediately prior to such issue of Additional Shares of Common Stock;

(C) "***A***" shall mean the number of shares of Common Stock outstanding immediately prior to such issue of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of Convertible Securities (including the Designated Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

(D) "***B***" shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued at a price per share equal to CPl (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP1); and

(E) "***C***" shall mean the number of such Additional Shares of Common Stock issued in such transaction.

(v) Determination of Consideration. For purposes of this Section 4.3.8(a), the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(A) *Cash and Property.* Such consideration shall: (1) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest; (2) 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; and (3) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (1) and (2) above, as determined in good faith by the Board.

(B) *Options and Convertible Securities.* The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 4.3.8(a)(iii), relating to Options and Convertible Securities, shall be determined by dividing: (1) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by (2) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

(vi) Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Conversion Price pursuant to the terms of Section 4.3.8(a) then, upon the final such issuance, the Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

(b) *Adjustment for Stock Splits and Combinations.* If the Corporation shall at any time or from time to time after the Series B Original Issue Date effect a subdivision of the outstanding Common Stock, the applicable Conversion Price in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of Designated Preferred Stock shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close ofbusiness on the date the subdivision or combination becomes effective.

(c) *Adjustment for Certain Dividends and Distributions.* In the event the Corporation at any time or from time to time after the Series B Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the applicable Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the applicable Conversion Price then in effect by a fraction: (i) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and (ii) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution. Notwithstanding the foregoing (A) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the applicable Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Conversion Price shall be adjusted pursuant to this section as of the time of actual payment of such dividends or distributions; and (B) that no such adjustment shall be made if the holders of the Designated Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of such Designated Preferred Stock had been converted into Common Stock on the date of such event.

(d) *Adjustments for Other Dividends and Distributions.* In the event the Corporation at any time or from time to time after the Series B Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 4.3.3 do not apply to such dividend or distribution, then and in each such event the holders of Designated Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Designated Preferred Stock had been converted into Common Stock on the date of such event.

(e) *Adjustment for Merger or Reorganization, Etc.* Subject to the provisions of Section 4.3.4(c), if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Designated Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 4.3.8(b), 4.3.8(c) or 4.3.8(d), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Designated Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of such series of Designated Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board) shall be made in the application of the provisions in this Section 4.3.8 with respect to the rights and interests thereafter of the holders of the Designated Preferred Stock, to the end that the provisions set forth in this Section 4.3.8 (including provisions with respect to changes in and other adjustments of the applicable Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Designated Preferred Stock.

(f) *Certificate as to Adjustments.* Upon the occurrence of each adjustment or readjustment of any Conversion Price pursuant to this Section 4.3.8, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than fifteen (15) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of the applicable series of Designated Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which such Designated Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Designated Preferred Stock (but in any event not later than fifteen (15) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (A) the Conversion Price then in effect for each series of Designated Preferred Stock, and (B) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of the Designated Preferred Stock.

4.3.9. Notice of Record Date. In the event: (a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Designated Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; (b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or (c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation, then, and in each such case, the Corporation will send or cause to be sent to the holders of the Designated Preferred Stock a notice specifying, as the case may be, (A) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (B) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of

record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Designated Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Designated Preferred Stock and the Common Stock Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

4.3.10. Waiver. Any of the rights, powers, preferences and other terms of the Series A-1 Preferred Stock set forth herein may be waived on behalf of all holders of Series A-1 Preferred Stock by the affirmative written consent or vote of the holders of at least 67% of the shares of Series A-1 Preferred Stock then outstanding. Any of the rights, powers, preferences and other terms of the Series B Preferred Stock set forth herein may be waived on behalf of all holders of Series B Preferred Stock by the affirmative written consent or vote of the holders of at least 67% of the shares of Series B Preferred Stock then outstanding, voting or consenting, as the case may be, together as a single class and not as separate series, and on an as-converted basis.

4.3.11. Notices. Any notice required or permitted by the provisions of this Section 4.3 to be given to a holder of shares of Designated Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the DGCL, and shall be deemed sent upon such mailing or electronic transmission.

ARTICLE V
BYLAWS

Subject to any additional vote required by this Restated Certificate or the Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

ARTICLE VI
DIRECTORS

Subject to any additional vote required by this Restated Certificate, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

ARTICLE VII
LIABILITY OF DIRECTORS

To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the DGCL or any other law of the State of Delaware is amended after approval by the stockholders of this Article VII 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 DGCL as so amended. Any repeal or modification of the foregoing provisions of this Article VII by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

ARTICLE VIII
EXCLUDED OPPORTUNITY

The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "***Excluded Opportunity***" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Designated Preferred Stock or any partner, member, director, stockholder, employee or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, the persons delineated in (i) and (ii) are "***Covered Persons***"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation. Any repeal or modification of this Article VIII will only be prospective and will not affect the rights under this Article VIII in effect at the time of the alleged occurrence of any action or omission to act giving rise to liability.

ARTICLE IX
EXCLUSIVE FORUM IN DELAWARE

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware DGCL or this Restated Certificate or the Bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article IX shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article IX (including, without limitation, each portion of any sentence of this Article IX containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

ARTICLE X
INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

10.1. Right to Indemnification of Directors and Officers. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any current or former director or officer of the Corporation (an "***Indemnified Person***") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "***Proceeding***"), by reason of the fact that such person, or a person for whom such person is the legal representative, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, limited liability company, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Indemnified Person in such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.3, the Corporation shall be required to indemnity an Indemnified Person in connection with a Proceeding (or part thereof) commenced by such Indemnified Person only if the commencement of such Proceeding (or part thereof) by the Indemnified Person was authorized in advance by the Board.

10.2. Prepayment of Expenses of Officers and Directors. The Corporation shall pay the expenses (including attorneys' fees) incurred by an Indemnified Person in defending any Proceeding in advance of its final disposition, *provided, however,* that, to the extent required by law, such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Indemnified Person to repay all amounts advanced if it should be ultimately determined that the Indemnified Person is not entitled to be indemnified under this Article X or otherwise.

10.3. Claims by Directors and Officers. If a claim for indemnification or advancement of expenses under this Article X is not paid in full within thirty (30) days after a written claim therefor by the Indemnified Person has been received by the Corporation, the Indemnified Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Corporation shall have the burden of proving that the Indemnified Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

10.4. Indemnification of Employees and Agents. The Corporation may indemnity and advance expenses to any person who was or is made or is threatened to be made or is otherwise involved in any Proceeding by reason of the fact that such person, or a person for whom such person is the legal representative, is or was an employee or agent of the Corporation or, while an employee or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, limited liability company, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such person in connection with such Proceeding. The ultimate determination of entitlement to indemnification of persons who are non-director or officer employees or agents shall be made in such manner as is determined by the Board in its sole indemnify a person in connection with a Proceeding initiated by such person if the Proceeding was not authorized in advance by the Board.

10.5. Advancement of Expenses of Employees and Agents. The Corporation may pay the expenses (including attorneys' fees) incurred by an employee or agent in defending any Proceeding in advance of its final disposition on such terms and conditions as may be determined by the Board.

10.6. Non-Exclusivity of Rights. The rights conferred on any person by this Article X shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of this Restated Certificate, the Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

10.7. Other Indemnification. The Corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer or employee of another Corporation, partnership, limited liability company, joint venture, trust, organization or other enterprise shall be reduced by any amount such person may collect as indemnification from such other Corporation, partnership, limited liability company, joint venture, trust, organization or other enterprise.

10.8. Insurance. The Board may, to the fullest extent permitted by applicable law as it presently exists, or may hereafter be amended from time to time, authorize an appropriate officer or officers to purchase and maintain at the Corporation's expense insurance: (a) to indemnify the Corporation for any obligation which it incurs as a result of the indemnification of directors, officers and employees under the provisions of this Article X; and (b) to indemnify or insure directors, officers and employees against liability in instances in which they may not otherwise be indemnified by the Corporation under the provisions of this Article X.

10.9. Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article X shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification. The rights provided hereunder shall inure to the benefit of any Indemnified Person and such person's heirs, executors and administrators.

* * *

3. The foregoing amendment and restatement was approved by the holders of the requisite number of shares of the Corporation in accordance with Section 228 of the DGCL.

4. This Third Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of the Corporation's Second Amended and Restated Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the DGCL.

IN WITNESS WHEREOF, this Third Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of the Corporation on this 16th day of December, 2019.

By: /s/ Maurizio Chiriva Intemati
Maurizio Chiriva Intemati
Chief Executive Officer

Exhibit 3.2

KIROMIC, INC.

a Delaware Corporation

BYLAWS

As Adopted May 27, 2016

KIROMIC, INC.

a Delaware Corporation

BYLAWS

As Adopted May 27, 2016

ARTICLE I: STOCKHOLDERS

Section 1.1: Annual Meetings. Unless members of the Board of Directors of the Corporation (the "***Board***") are elected by written consent in lieu of an annual meeting, as permitted by Section 211 of the Delaware General Corporation Law (the "***DGCL***") and these Bylaws, an annual meeting of stockholders shall be held for the election of directors at such date and time as the Board shall each year fix. The meeting may be held either at a place, within or without the State of Delaware, or by means of remote communication as the Board in its sole discretion may determine. Any proper business may be transacted at the annual meeting.

Section 1.2: Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Chairperson of the Board, the Chief Executive Officer, the President, the holders of shares of the Corporation that are entitled to cast not less than ten percent (10%) of the total number of votes entitled to be cast by all stockholders at such meeting, or by a majority of the "***Whole Board***," which shall mean the total number of authorized directors, whether or not there exist any vacancies in previously authorized directorships. Special meetings may not be called by any other person or persons. If a special meeting of stockholders is called by any person or persons other than by a majority of the members of the Board, then such person or persons shall request such meeting by delivering a written request to call such meeting to each member of the Board, and the Board shall then determine the time and date of such special meeting, which shall be held not more than one hundred twenty (120) days nor less than thirty-five (35) days after the written request to call such special meeting was delivered to each member of the Board. The special meeting may be held either at a place, within or without the State of Delaware, or by means of remote communication as the Board in its sole discretion may determine.

Section 1.3: Notice of Meetings. Notice of all meetings of stockholders shall be given in writing or by electronic transmission in the manner provided by law (including, without limitation, as set forth in Section 7.1.1 of these Bylaws) stating the date, time and place, if any, of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise required by applicable law or the Certificate of Incorporation of the Corporation (the "***Certificate of Incorporation***"), such notice shall be given not less than ten (10), nor more than sixty (60), days before the date of the meeting to each stockholder of record entitled to vote at such meeting.

Section 1.4: Adjournments. The chairperson of the meeting shall have the power to adjourn the meeting to another time, date and place (if any). Any meeting of stockholders may adjourn from time to time, and notice need not be given of any such adjourned meeting if the time, date and place (if any) thereof and the means of remote communications (if any) by which stockholders and proxy holders may be deemed to be present in person and vote at such

adjourned meeting are announced at the meeting at which the adjournment is taken; *provided*, *however*, that if the adjournment is for more than thirty (30) days, or if a new record date is fixed for the adjourned meeting, then a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. At the adjourned meeting the Corporation may transact any business that might have been transacted at the original meeting. To the fullest extent permitted by law, the Board may postpone or reschedule any previously scheduled special or annual meeting of stockholders before it is to be held, in which case notice shall be provided to the stockholders of the new date, time and place, if any, of the meeting as provided in Section 1.3 above.

Section 1.5: Quorum. At each meeting of stockholders the holders of a majority of the voting power of the shares of stock entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business, unless otherwise required by applicable law. If a quorum shall fail to attend any meeting, the chairperson of the meeting or the holders of a majority of the shares entitled to vote who are present, in person or by proxy, at the meeting may adjourn the meeting. Shares of the Corporation's stock belonging to the Corporation (or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation are held, directly or indirectly, by the Corporation), shall neither be entitled to vote nor be counted for quorum purposes; *provided*, *however*, that the foregoing shall not limit the right of the Corporation or any other corporation to vote any shares of the Corporation's stock held by it in a fiduciary capacity and to count such shares for purposes of determining a quorum.

Section 1.6: Organization. Meetings of stockholders shall be presided over by such person as the Board may designate, or, in the absence of such a person, the Chairperson of the Board, or, in the absence of such person, the President of the Corporation, or, in the absence of such person, such person as may be chosen by the holders of a majority of the voting power of the shares entitled to vote who are present, in person or by proxy, at the meeting. Such person shall be chairperson of the meeting and, subject to Section 1.11 hereof, shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seems to him or her to be in order. The Secretary of the Corporation shall act as secretary of the meeting, but in such person's absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7: Voting; Proxies. Each stockholder entitled to vote at a meeting of stockholders, or to take corporate action by written consent without a meeting, may authorize another person or persons to act for such stockholder by proxy. Such a proxy may be prepared, transmitted and delivered in any manner permitted by applicable law. Except as may be required in the Certificate of Incorporation, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Unless otherwise provided by applicable law, the Certificate of Incorporation or these Bylaws, every matter other than the election of directors shall be decided by the affirmative vote of the holders of a majority of the voting power of the shares of stock entitled to vote on such matter that are present in person or represented by proxy at the meeting and are voted for or against the matter.

Section 1.8: Fixing Date for Determination of Stockholders of Record. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or to take corporate action by written consent 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 may fix, except as otherwise required by law, in advance, a record date, which shall not precede the date upon which the resolution fixing the record date is adopted by the Board and which shall not be more than sixty (60), nor less than ten (10), days before the date of such meeting, nor, except as provided in Section 1.8.2 below, more than sixty (60) days prior to any other action. If no record date is fixed by the Board, then the record date shall be as provided by applicable law. To the fullest extent provided by law, a determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided*, *however*, that the Board may fix a new record date for the adjourned meeting.

Section 1.9: List of Stockholders Entitled to Vote. A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order and showing the address of each stockholder and the number of shares registered in the name of each stockholder, shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either on a reasonably accessible electronic network as permitted by law (provided that the information required to gain access to the list is provided with the notice of the meeting) or during ordinary business hours at the principal place of business of the Corporation. If the meeting is held at a location where stockholders may attend in person, the list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present at the meeting. If the meeting is held solely by means of remote communication, then the list shall be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access the list shall be provided with the notice of the meeting.

Section 1.10: Action by Written Consent of Stockholders.

1.10.1 Procedure. Unless otherwise provided by the Certificate of Incorporation, any action required or permitted to be taken at any annual or special meeting of the 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 in the manner permitted by law by the holders of outstanding stock having not less than the 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 in the State of Delaware, 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. Delivery made to the agent of the Corporation's registered office in the State of Delaware shall be by hand or by certified or registered mail, return receipt requested. Written stockholder consents shall bear the date of signature of each stockholder who signs the consent in the manner permitted by law and shall be delivered to the Corporation as provided in Section 1.10.2 below. No written consent shall be effective to take the action set forth therein unless, within sixty (60) days of the earliest dated consent delivered to the Corporation in the manner required by law, written consents signed by a sufficient number of stockholders to take the action set forth therein are delivered to the Corporation in the manner required by law.

1.10.2 Form of Consent A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxy holder, or a person or persons authorized to act for a stockholder or proxy holder, shall be deemed to be written, signed and dated for the purposes of this section, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the Corporation can determine (a) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxy holder or by a person or persons authorized to act for the stockholder or proxy holder and (b) the date on which such stockholder or proxy holder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of business of the Corporation or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the Board. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

1.10.3 Notice of Consent. Prompt notice of the taking of corporate action by stockholders without a meeting by less than unanimous written consent of the stockholders shall be given to those stockholders who have not consented thereto in writing and, who, if the action had been taken at a meeting, would have been entitled to notice of the meeting, if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Corporation as required by law. If the action which is consented to is such as would have required the filing of a certificate under the DGCL (the "***Certificate of Action***") if such action had been voted on by stockholders at a meeting thereof, then if the DGCL so requires, the certificate so filed shall state, in lieu of any statement required by the DGCL concerning any vote of stockholders, that written stockholder consent has been given in accordance with Section 228 of the DGCL.

Section 1.11: Inspectors of Elections.

1.11.1 Applicability. Unless otherwise required by the Certificate of Incorporation or by the DGCL, the following provisions of this Section 1.11 shall apply only if and when the Corporation has a class of voting stock that is: (a) listed on a national securities exchange; (b) authorized for quotation on an interdealer quotation system of a registered national securities

association; or (c) held of record by more than two thousand (2,000) stockholders. In all other cases, observance of the provisions of this Section 1.11 shall be optional, and at the discretion of the Board.

1.11.2 Appointment. The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors of election to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting.

1.11.3 Inspector's Oath. Each inspector of election, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of such inspector's ability.

1.11.4 Duties of Inspectors. At a meeting of stockholders, the inspectors of election shall (a) ascertain the number of shares outstanding and the voting power of each share, (b) determine the shares represented at a meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period of time a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares represented at the meeting, and their count of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of the inspectors.

1.11.5 Opening and Closing of Polls. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced by the chairperson of the meeting at the meeting. No ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspectors after the closing of the polls unless the Court of Chancery upon application by a stockholder shall determine otherwise.

1.11.6 Determinations. In determining the validity and counting of proxies and ballots, the inspectors shall be limited to an examination of the proxies, any envelopes submitted with those proxies, any information provided in connection with proxies in accordance with any information provided pursuant to Section 211(a)(2)(B)(i) of the DGCL, or Sections 211(e) or 212(c)(2) of the DGCL, ballots and the regular books and records of the Corporation, except that the inspectors may consider other reliable information for the limited purpose of reconciling proxies and ballots submitted by or on behalf of banks, brokers, their nominees or similar persons which represent more votes than the holder of a proxy is authorized by the record owner to cast or more votes than the stockholder holds of record. If the inspectors consider other reliable information for the limited purpose permitted herein, the inspectors at the time they make their certification of their determinations pursuant to this Section 1.11 shall specify the precise information considered by them, including the person or persons from whom they obtained the information, when the information was obtained, the means by which the information was obtained and the basis for the inspectors' belief that such information is accurate and reliable.

ARTICLE II: BOARD OF DIRECTORS

Section 2.1: Number; Qualifications. The Board shall consist of one or more members. The initial number of directors shall be Three (3), and, thereafter, unless otherwise required by law or the Certificate of Incorporation, shall be fixed from time to time by resolution of a majority of the Whole Board or the stockholders of the Corporation holding at least a majority of the voting power of the Corporation's outstanding stock then entitled to vote at an election of directors. No decrease in the authorized number of directors constituting the Board shall shorten the term of any incumbent director. Directors need not be stockholders of the Corporation.

Section 2.2: Election; Resignation; Removal; Vacancies. The Board shall initially consist of the person or persons elected by the incorporator or named in the Corporation's initial Certificate of Incorporation. Each director shall hold office until the next annual meeting of stockholders and until such director's successor is elected and qualified, or until such director's earlier death, resignation or removal. Any director may resign at any time upon written notice to the Corporation. Subject to the rights of any holders of Preferred Stock then outstanding: (a) any director or the entire Board may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors and (b) any vacancy occurring in the Board for any reason, and any newly created directorship resulting from any increase in the authorized number of directors to be elected by all stockholders having the right to vote as a single class, may be filled by the stockholders, by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

Section 2.3: Regular Meetings. Regular meetings of the Board may be held at such places, within or without the State of Delaware, and at such times as the Board may from time to time determine. Notice of regular meetings need not be given if the date, times and places thereof are fixed by resolution of the Board.

Section 2.4: Special Meetings. Special meetings of the Board may be called by the Chairperson of the Board, the President or a majority of the members of the Board then in office and may be held at any time, date or place, within or without the State of Delaware, as the person or persons calling the meeting shall fix. Notice of the time, date and place of such meeting shall be given, orally, in writing or by electronic transmission (including electronic mail), by the person or persons calling the meeting to all directors at least four (4) days before the meeting if the notice is mailed, or at least twenty-four (24) hours before the meeting if such notice is given by telephone, hand delivery, telegram, telex, mailgram, facsimile, electronic mail or other means of electronic transmission. Unless otherwise indicated in the notice, any and all business may be transacted at a special meeting.

Section 2.5: Remote Meetings Permitted. Members of the Board, or any committee of the Board, may participate in a meeting of the Board or such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to conference telephone or other communications equipment shall constitute presence in person at such meeting.

Section 2.6: Quorum; Vote Required for Action. At all meetings of the Board a majority of the Whole Board shall constitute a quorum for the transaction of business. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date or time without further notice thereof. Except as otherwise provided herein or in the Certificate of Incorporation, or required by law, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 2.7: Organization. Meetings of the Board shall be presided over by the Chairperson of the Board, or in such person's absence by the President, or in such person's absence by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in such person's absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8: Written Action by Directors. Any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee, respectively, in the minute books of the Corporation. 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.

Section 2.9: Powers. The Board may, except as otherwise required by law or the Certificate of Incorporation, exercise all such powers and manage and direct all such acts and things as may be exercised or done by the Corporation.

Section 2.10: Compensation of Directors. Members of the Board, as such, may receive, pursuant to a resolution of the Board, fees and other compensation for their services as directors, including without limitation their services as members of committees of the Board.

ARTICLE III: COMMITTEES

Section 3.1: Committees. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board 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 the committee, the member or members thereof present at any meeting of such committee who are not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent provided in a resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority in reference to the following matters: (a) approving, adopting, or recommending to the stockholders any action or matter (other than the election or removal of members of the Board) expressly required by the DGCL to be submitted to stockholders for approval or (b) adopting, amending or repealing any bylaw of the Corporation.

Section 3.2: Committee Rules. Unless the Board otherwise provides, each committee designated by the Board may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board conducts its business pursuant to Article II of these Bylaws.

ARTICLE IV: OFFICERS

Section 4.1: Generally. The officers of the Corporation shall consist of a Chief Executive Officer (who may be the Chairperson of the Board or the President), a Secretary and a Treasurer and may consist of such other officers, including a Chief Financial Officer, Chief Technology Officer and one or more Vice Presidents, as may from time to time be appointed by the Board. All officers shall be elected by the Board; *provided*, *however*, that the Board may empower the Chief Executive Officer of the Corporation to appoint any officer other than the Chairperson of the Board, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer. Each officer shall hold office until such person's successor is appointed or until such person's earlier resignation, death or removal. Any number of offices may be held by the same person. Any officer may resign at any time upon written notice to the Corporation. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise may be filled by the Board.

Section 4.2: Chief Executive Officer. Subject to the control of the Board and such supervisory powers, if any, as may be given by the Board, the powers and duties of the Chief Executive Officer of the Corporation are:

(a) To act as the general manager and, subject to the control of the Board, to have general supervision, direction and control of the business and affairs of the Corporation;

(b) Subject to Article I, Section 1.6, to preside at all meetings of the stockholders;

(c) Subject to Article I, Section 1.2, to call special meetings of the stockholders to be held at such times and, subject to the limitations prescribed by law or by these Bylaws, at such places as he or she shall deem proper; and

(d) To affix the signature of the Corporation to all deeds, conveyances, mortgages, guarantees, leases, obligations, bonds, certificates and other papers and instruments in writing which have been authorized by the Board or which, in the judgment of the Chief Executive Officer, should be executed on behalf of the Corporation; to sign certificates for shares of stock of the Corporation; and, subject to the direction of the Board, to have general charge of the property of the Corporation and to supervise and control all officers, agents and employees of the Corporation.

The President shall be the Chief Executive Officer of the Corporation unless the Board shall designate another officer to be the Chief Executive Officer. If there is no President, and the Board has not designated any other officer to be the Chief Executive Officer, then the Chairperson of the Board shall be the Chief Executive Officer.

Section 4.3: Chairperson of the Board. The Chairperson of the Board shall have the power to preside at all meetings of the Board and shall have such other powers and duties as provided in these Bylaws and as the Board may from time to time prescribe.

Section 4.4: President. The President shall be the Chief Executive Officer of the Corporation unless the Board shall have designated another officer as the Chief Executive Officer of the Corporation. Subject to the provisions of these Bylaws and to the direction of the Board, and subject to the supervisory powers of the Chief Executive Officer (if the Chief Executive Officer is an officer other than the President), and subject to such supervisory powers and authority as may be given by the Board to the Chairperson of the Board, and/or to any other officer, the President shall have the responsibility for the general management and control of the business and affairs of the Corporation and the general supervision and direction of all of the officers, employees and agents of the Corporation (other than the Chief Executive Officer, if the Chief Executive Officer is an officer other than the President) and shall perform all duties and have all powers that are commonly incident to the office of President or that are delegated to the President by the Board.

Section 4.5: Vice President. Each Vice President shall have all such powers and duties as are commonly incident to the office of Vice President, or that are delegated to him or her by the Board or the Chief Executive Officer. A Vice President may be designated by the Board to perform the duties and exercise the powers of the Chief Executive Officer in the event of the Chief Executive Officer's absence or disability.

Section 4.6: Chief Financial Officer. The Chief Financial Officer shall be the Treasurer of the Corporation unless the Board shall have designated another officer as the Treasurer of the Corporation. Subject to the direction of the Board and the Chief Executive Officer, the Chief Financial Officer shall perform all duties and have all powers that are commonly incident to the office of Chief Financial Officer.

Section 4.7: Treasurer. The Treasurer shall have custody of all moneys and securities of the Corporation. The Treasurer shall make such disbursements of the funds of the Corporation as are authorized and shall render from time to time an account of all such transactions. The Treasurer shall also perform such other duties and have such other powers as are commonly incident to the office of Treasurer, or as the Board or the Chief Executive Officer may from time to time prescribe.

Section 4.8: Chief Technology Officer. The Chief Technology Officer shall have responsibility for the general research and development activities of the Corporation, for supervision of the Corporation's research and development personnel, for new product development and product improvements, for overseeing the development and direction of the Corporation's intellectual property development and such other responsibilities as may be given to the Chief Technology Officer by the Board, subject to: (a) the provisions of these Bylaws; (b) the direction of the Board; (c) the supervisory powers of the Chief Executive Officer of the Corporation; and (d) those supervisory powers that may be given by the Board to the Chairperson or Vice Chairperson of the Board.

Section 4.9: Secretary. The Secretary shall issue or cause to be issued all authorized notices for, and shall keep, or cause to be kept, minutes of all meetings of the stockholders and

the Board. The Secretary shall have charge of the corporate minute books and similar records and shall perform such other duties and have such other powers as are commonly incident to the office of Secretary, or as the Board or the Chief Executive Officer may from time to time prescribe.

Section 4.10: Delegation of Authority. The Board may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

Section 4.11: Removal. Any officer of the Corporation shall serve at the pleasure of the Board and may be removed at any time, with or without cause, by the Board; provided that if the Board has empowered the Chief Executive Officer to appoint any Vice Presidents of the Corporation, then such Vice Presidents may be removed by the Chief Executive Officer. Such removal shall be without prejudice to the contractual rights of such officer, if any, with the Corporation.

ARTICLE V: STOCK

Section 5.1: Certificates. The shares of capital stock of the Corporation shall be represented by certificates; *provided*, *however*, that the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock may be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation (or the transfer agent or registrar, as the case may be). Notwithstanding the adoption of such resolution by the Board, every holder of stock that is a certificated security shall be entitled to have a certificate signed by or in the name of the Corporation by the Chairperson or Vice-Chairperson of the Board, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the Corporation, certifying the number of shares owned by such stockholder in the Corporation. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate 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 an officer, transfer agent or registrar at the date of issue. If any holder of uncertificated shares elects to receive a certificate, the Corporation (or the transfer agent or registrar, as the case may be) shall, to the extent permitted under applicable law and rules, regulations and listing requirements of any stock exchange or stock market on which the Corporation's shares are listed or traded, cease to provide annual statements indicating such holder's holdings of shares in the Corporation.

Section 5.2: Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The Corporation may issue a new certificate of stock, or uncertificated shares, in the place of any certificate previously issued by it, alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to agree to indemnify the Corporation and/or 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.

Section 5.3: Other Regulations. The issue, transfer, conversion and registration of stock certificates and uncertificated securities shall be governed by such other regulations as the Board may establish.

ARTICLE VI: INDEMNIFICATION

Section 6.1: Indemnification of Officers and Directors. Each person who was or is made a party to, or is threatened to be made a party to, or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "***Proceeding***"), by reason of the fact that such person (or a person of whom such person is the legal representative), is or was a member of the Board or officer of the Corporation or a Reincorporated Predecessor (as defined below) or is or was serving at the request of the Corporation or a Reincorporated Predecessor as a member of the board of directors, officer or trustee of another corporation, or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans (for purposes of this Article VI, an "***Indemnitee***"), shall be indemnified and held harmless by the Corporation to the fullest extent permitted by applicable law, 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), against all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such Indemnitee in connection therewith, provided such Indemnitee acted in good faith and in a manner that the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or Proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful. Such indemnification shall continue as to an Indemnitee who has ceased to be a director or officer and shall inure to the benefit of such Indemnitees' heirs, executors and administrators. Notwithstanding the foregoing, the Corporation shall indemnify any such Indemnitee seeking indemnity in connection with a Proceeding (or part thereof) initiated by such Indemnitee only if such Proceeding (or part thereof) was authorized by the Board or such indemnification is authorized by an agreement approved by the Board. As used herein, the term the "***Reincorporated Predecessor***" means a corporation that is merged with and into the Corporation in a statutory merger where (a) the Corporation is the surviving corporation of such merger; (b) the primary purpose of such merger is to change the corporate domicile of the Reincorporated Predecessor to Delaware.

Section 6.2: Advance of Expenses. The Corporation shall pay all expenses (including attorneys' fees) incurred by such an Indemnitee in defending any such Proceeding as they are incurred in advance of its final disposition; *provided*, *however*, that (a) if the DGCL then so requires, the payment of such expenses incurred by such an Indemnitee in advance of the final disposition of such Proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such Indemnitee, to repay all amounts so advanced if it should be determined ultimately by final judicial decision from which there is no appeal that such Indemnitee is not entitled to be indemnified under this Article VI or otherwise; and (b) the Corporation shall not be required to advance any expenses to a person against whom the Corporation directly brings a claim, in a Proceeding, alleging that such person has breached such person's duty of loyalty to the Corporation, committed an act or omission not in good faith or that involves intentional misconduct or a knowing violation of law, or derived an improper personal benefit from a transaction.

Section 6.3: Non-Exclusivity of Rights. The rights conferred on any person in this Article VI shall not be exclusive of any other right that such person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, Bylaw, agreement, vote or consent of stockholders or disinterested directors, or otherwise. Additionally, nothing in this Article VI shall limit the ability of the Corporation, in its discretion, to indemnify or advance expenses to persons whom the Corporation is not obligated to indemnify or advance expenses pursuant to this Article VI.

Section 6.4: Indemnification Contracts. The Board is authorized to cause the Corporation to enter into indemnification contracts with any director, officer, employee or agent of the Corporation, or any person serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including employee benefit plans, providing indemnification or advancement rights to such person. Such rights may be greater than those provided in this Article VI.

Section 6.5: Right of Indemnitee to Bring Suit. The following shall apply to the extent not in conflict with any indemnification contract provided for in Section 6.4 above.

6.5.1 Right to Bring Suit. If a claim under Section 6.1 or 6.2 of this Article VI is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days, the Indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (a) any suit brought by the Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the Indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (b) 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 Indemnitee has not met any applicable standard for indemnification set forth in applicable law.

6.5.2 Effect of Determination. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met the applicable standard of conduct set forth in applicable law, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel or its stockholders) that the Indemnitee has not met such applicable standard of conduct, shall create a presumption that the Indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the Indemnitee, be a defense to such suit.

6.5.3 Burden of Proof. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VI, or otherwise, shall be on the Corporation.

Section 6.6: Nature of Rights. The rights conferred upon Indemnitees in this Article VI shall be contract rights and such rights shall continue as to an Indemnitee who has ceased to be a director, officer or trustee and shall inure to the benefit of the Indemnitee's heirs, executors and administrators. Any amendment, repeal or modification of any provision of this Article VI that adversely affects any right of an Indemnitee or an Indemnitee's successors shall be prospective only, and shall not adversely affect any right or protection conferred on a person pursuant to this Article VI and existing at the time of such amendment, repeal or modification.

ARTICLE VII: NOTICES

Section 7.1: Notice.

7.1.1 Form and Delivery. Except as otherwise specifically required in these Bylaws (including, without limitation, Section 7.1.2 below) or by law, all notices required to be given pursuant to these Bylaws shall be in writing and may, (a) in every instance in connection with any delivery to a member of the Board, be effectively given by hand delivery (including use of a delivery service), by depositing such notice in the mail, postage prepaid, or by sending such notice by prepaid telegram, cablegram, overnight express courier, facsimile, electronic mail or other form of electronic transmission and (b) be effectively be delivered to a stockholder when given by hand delivery, by depositing such notice in the mail, postage prepaid or, if specifically consented to by the stockholder as described in Section 7.1.2 of this Article VII by sending such notice by telegram, cablegram, facsimile, electronic mail or other form of electronic transmission. Any such notice shall be addressed to the person to whom notice is to be given at such person's address as it appears on the records of the Corporation. The notice shall be deemed given (a) in the case of hand delivery, when received by the person to whom notice is to be given or by any person accepting such notice on behalf of such person, (b) in the case of delivery by mail, upon deposit in the mail, (c) in the case of delivery by overnight express courier, when dispatched, and (d) in the case of delivery via telegram, cablegram, facsimile, electronic mail or other form of electronic transmission, when dispatched.

7.1.2 Electronic Transmission. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation, or these Bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given in accordance with Section 232 of the DGCL. Any such consent shall be revocable by the stockholder by written notice to the Corporation. Any such consent shall be deemed revoked if (a) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (b) such inability becomes known to the Secretary or an Assistant Secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice; *provided*, *however*, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given pursuant to this Section 7.1.2 shall be deemed given: (i) if by facsimile

telecommunication, when directed to a number at which the stockholder has consented to receive notice; (ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of such posting and the giving of such separate notice; and (iv) if by any other form of electronic transmission, when directed to the stockholder.

7.1.3 Affidavit of Giving Notice. An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Corporation that the notice has been given in writing or by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

Section 7.2: Waiver of Notice. Whenever notice is required to be given under any provision of the DGCL, the Certificate of Incorporation or these Bylaws, a written waiver of notice, signed by the person entitled to notice, or waiver by electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any waiver of notice.

ARTICLE VIII: INTERESTED DIRECTORS

Section 8.1: Interested Directors. No contract or transaction between the Corporation and one or more of its members of the Board or officers, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of its directors or officers are members of the board of directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board or committee thereof that authorizes the contract or transaction, or solely because his, her or their votes are counted for such purpose, if: (a) the material facts as to his, her or their relationship or interest and as to the contract or transaction are disclosed or are known to the Board or the committee, and the Board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; (b) the material facts as to his, her or their relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board, a committee thereof, or the stockholders.

Section 8.2: Quorum. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes the contract or transaction.

ARTICLE IX: MISCELLANEOUS

Section 9.1: Fiscal Year. The fiscal year of the Corporation shall be determined by resolution of the Board.

Section 9.2: Seal. The Board may provide for a corporate seal, which may have the name of the Corporation inscribed thereon and shall otherwise be in such form as may be approved from time to time by the Board.

Section 9.3: Form of Records. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be kept on or by means of, or be in the form of, diskettes, CDs, or any other information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to any provision of the DGCL.

Section 9.4: Reliance upon Books and Records. A member of the Board, or a member of any committee designated by the Board shall, in the performance of such person's duties, be fully protected in relying in good faith upon records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of the Corporation's officers or employees, or committees of the Board, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 9.5: Certificate of Incorporation Governs. In the event of any conflict between the provisions of the Certificate of Incorporation and Bylaws, the provisions of the Certificate of Incorporation shall govern.

Section 9.6: Severability. If any provision of these Bylaws shall be held to be invalid, illegal, unenforceable or in conflict with the provisions of the Certificate of Incorporation, then such provision shall nonetheless be enforced to the maximum extent possible consistent with such holding and the remaining provisions of these Bylaws (including without limitation, all portions of any section of these Bylaws containing any such provision held to be invalid, illegal, unenforceable or in conflict with the Certificate of Incorporation, that are not themselves invalid, illegal, unenforceable or in conflict with the Certificate of Incorporation) shall remain in full force and effect.

ARTICLE X: TRANSFERS OF CAPITAL STOCK

Section 10.1: Restriction on Transfer.

10.1.1 No holder ("***Stockholder***") of shares of capital stock of the Corporation ("***Shares***") may transfer, sell, assign, pledge, enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of, or otherwise in any manner dispose of or encumber, whether voluntarily or by operation of law, or by gift or otherwise ("***transfer***"), Shares or any right or interest therein without the prior written consent of the Corporation, in its sole discretion, and such holder otherwise complying with the requirements of this Article X.

10.1.2 The restriction contained in subsection 10.1.1 shall not apply to the following transactions (each, a "***Permitted Transfer***"):

(i) any transfer during the Stockholder's lifetime by gift or pursuant to domestic relations orders to the Stockholder's Immediate Family or a trust for the benefit of Stockholder or Stockholder's immediate family, where "***immediate family***" as used herein shall mean spouse, Spousal Equivalent, lineal descendant or antecedent, parent, sibling, stepchild, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (and for avoidance of doubt shall include adoptive relationships), and where a person is deemed to be a "***Spousal Equivalent***" provided the following circumstances are true: (a) irrespective of whether or not the relevant person and the Spousal Equivalent are the same sex, they are the sole spousal equivalent of the other for the last twelve (12) months, (b) they intend to remain so indefinitely, (c) neither are married to anyone else, (d) both are at least 18 years of age and mentally competent to consent to contract, (e) they are not related by blood to a degree of closeness that which would prohibit legal marriage in the state in which they legally reside, (f) they are jointly responsible for each other's common welfare and financial obligations, and (g) they reside together in the same residence for the last twelve (12) months and intend to do so indefinitely;

(ii) any transfer or deemed transfer effected pursuant to the Stockholder's will or the laws of intestate succession;

(iii) any transfer by an entity Stockholder to an Affiliate (as defined below) of such Stockholder, where, for purposes of this Article X, (a) an "***Affiliate***" of an entity Stockholder shall include any individual, firm, corporation, partnership, association, limited liability company, trust or other entity who, directly or indirectly, controls, is controlled by or is under common control with such entity Stockholder or such entity Stockholder's principal, including, without limitation, any general partner, managing member, managing partner, officer or director of such entity Stockholder, such entity Stockholder's principal or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such entity Stockholder or such entity Stockholder's principal, and (b) the terms "***controlling***," "***controlled by***," or "***under common control with***" shall mean the possession, directly or indirectly, of (x) the power to direct or cause the direction of the management and policies of an entity Stockholder, whether through the ownership of voting securities, by contract, or otherwise, or (y) the power to elect or appoint at least 50% of the directors, managers, general partners, or persons exercising similar authority with respect to such entity Stockholder;

(iv) a corporate Stockholder's transfer of all of its shares to a single transferee pursuant to and in accordance with the terms of any *bona fide* merger, consolidation, reclassification of shares or capital reorganization of the corporate Stockholder, or pursuant to a *bona fide* sale of all or substantially all of the stock or assets of a corporate Stockholder, provided in each case that such transfer is not essentially simply a transfer of the Shares without substantial additional assets other than cash or cash equivalents being transferred;

(v) any repurchase or redemption of Shares by the Corporation: (a) at or below cost, upon the occurrence of certain events, such as the termination of employment or services; or (b) at any price pursuant to the Corporation's exercise of a right of first refusal to repurchase such Shares (including the purchase of such Shares by the Corporation's assignee); and/or

(vii) any transfer or deemed transfer approved by a majority of the disinterested members of the Board, even though the disinterested directors are less than a quorum; provided, however, that notwithstanding the foregoing, if a transfer or deemed transfer is approved pursuant to this clause (vii) and the Shares of the transferring Stockholder are subject to co-sale rights (the "***Co-Sale Rights***"), the persons and/or entities entitled to the Co-Sale Rights shall be permitted to exercise their respective Co- Sale Rights in conjunction with such approved transfer or deemed transfer without any additional approval of the Board.

provided, *however*, that each transferee, assignee, or other recipient of any interest in the Shares shall, as a condition to the transfer, agree to be bound by all of the restrictions set forth in these Bylaws.

10.1.3 As a condition to any transfer, the Corporation may, in its sole discretion, (i) require in connection with such transfer of Shares delivery to the Corporation of a written opinion of legal counsel, in form and substance satisfactory to it or its legal counsel in their respective discretion, that such transfer is exempt from applicable federal, state or other securities laws and regulations (a "***Legal Opinion***"), (ii) charge the transferor, transferee or both a transfer fee in such amount as may be reasonably determined by the Corporation's management in order to recoup the Corporation's internal and external costs of processing such transfer, due and payable to the Corporation prior to or upon effectiveness of such transfer, and/or (iii) require such transfer to be effected pursuant to a standard form of transfer agreement in such customary and reasonable form as may be determined by the Corporation's management from time to time in its discretion.

Section 10.2: Right of First Refusal.

10.2.1 In addition to and without limiting the effect of Section 10.1, if the Stockholder desires to transfer any of his Shares pursuant to Section 10.1.2(vii) above, then the Stockholder shall first give written notice thereof to the Corporation. The notice shall (i) name the proposed transferee, (ii) state (a) the number of Shares to be transferred, (b) the proposed consideration and (c) all other terms and conditions of the proposed transfer, (iii) be signed by such Stockholder and the proposed purchaser or transferee, (iv) must constitute a binding commitment subject to the Corporation's right of first refusal as set forth herein, (v) be accompanied by proof satisfactory to the Corporation or its legal counsel that the proposed sale or transfer will not violate any applicable U.S. federal, state or other securities laws, and (vi) offer the Shares at the same price and upon the same terms (or terms as similar as reasonably possible) to the Corporation or its assignee(s). The notice shall not be deemed delivered for purposes of this Section 10.2 until the later of (i) such time as the transferring Stockholder shall have delivered the foregoing notice to the Corporation, (ii) such time as a written opinion of legal counsel, in form and substance satisfactory to the Corporation or its legal counsel in their respective discretion, that the proposed transfer is exempt from applicable federal, state or other

securities laws and regulations (a "***Legal Opinion***") shall have been delivered to the Corporation, (iii) such time as an officer of the Corporation shall have confirmed in writing (including via email) that no such Legal Opinion shall be required with respect to the proposed transfer (or is not required to be delivered until a time reasonably in advance of the consummation of the proposed transfer).

10.2.2 For thirty (30) days following receipt of such notice, the Corporation and/or its assignee shall have the option to purchase all (but not less than all) of the Shares specified in the notice at the price and upon the terms (or terms as similar as reasonably possible) set forth in such notice; provided, however, that, with the consent of the transferring Stockholder, the Corporation shall have the option to purchase a lesser portion of the Shares specified in said notice at the price and upon the terms set forth therein. In the event of a gift, property settlement or other transfer in which the proposed transferee is not paying the full price for the Shares, and that is not otherwise exempted from the provisions of this Section 10.2, the price shall be deemed to be the fair market value of the stock at such time as determined in good faith by the Board. In the event the Corporation elects to purchase all of the Shares or, with consent of the transferring Stockholder, a lesser portion of the Shares, it shall give written notice to the transferring Stockholder of its election and settlement for said Shares shall be made as provided below in the next paragraph.

10.2.3 In the event the Corporation and/or its assignee(s) elect to acquire any of the Shares of the transferring Stockholder as specified in said transferring Stockholder's notice, the Secretary of the Corporation shall so notify the transferring Stockholder and settlement thereof shall be made in cash within sixty (60) days after the Secretary of the Corporation receives said transferring Stockholder's notice; provided that if the terms of payment set forth in said transferring Stockholder's notice were other than cash against delivery, the Corporation and/or its assignee(s) shall pay for said Shares on the same terms and conditions set forth in said transferring Stockholder's notice.

10.2.4 In the event the Corporation and/or its assignees(s) do not elect to acquire all of the Shares specified in the transferring Stockholder's notice, said transferring Stockholder may, within the sixty (60)-day period following the expiration of the option rights granted to the Corporation and/or its assignees(s) herein, transfer the Shares specified in said transferring Stockholder's notice which were not acquired by the Corporation and/or its assignees(s) as specified in said transferring Stockholder's notice. All Shares so sold by said transferring Stockholder shall continue to be subject to the provisions of these Bylaws in the same manner as before said transfer.

10.2.5 Anything to the contrary contained herein notwithstanding, a Permitted Transfer shall be exempt from the provisions of this Section 10.2.

Section 10.3: Application; Waiver; Termination of Rights; Legend.

10.3.1 In the case of any transfer permitted hereunder (whether by consent or via an exemption), the transferee, assignee or other recipient shall receive and hold such stock subject to the provisions of these Bylaws, and there shall be no further transfer of such stock except in accordance with these Bylaws. Any proposed transfer on terms and conditions different from those set forth in the notice described in subsection 10.2.1, as well as any

subsequent proposed transfer shall again be subject to the foregoing restrictions on transfer, including the Corporation's right of first refusal, and shall require compliance with the procedures described in Sections 10.1 and 10.2.

10.3.2 The provisions of this Article X may be waived with respect to any transfer either by the Corporation, upon duly authorized action of its Board, or by the stockholders of the Company, upon the express written consent of the owners of a majority of the voting power of the Corporation (excluding the votes represented by those Shares to be transferred by the transferring Stockholder); provided, however, that such restrictions shall continue to apply to the Shares subsequent to such transfer; provided further that the Board may delegate the power to make any decision to consent to a transfer under Section 10.1 or waive the right of first refusal on behalf of the Corporation under Section 10.2 to either the Corporation's Chief Executive Officer or a committee of executive officers of the Corporation as the Board may determine (subject to such limitations as the Board may determine, if any).

10.3.3 Any sale or transfer, or purported sale or transfer, of securities of the Corporation shall be null and void unless the terms, conditions, and provisions of this bylaw are strictly observed and followed.

10.3.4 The restrictions on transfer in Sections 10.1 and 10.2 shall terminate immediately prior to the closing of a firm commitment underwritten public offering of common stock pursuant to a registration statement filed with, and declared effective by, the United States Securities and Exchange Commission under the Securities Act of 1933, as amended (the "***Securities Act***"). Upon termination of such restrictions, a new certificate or certificates representing the Shares shall be issued, on request, without the legend referred to in subsection 10.3.5 below and delivered to each holder thereof.

10.3.5 The certificates representing shares of stock of the Corporation shall bear on their face the following legend so long as the foregoing restrictions on transfer remain in effect:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER AS PROVIDED IN THE BYLAWS OF THE CORPORATION."

ARTICLE XI: AMENDMENT

Unless otherwise required by the Certificate of Incorporation, stockholders of the Corporation holding at least a majority of the voting power of the Corporation's outstanding voting stock then entitled to vote at an election of directors shall have the power to adopt, amend or repeal Bylaws. To the extent provided in the Certificate of Incorporation, the Board shall also have the power to adopt, amend or repeal Bylaws of the Corporation.

CERTIFICATION OF BYLAWS
OF
KIROMIC, INC.

a Delaware Corporation

I, Scott Dahlbeck, certify that I am Secretary of Kiromic, Inc., a Delaware corporation (the "***Corporation***"), that I am duly authorized to make and deliver this certification, that the attached Bylaws are a true and complete copy of the Bylaws of the Corporation in effect as of the date of this certificate.

Dated: May 27, 2016

/s/ Scott Dahlbeck
Scott Dahlbeck, Secretary

EXHIBIT G

FORM OF WARRANT

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND, EXCEPT AND PURSUANT TO THE PROVISIONS OF ARTICLE 4 BELOW, MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO RULE 144 OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT TO PURCHASE COMMON STOCK

Corporation:	Kiromic, Inc.
Number of Shares:	[ ]
Class of Stock:	Common Stock
Warrant Price:	$0.0001 per share
Issue Date:	[ ], 2019
Expiration Date:	[ ], 2029

THIS WARRANT TO PURCHASE COMMON STOCK (THIS "WARRANT") CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, [ ] or its assignee ("Holder"), is entitled to purchase the number of fully paid and nonassessable shares of the class of stock (the "Shares") of Kiromic, Inc., a Delaware corporation (the "Company") at the Warrant Price, all as set forth above and as adjusted pursuant to the terms of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant.

ARTICLE 1
EXERCISE

1.1 Method of Exercise. Subject to the Exercise Schedule set forth at Section 1.2, below, Holder may exercise this Warrant from time to time for all or any part of the unexercised Shares by delivering a duly executed Notice of Exercise in substantially the form attached as Appendix I to the principal office of the Company (or such other appropriate location as Holder is so instructed by the Company). Holder shall also deliver to the Company a check, wire transfer (to an account designated by the Company) or other form of cash payment acceptable to the Company for the aggregate Warrant Price for the Shares being purchased. Notwithstanding any other provision hereof, if an exercise of any portion of this Warrant is to be made in connection with a public offering or an Acquisition (as defined below), such exercise may at the election of the Holder be conditioned upon the consummation of such transaction, in which case such exercise shall not be deemed to be effective until immediately prior to the closing of such transaction.

1.2 Exercise Schedule:

- 30% of the Shares beginning six months after the date on which the securities of the Company are first listed on a United States national securities exchange (such date, the "Listing Date");
- An additional 30% of the Shares beginning nine months after the Listing Date; and
- The remainder of the Shares beginning twelve months after the Listing Date.

1.3 Delivery of Certificate and New Warrant. Within thirty (30) days after Holder exercises this Warrant and the Company receives payment of the aggregate Warrant Price, the Company shall deliver to Holder certificates for the Shares acquired and, if this Warrant has not been fully exercised and has not expired, a new warrant representing the Shares not so acquired.

1.4 Replacement of Warrants. In the case of loss, theft or destruction of this Warrant, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company at its expense shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor.

1.5 Acquisition of the Company.

1.5.1 Defined Terms.

(a) "Acquisition." For the purpose of this Warrant, "Acquisition" means (a) any sale, lease, license, or other disposition of all or substantially all of the assets (including intellectual property) of the Company by means of any transaction or series of related transactions, or (b) any reorganization, consolidation, acquisition, merger, sale of the voting securities of the Company or any other transaction or series of related transactions where the holders of the Company's securities before the transaction or series of related transactions beneficially own less than fifty percent (50%) of the outstanding voting securities of the surviving entity after the transaction or series of related transactions.

1.5.2 Treatment of Warrant in the Event of an Acquisition. The Company shall give Holder written notice at least ten (10) days prior to the closing of any proposed Acquisition. The Company will cause (i) the acquirer of the Company, (ii) successor or surviving entity or (iii) parent entity in an Acquisition (the "Acquirer") to assume this Warrant as a part of the Acquisition or agree to cash it out on an as-exercised cashless basis at the closing of the proposed Acquisition. Upon assumption by such Acquirer of this Warrant, then this Warrant shall be exercisable for the same securities, cash, and property as would be payable for the Shares issuable upon exercise of the unexercised portion of this Warrant as if such Shares were outstanding on the record date for the Acquisition and subsequent closing. The Warrant Price shall be adjusted accordingly, and the Warrant Price and number and class of Shares shall continue to be subject to adjustment from time to time in accordance with the provisions hereof.

1.6 Redemption.

1.6.1 Effect of Exercise of Special Redemption Right. In the event that Holder exercises his, her, or its "Special Redemption Right" pursuant to and in accordance with Section 4.3.6 of the Company's current Restated Certificate of Incorporation, (as may be amended from time to time, the "Restated Certificate"), as applicable: (a) if Holder exercises such right with respect to all of his, her, or its shares of Series B Preferred Stock of the Company ("Series B Shares"), this Warrant shall terminate, or (b) if Holder exercises such right with respect to less than all of his, her, or its Series B Shares, the number of Shares that Holder is entitled to purchase pursuant to this Warrant shall be subject to pro rata reduction based on the percentage of Holder's Series B Shares submitted for redemption by such Holder.

1.6.2 Effect of Delayed Redemption. Notwithstanding any provision hereof to the contrary, in the event that the Company fails or is unable to execute the redemption of Holder's Series B Shares within 30 days of Holder's submission of a Special Redemption Notice (as defined in Section 4.3.6 of the Restated Certificate), the Holder shall immediately be entitled to exercise this Warrant with respect to all of the Shares unless and until the amount owed to Holder pursuant to the exercise of such Special Redemption Right shall have been satisfied in accordance with Section 4.3.6 of the Restated Certificate.

ARTICLE 2
ADJUSTMENTS TO THE SHARES

2.1 Stock Dividends, Splits, Etc. If the Company declares or pays a dividend on the Shares payable in common stock, or other securities, or subdivides the outstanding common stock into a greater amount of common stock, and, in either case, such event shall not result in an anti-dilution adjustment to the Shares pursuant to the Restated Certificate, then upon exercise of this Warrant, for each Share acquired, Holder shall receive, without cost to Holder, the total number and kind of securities to which Holder would have been entitled had Holder owned the Shares of record as of the date the dividend or subdivision occurred.

2.2 Reclassification, Exchange or Substitution. Upon any reclassification, exchange, substitution, or other event that results in a change of the number and/or class of the securities issuable upon exercise or conversion of this Warrant, Holder shall be entitled to receive, upon exercise or conversion of this Warrant, the number and kind of securities and property that Holder would have received for the Shares if this Warrant had been exercised immediately before such reclassification, exchange, substitution, or other event. The Company or its successor shall promptly issue to Holder a new warrant for such new securities or other property. The new warrant shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 2 including, without limitation, adjustments to the Warrant Price, the number of securities or property issuable upon exercise of the new warrant and expiration date. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, substitutions, or other events.

2.3 Adjustments for Combinations, Splits, Etc. If the outstanding Shares are combined or consolidated, by reclassification, reverse split or otherwise, into a lesser Number of Shares, the Warrant Price shall be proportionately increased and the number of Shares issuable under this Warrant shall be proportionately decreased. If the outstanding Shares are split or multiplied, by reclassification or otherwise, into a greater Number of Shares, the Warrant Price shall be proportionately decreased and the number of Shares issuable under this Warrant shall be proportionately increased.

2.5 No Impairment. The Company shall not, by amendment of the Restated Certificate or through a reorganization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Warrant by the Company, but shall at all times in good faith assist in carrying out all the provisions of this Article 2 and in taking all such action as may be necessary or appropriate to protect Holder’s rights under this Article 2 against impairment.

2.6 Certificate as to Adjustments. Upon each adjustment of the Warrant Price and/or number of Shares, the Company at its expense shall promptly compute such adjustment, and furnish Holder with a certificate signed by its Chief Financial Officer setting forth such adjustment and the facts upon which such adjustment is based. The Company shall, upon written request, furnish Holder a certificate setting forth the Warrant Price in effect upon the date thereof and the series of adjustments leading to such Warrant Price and Number of Shares.

2.7 Limitations on Liability. Nothing contained in this Warrant shall be construed as imposing any liabilities on Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

2.8 Fractional Shares. No fractional Shares shall be issuable upon exercise of this Warrant and the Number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise of this Warrant, the Company shall eliminate such fractional share interest by paying Holder an amount in cash computed by multiplying the fractional interest by the fair market value, as determined by the Company's Board of Directors, of a full Share.

ARTICLE 3
REPRESENTATIONS AND COVENANTS OF THE COMPANY

3.1 Representations and Warranties. The Company hereby represents and warrants to, and agrees with, the Holder as follows:

3.1.1 The initial Warrant Price referenced on the first page of this Warrant is equal to the original issue price of the Shares.

3.1.2 This Warrant is and any Warrant issued in substitution for or replacement of this Warrant shall be, upon issuance, duly authorized and validly issued. All Shares which may be issued upon the exercise of the purchase right represented by this Warrant, and all securities, if any, issuable upon conversion of the Shares, shall, upon issuance, be duly authorized, validly issued, fully paid and nonassessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws.

3.1.3 The Company's capitalization table delivered to Holder as of the Issue Date is true and complete as of the Issue Date.

3.2 Notice of Certain Events. If the Company proposes at any time (a) to declare any dividend or distribution upon its stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (b) to offer for subscription pro rata to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights; (c) to effect any reclassification or recapitalization of stock; or (d) to merge or consolidate with or into any other corporation, or sell, lease, license, or convey all or substantially all of its assets, or to liquidate, dissolve or wind up, then, in connection with each such event, the Company shall give Holder (1) at least ten (10) days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of stock will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above; and (2) in the case of the matters referred to in (c) and (d) above at least ten (10) days prior written notice of the date when the same will take place (and specifying the date on which the holders of stock will be entitled to exchange their stock for securities or other property deliverable upon the occurrence of such event). Upon request, the Company shall provide Holder with such information reasonably necessary for Holder to evaluate its rights as a holder of this Warrant or Shares in the case of matters referred to (a), (b), (c) and (d) herein above.

ARTICLE 4
MISCELLANEOUS

4.1 Legends. This Warrant and the Shares issuable upon exercise of this Warrant (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) shall be imprinted with a legend in substantially the following form:

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND, EXCEPT AND PURSUANT TO THE PROVISIONS OF ARTICLE 4 BELOW, MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO RULE 144 OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

4.2 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) may not be transferred or assigned in whole or in part without compliance with applicable federal and state securities laws by the transferor and the transferee.

4.3 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing shall be delivered both physically and via electronic mail 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 notices to the Holder shall be addressed as follows:

[ ]

Address:
Phone:
Email:

All notices to the Company shall be addressed as follows:

Kiromic, Inc.
Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054
Attn: Scott Dahlbeck
Phone: (713) 689-4450
Email: sdahlbeck@kiromic.com

4.4 Amendments; Waiver. This Warrant and any term hereof may be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by the Company or the Holder of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Warrant shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

4.5 Cumulative Remedies. The rights and remedies provided in this Warrant are cumulative and are not exclusive of, and are in addition and not in substitution for, any other rights or remedies available at law, in equity or otherwise.

4.6 No Strict Construction. This Warrant shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

4.7 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to its principles regarding conflicts of law.

4.8 Dispute Resolution. All disputes arising out of or in connection with this Warrant shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Any such arbitration shall (i) be subject to the application of the Governing Law, (ii) take place in Paris, France and (iii) be conducted in English. Each of the parties to this Warrant consents to personal jurisdiction for any emergency injunction sought in the U.S. District Court for the Southern District of Texas or any court of the State of Texas having subject matter jurisdiction. However, subsequent to the emergency injunction hearing, the merits of the matter will be decided by the ICC as per the procedure set forth above.

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its duly authorized officer(s) as of the first date written above.

KIROMIC, INC.

By: _____
Name: _____
Title: _____

APPENDIX I

NOTICE OF EXERCISE

1. The undersigned hereby elects to purchase _____ shares of common stock of Kiromic, Inc., a Delaware corporation, pursuant to the terms of the attached Warrant and tenders herewith payment of the purchase price of such shares in full.

2. Please issue a certificate or certificates representing said shares in the name of the undersigned or in such other name as is specified below:

_____

_____

_____

Attention: _____

Email: _____

3. The undersigned represents it is acquiring the shares solely for its own account and not as a nominee for any other party and not with a view toward the resale or distribution thereof except in compliance with applicable securities laws.

_____

_____

(Signature)

_____

(Name and Title)

_____

(Date)

SCHEDULE A
INVESTORS

Name and Address

Angelo Minotti
RM A&B, 12/F Seabright Plaza
6 – 23 Shell St. North Point
Hong Kong

Encap (Global) Asset Management Limited
Unit G, 12/F Seabright Plaza 9 – 23 Shell St.
North Point – Hong Kong

Interactive Engineering EOOD
3 Prof. Milko Bichev, fl.1, district of Oborishet, 1504 Sofia,
region of Sofia, municipality of Sofia, Bulgaria

Jui-Lien Chou Ho
4009 19th Street, Ste D
Lubbock, TX 79410

KEY HOLDERS:

/s/ Maurizio Chiriva-Internati
Maurizio Chiriva-Internati

/s/ Scott Dahlbeck
Scott Dahlbeck

/s/ Gianluca Rotino
Gianluca Rotino

SCHEDULE A
INVESTORS

Name and Address

Angelo Minotti
RM A&B, 12/F Seabright Plaza
6 – 23 Shell St. North Point
Hong Kong

Encap (Global) Asset Management Limited
Unit G, 12/F Seabright Plaza 9 – 23 Shell St.
North Point – Hong Kong

Interactive Engineering EOOD
3 Prof. Milko Bichev, fl.1, district of Oborishet, 1504 Sofia,
region of Sofia, municipality of Sofia, Bulgaria

Jui-Lien Chou Ho
4009 19th Street, Ste D
Lubbock, TX 79410

Mohommad Otahbachi
4614 Suite 103
Lubbock, TX 79424

BCT Capital and Holdings, LLC
11501 Silver Lake Ct
Austin, TX 78732

SCHEDULE B
KEY HOLDERS

Name and Address

Scott Dahlbeck
Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054

Gianluca Rotino
Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054

Maurizio Chiriva
Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054

EXHIBIT A
CONSENT OF SPOUSE

I, _____, spouse of _____, acknowledge that I have read the Right of First Refusal and Co-Sale Agreement, dated as of _____, 2019, to which this Consent is attached as Exhibit A (the "**Agreement**"), and that I know the contents of the Agreement. I am aware that the Agreement contains provisions regarding certain rights to certain other holders of Capital Stock of the Company upon a Proposed Key Holder Transfer of shares of Transfer Stock of the Company which my spouse may own including any interest I might have therein.

I hereby agree that my interest, if any, in any shares of Transfer 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 Transfer 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 as of the ____ day of _____, 2019.

_____
Signature

_____
Print Name

KEY HOLDERS:

/s/ Maurizio Chiriva-Internati
Maurizio Chiriva-Internati

/s/ Scott Dahlbeck
Scott Dahlbeck

/s/ Gianluca Rotino
Gianluca Rotino

SCHEDULE B

KEY HOLDERS

Name and Address

Scott Dahlbeck
Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054

Gianluca Rotino
Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054

Maurizio Chiriva
Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054

EXHIBIT A

ADOPTION AGREEMENT

This Adoption Agreement ("**Adoption Agreement**") is executed on_____, 20__, by the undersigned (the "**Holder**") pursuant to the terms of that certain Voting Agreement dated as of September 7, 2019 (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**") or options, warrants, or other rights to purchase such Stock (the "**Options**"), 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 6.1(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 6.1(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, Options, 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: _____

By: _____
Name and Title of Signatory

Address: _____

_____

Facsimile Number: _____

ACCEPTED AND AGREED:

KIROMIC, INC.

By: _____

Title: _____

EXHIBIT B

CONSENT OF SPOUSE

I, _____, spouse of _____, acknowledge that I have read the Voting Agreement, dated as of _____, 2019, 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: _____ _____

Exhibit 10.1

SERIES B PREFERRED

STOCK PURCHASE AGREEMENT

among

KIROMIC, INC.
a Delaware corporation

and

THE INVESTORS NAMED IN EXHIBIT A

dated as of September 7, 2019

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SERIES B PREFERRED STOCK PURCHASE AGREEMENT

THIS SERIES B PREFERRED STOCK PURCHASE AGREEMENT (this "**Agreement**"), is made as of the day of , 2019 by and among Kiromic, Inc., a Delaware corporation (the "**Company**"), the investors listed on Exhibit A attached to this Agreement (each a "**Purchaser**" and together the "**Purchasers**").

The parties hereby agree as follows:

1. Purchase and Sale of Preferred Stock.

1.1 Sale and Issuance of Preferred Stock.

(a) The Company shall adopt and file with the Secretary of State of the State of Delaware on or before the Initial Closing (as defined below) the Second Amended and Restated Certificate of Incorporation of the Company in the form of Exhibit B attached to this Agreement (the "**Restated Certificate**").

(b) Subject to the terms and conditions of this Agreement, each Purchaser agrees to purchase at the Closing and the Company agrees to sell and issue to each Purchaser at the Closing that number of shares of Series B Preferred Stock, $0.01 par value per share (the "**Series B Preferred Stock**"), set forth opposite each Purchaser's name on Exhibit A, at a purchase price of $0.46 per share. The shares of Series B Preferred Stock issued to the Purchasers pursuant to this Agreement (including any shares issued at the Initial Closing and any Additional Shares, as defined below) shall be referred to in this Agreement as the "**Shares**."

1.2 Closing; Delivery.

(a) The initial purchase and sale of the Shares shall take place remotely via the exchange of documents and signatures, on the date first set forth above, or at such other time and place as the Company and the Purchasers mutually agree upon, orally or in writing (which time and place are designated as the "**Initial Closing**"). In the event there is more than one closing, the term "**Closing**" shall apply to each such closing unless otherwise specified.

(b) At each Closing, the Company shall deliver to each Purchaser a certificate representing the Shares being purchased by such Purchaser at such Closing against, as applicable: (i) payment of the purchase price therefor by check payable to the Company, by wire transfer to a bank account designated by the Company on the date of such Closing or (ii) payment of the purchase price therefor in Installments (as defined below) as further described in Section 1.3, below.

1.3 Installments

(a) The Company and certain Purchasers hereunder entered into a binding Letter Agreement dated as of August 21, 2019 pursuant to which, in relevant part, such Purchasers agreed to make and the Company agreed to receive payments in respect of the purchase price hereunder in accordance with a predetermined schedule (as reflected opposite each applicable Purchaser's name on Exhibit A) whereby the purchase price hereunder shall be paid incrementally in the amounts and on such dates as set forth on Exhibit A.

1.4 Sale of Additional Shares of Preferred Stock. After the Initial Closing, the

Company may sell all or any portion of any authorized but unissued shares of Series B Preferred Stock (the "**Additional Shares**"), to one or more purchasers (the "**Additional Purchasers**"), provided that (i) such subsequent sale is consummated prior to 90 days after the Initial Closing, (ii) each Additional Purchaser becomes a party to the Transaction Agreements (as defined below), by executing and delivering a counterpart signature page to each of the Transaction Agreements. Exhibit A to this Agreement shall be updated to reflect the number of Additional Shares purchased at each such Closing and the parties purchasing such Additional Shares.

1.5 Use of Proceeds. In accordance with the directions of the Company's Board of Directors, as it shall be constituted in accordance with the Voting Agreement, the Company will use the proceeds from the sale of the Shares only for: (i) legal fees, (ii) financial auditing fees, (iii) ordinary operational costs, (iv) CRO or clinical site usage costs, (v) hiring employees or consultants, and (vi) costs incurred in connection with the preparation and filing of a registration statement with the United States Securities and Exchange Commission.

1.6 Defined Terms Used in this Agreement. In addition to the terms defined above, the following terms used in this Agreement shall be construed to have the meanings set forth or referenced below.

(a) "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment advisers of, or shares the same management company or investment adviser with, such Person.

(b) "**Code**" means the Internal Revenue Code of 1986, as amended.

(c) "**Company Intellectual Property**" means all patents, patent applications, patent disclosures, and all related continuation, continuation-in-part, divisional, reissue, reexamination, utility model, renewals, extensions, certificate of invention and design patents, patent applications, registrations and applications for registrations, registered and unregistered trademarks, trademark applications, registered and unregistered service marks, service mark applications, tradenames, copyrights, trade secrets, domain names, mask works, information and proprietary rights and processes, similar or other intellectual property rights, subject matter of any of the foregoing, tangible embodiments of any of the foregoing, licenses in, to and under any of the foregoing, and any and all such cases that are owned or used by the Company in the conduct of the Company's business as now conducted and as presently proposed to be conducted.

(d) "**Investors' Rights Agreement**" means the agreement among the Company and the Purchasers and certain other stockholders of the Company dated as of the date of the Initial Closing, in the form of Exhibit D attached to this Agreement.

(e) "**Key Employee**" means any executive-level employee as well as any employee or consultant who either alone or in concert with others develops, invents, programs or designs any Company Intellectual Property.

(f) "**Knowledge**" including the phrase "**to the Company's knowledge**" shall mean the actual knowledge after reasonable investigation of the following officers: Maurizio Chiriva-Internati, Scott Dahlbeck, and Gianluca Rotino.

(g) "**Material Adverse Effect**" means a material adverse effect on the business, assets (including intangible assets), liabilities, financial condition, property, or results of operations of the Company.

(h) "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

(i) "**Purchaser**" means each of the Purchasers who is initially a party to this Agreement and any Additional Purchaser who becomes a party to this Agreement at a subsequent Closing under Subsection 1.2(b).

(j) "**Right of First Refusal and Co-Sale Agreement**" means the agreement among the Company, the Purchasers, and certain other stockholders of the Company, dated as of the date of the Initial Closing, in the form of Exhibit E attached to this Agreement.

(k) "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(l) "**Shares**" means the shares of Series B Preferred Stock issued at the Initial Closing and any Additional Shares issued at a subsequent Closing under Subsection 1.2(b).

(m) "**Transaction Agreements**" means this Agreement, the Investors' Rights Agreement, the Right of First Refusal and Co-Sale Agreement, the Voting Agreement, and the Warrants.

(n) "**Voting Agreement**" means the agreement among the Company, the Purchasers and certain other stockholders of the Company, dated as of the date of the Initial Closing, in the form of Exhibit F attached to this Agreement.

2. Representations and Warranties of the Company. The Company hereby represents and warrants to each Purchaser that, except as set forth on the Disclosure Schedule attached as Exhibit C to this Agreement, which exceptions shall be deemed to be part of the representations and warranties made hereunder, the following representations are true and complete as of the date of the Initial Closing, except as otherwise indicated. The Disclosure Schedule shall be arranged in sections corresponding to the numbered and lettered sections and subsections contained in this Section 2, and the disclosures in any section or subsection of the Disclosure Schedule shall qualify other sections and subsections in this Section 2 only to the extent it is readily apparent from a reading of the disclosure that such disclosure is applicable to such other sections and subsections.

For purposes of these representations and warranties (other than those in Subsections 2.2, 2.3, 2.4, 2.5, and 2.6), the term the "**Company**" shall include any subsidiaries of the Company, unless otherwise noted herein.

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 now conducted and as presently proposed to be conducted. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a Material Adverse Effect.

2.2 Capitalization.

(a) The authorized capital of the Company will consist, immediately prior to the Initial Closing and upon acceptance by the Secretary of State of Delaware of the Restated Certificate, of:

(i) 300,000,000 shares of common stock, $0.0001 par value per share (the "**Common Stock**"), 100,000,000 shares of which are issued and outstanding immediately prior to the Initial 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.

(ii) 35,298,279 shares of Preferred Stock, (A) 21,167,844 shares of which are designated as Series A-1 Preferred Stock, all of which are issued and outstanding immediately prior to the Initial Closing, and (B) 14,130,435 shares of which are designated as Series B Preferred Stock, none of which are issued and outstanding immediately prior to the Initial Closing. The rights, privileges and preferences of the Preferred Stock are as stated in the Restated Certificate and as provided by the Delaware General Corporation Law

(b) The Company has reserved 20,000,000 shares of Common Stock for issuance to officers, directors, employees and consultants of the Company pursuant to its 2017 Equity Incentive Plan duly adopted by the Board of Directors and approved by the Company stockholders (the "**Stock Plan**"). Of such reserved shares of Common Stock, none have been issued pursuant to restricted stock purchase agreements, options to purchase 19,060,484 shares have been granted and are currently outstanding, and 939,516 shares of Common Stock remain available for issuance to officers, directors, employees and consultants pursuant to the Stock Plan. The Company has furnished to the Purchasers complete and accurate copies of the Stock Plan and forms of agreements used thereunder.

(c) Except for (A) the conversion privileges of the Shares to be issued under this Agreement, (B) the rights provided in Section 4 of the Investors' Rights Agreement, t and (D) the securities and rights described in Subsection 2.2(a)(ii) of this Agreement and Subsection 2.2(b) of the Disclosure Schedule, there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal or similar rights) or agreements, orally or in writing, to purchase or acquire from the Company any shares of Common Stock or Series B Preferred Stock, or any securities convertible into or exchangeable for shares of Common Stock or Series B Preferred Stock. All outstanding shares of the Company's Common Stock and all shares of the Company's Common Stock underlying outstanding options are subject to (i) a right of first refusal in favor of the Company upon any proposed transfer (other than transfers for estate planning purposes); and (ii) a lock-up or market standoff agreement of not less than one hundred eighty (180) days following the Company's initial public offering pursuant to a registration statement filed with the Securities and Exchange Commission under the Securities Act.

(d) None of the Company's stock purchase agreements or stock option documents contains a provision for acceleration of vesting (or lapse of a repurchase right) or other changes in the vesting provisions or other terms of such agreement or understanding upon the occurrence of any event or combination of events, including without limitation in the case where the Company's Stock Plan is not assumed in an acquisition. The Company has never adjusted or amended the exercise price of any stock options previously awarded, whether through amendment, cancellation, replacement grant, repricing, or any other means. Except as set forth in the Restated Certificate, the Company has no obligation (contingent or otherwise) to purchase or redeem any of its capital stock.

(e) The Company has obtained valid waivers of any rights by other parties to purchase any of the Shares covered by this Agreement.

2.3 Subsidiaries. The Company does not currently own or control, directly or indirectly, any interest in any other corporation, partnership, trust, joint venture, limited liability company, association, or other business entity. The Company is not a participant in any joint venture, partnership or similar arrangement other than as set forth on Subsection 2.3 of the Disclosure Schedule.

2.4 Authorization. All corporate action required to be taken by the Company's Board of Directors and stockholders in order to authorize the Company to enter into the Transaction Agreements, and to issue the Shares at the Closing and the Common Stock issuable upon conversion of the Shares, has been taken or will be taken prior to the Closing. All action on the part of the officers of the Company necessary for the execution and delivery of the Transaction Agreements, the performance of all obligations of the Company under the Transaction Agreements to be performed as of the Closing, and the issuance and delivery of the Shares has been taken or will be taken prior to the Closing. The Transaction Agreements, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective 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, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies, or (iii) to the extent the indemnification provisions contained in the Investors' Rights Agreement and the Indemnification Agreement may be limited by applicable federal or state securities laws.

2.5 Valid Issuance of Shares. The 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 the Transaction Agreements, applicable state and federal securities laws and liens or encumbrances created by or imposed by a Purchaser. Assuming the accuracy of the representations of the Purchasers in Section 3 of this Agreement and subject to the filings described in the Voting Agreement, the Shares will be issued in compliance with all applicable federal and state securities laws. The Common Stock issuable upon conversion of the Shares has been duly reserved for issuance, and upon issuance in accordance with the terms of the Restated Certificate, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Agreements, applicable federal and state securities laws and liens or encumbrances created by or imposed by a Purchaser. Based in part upon the representations of the Purchasers in Section 3 of this Agreement and in the Voting Agreement, the Common Stock issuable upon conversion of the Shares will be issued in compliance with all applicable federal and state securities laws.

2.6 Governmental Consents and Filings. Assuming the accuracy of the representations made by the Purchasers in Section 3 of this Agreement, no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority is required on the part of the Company in connection with the consummation of the transactions contemplated by this Agreement, except for (i) the filing of the Restated Certificate, which will have been filed as of the Initial Closing, and (ii) filings pursuant to Regulation D of the Securities Act, and applicable state securities laws, which have been made or will be made in a timely manner.

2.7 Litigation. There is no known claim, action, suit, proceeding, arbitration, complaint, charge or investigation pending or to the Company's knowledge, currently threatened in writing: (i) against the Company or any officer, director or Key Employee of the Company arising out of their employment or board relationship with the Company; (ii) to the Company's knowledge, that questions the validity of the Transaction Agreements or the right of the Company to enter into them, or to consummate the transactions contemplated by the Transaction Agreements; or (iii) that would reasonably

be expected to have, either individually or in the aggregate, a Material Adverse Effect. Neither the Company nor, to the Company's knowledge, any of its officers, directors or Key Employees is a party or is named as subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality (in the case of officers, directors or Key Employees, such as would affect the Company). There is no action, suit, proceeding or investigation by the Company pending or which the Company intends to initiate. The foregoing includes, without limitation, actions, suits, proceedings or investigations pending or threatened in writing (or any basis therefor known to the Company) involving the prior employment of any of the Company's employees, their services provided in connection with the Company's business, any information or techniques allegedly proprietary to any of their former employers or their obligations under any agreements with prior employers.

2.8 Intellectual Property. The Company owns or possesses sufficient legal rights to all Company Intellectual Property without any known conflict with, or infringement of, the rights of others. To the Company's knowledge, no product or service marketed or sold (or proposed to be marketed or sold) by the Company violates or will violate any license or infringes or will infringe any intellectual property rights of any other party. Other than with respect to commercially available software products under standard end-user object code license agreements, there are no outstanding options, licenses, agreements, claims, encumbrances or shared ownership interests of any kind relating to the Company Intellectual Property, nor is the Company bound by or a party to any options, licenses or agreements of any kind with respect to the patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, proprietary rights and processes of any other Person. The Company has not received any communications alleging that the Company has violated or, by conducting its business, would violate any of the patents, trademarks, service marks, tradenames, copyrights, trade secrets, mask works or other proprietary rights or processes of any other Person. The Company has obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Company's business. To the Company's knowledge, it will not be necessary to use any inventions of any of its employees or consultants (or Persons it currently intends to hire) made prior to their employment by the Company. Each employee and consultant has assigned to the Company all intellectual property rights he or she owns that are related to the Company's business as now conducted and as presently proposed to be conducted. Section 2.8 of the Disclosure Schedule lists all Company Intellectual Property. The Company has not embedded any open source, copyleft or community source code in any of its products generally available or in development, including but not limited to any libraries or code licensed under any General Public License, Lesser General Public License or similar license arrangement. For purposes of this Section 2.8, the Company shall be deemed to have knowledge of a patent right if the Company has actual knowledge of the patent right or would be found to be on notice of such patent right as determined by reference to United States patent laws. No government funding, facilities of a university, college, other educational institution or research center, or funding from third parties was used in the development of any Company Intellectual Property. No Person who was involved in, or who contributed to, the creation or development of any Company Intellectual Property, has performed services for the government, university, college, or other educational institution or research center in a manner that would affect Company's rights in the Company Intellectual Property. The Company is not subject to any restriction that requires or could require the Company's products to be manufactured, produced or otherwise made in the United States.

2.9 Compliance with Other Instruments. The Company is not in violation or default (i) of any provisions of its Restated Certificate or Bylaws, (ii) of any instrument, judgment, order, writ or decree, (iii) under any note, indenture or mortgage, or (iv) under any lease, agreement, contract or purchase order to which it is a party or by which it is bound that is required to be listed on the Disclosure Schedule, or (v) of any provision of federal or state statute, rule or regulation applicable to the Company, the violation of which would have a Material Adverse Effect. The execution, delivery and performance of

the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either (i) a default under any such provision, instrument, judgment, order, writ, decree, contract or agreement; or (ii) an event which results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company.

2.10 Agreements; Actions.

(a) Except for the Transaction Agreements or as set forth on Subsection 2.10(a) of the Disclosure Schedules, there are no agreements, understandings, instruments, contracts or proposed transactions to which the Company is a party or by which it is bound that involve (i) obligations (contingent or otherwise) of, or payments to, the Company in excess of $100,000, (ii) the license of any patent, copyright, trademark, trade secret or other proprietary right to or from the Company, (iii) the grant of rights to manufacture, produce, assemble, license, market, or sell its products to any other Person that limit the Company's exclusive right to develop, manufacture, assemble, distribute, market or sell its products, or (iv) indemnification by the Company with respect to infringements of proprietary rights.

(b) The Company has not (i) declared or paid any dividends, or authorized or made any distribution upon or with respect to any class or series of its capital stock, (ii) incurred any indebtedness for money borrowed or incurred any other liabilities individually in excess of $100,000 or in excess of $250,000 in the aggregate, (iii) made any loans or advances to any Person, other than ordinary advances for travel expenses, or (iv) sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business. For the purposes of (a) and (b) of this Subsection 2.10, all indebtedness, liabilities, agreements, understandings, instruments, contracts and proposed transactions involving the same Person (including Persons the Company has reason to believe are affiliated with each other) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such subsection.

(c) The Company is not a guarantor or indemnitor of any indebtedness of any other Person.

2.11 Certain Transactions.

(a) Other than (i) standard employee benefits generally made available to all employees, (ii) standard director and officer indemnification agreements approved by the Board of Directors, and (iii) the purchase of shares of the Company's capital stock and the issuance of options to purchase shares of the Company's Common Stock, in each instance, approved in the written minutes of the Board of Directors (previously provided to the Purchasers or their counsel), there are no agreements, understandings or proposed transactions between the Company and any of its officers, directors, consultants or Key Employees, or any Affiliate thereof.

(b) The Company is not indebted, directly or indirectly, to any of its directors, officers or employees or to their respective spouses or children or to any Affiliate of any of the foregoing, other than in connection with expenses or advances of expenses incurred in the ordinary course of business or employee relocation expenses and for other customary employee benefits made generally available to all employees. None of the Company's directors, officers or employees, or any members of their immediate families, or any Affiliate of the foregoing are, directly or indirectly, indebted to the Company or, to the Company's knowledge, have any (i) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any of the Company's customers, suppliers, service providers, joint venture partners, licensees and competitors, (ii) direct or indirect

ownership interest in any firm or corporation with which the Company is affiliated or with which the Company has a business relationship, or any firm or corporation which competes with the Company except that directors, officers, employees or stockholders of the Company may own stock in (but not exceeding two percent (2%) of the outstanding capital stock of) publicly traded companies that may compete with the Company; or (iii) financial interest in any contract with the Company.

2.12 Rights of Registration and Voting Rights. Except as provided in the Investors' Rights Agreement, the Company is not under any obligation to register under the Securities Act any of its currently outstanding securities or any securities issuable upon exercise or conversion of its currently outstanding securities. To the Company's knowledge, except as contemplated in the Voting Agreement, no stockholder of the Company has entered into any agreements with respect to the voting of capital shares of the Company.

2.13 Property. The property and assets that the Company owns are free and clear of all mortgages, deeds of trust, liens, loans and encumbrances, except for statutory liens for the payment of current taxes that are not yet delinquent and encumbrances and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets. With respect to the property and assets it leases, the Company is in compliance with such leases and holds a valid leasehold interest free of any liens, claims or encumbrances other than those of the lessors of such property or assets. The Company does not own any real property.

2.14 Financial Statements. The Company has made available to each Purchaser its unaudited financial statements (including balance sheet, income statement and statement of cash flows) as of December 31, 2018 and for the fiscal year ended December 31, 2018, and its unaudited financial statements (including balance sheet, income statement and statement of cash flows) as of July 31, 2019 (the "Balance Sheet Date") and for the seven-month period ended July 31, 2019 (collectively, the "Financial Statements"). The Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods indicated, except that the Financial Statements may not contain all footnotes required by GAAP. The Financial Statements fairly present in all material respects the financial condition and operating results of the Company as of the dates, and for the periods, indicated therein, subject to normal year-end adjustments. Except as specifically set forth in the Financial Statements, the Company has no liability or obligation, absolute or contingent (individually or in the aggregate) or otherwise, except (i) obligations and liabilities incurred after the Balance Sheet Date in the ordinary course of business, and (ii) obligations and liabilities under Contracts made in the ordinary course of business that would not be required under GAAP to be reflected in the Financial Statements. The Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with GAAP, consistently applied. The fiscal year of the Company begins on January 1 of each calendar year and ends on December 31 of each calendar year.

2.15 Changes. Since the Balance Sheet Date, there has not been:

(a) any change in the assets, liabilities, financial condition or operating results of the Company from that reflected in the Financial Statements, except changes in the ordinary course of business that have not caused, in the aggregate, a Material Adverse Effect;

(b) any damage, destruction or loss, whether or not covered by insurance, that would have a Material Adverse Effect;

(c) any waiver or compromise by the Company of a valuable right or of a material debt owed to it;

(d) any satisfaction or discharge of any lien, claim, or encumbrance or payment of any obligation by the Company, except in the ordinary course of business and the satisfaction or discharge of which would not have a Material Adverse Effect;

(e) any material change to a material contract or agreement by which the Company or any of its assets is bound or subject;

(f) any material change in any compensation arrangement or agreement with any employee, officer, director or stockholder;

(g) any resignation or termination of employment of any officer or Key Employee of the Company;

(h) any mortgage, pledge, transfer of a security interest in, or lien, created by the Company, with respect to any of its material properties or assets, except liens for taxes not yet due or payable and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets;

(i) any loans or guarantees made by the Company to or for the benefit of its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary course of its business;

(j) any declaration, setting aside or payment or other distribution in respect of any of the Company's capital stock, or any direct or indirect redemption, purchase, or other acquisition of any of such stock by the Company;

(k) any sale, assignment or transfer of any Company Intellectual Property that could reasonably be expected to result in a Material Adverse Effect;

(l) receipt of notice that there has been a loss of, or material order cancellation by, any major customer of the Company;

(m) to the Company's knowledge, any other event or condition of any character, other than events affecting the economy or the Company's industry generally, that could reasonably be expected to result in a Material Adverse Effect; or

(n) any arrangement or commitment by the Company to do any of the things described in this Subsection 2.15.

2.16 Employee Matters.

(a) To the Company's knowledge, none of its employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would materially interfere with such employee's ability to promote the interest of the Company or that would conflict with the Company's business. Neither the execution or delivery of the Transaction Agreements, nor the carrying on of the Company's business by the employees of the Company, nor the conduct of the Company's business as now conducted and as presently proposed to be conducted, will, to the Company's knowledge, conflict with or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any contract, covenant or instrument under which any such employee is now obligated.

(b) The Company is not delinquent in payments to any of its employees, consultants, or independent contractors for any wages, salaries, commissions, bonuses, or other direct compensation for any service performed for it to the date hereof or amounts required to be reimbursed to such employees, consultants or independent contractors. The Company has complied in all material respects with all applicable state and federal equal employment opportunity laws and with other laws related to employment, including those related to wages, hours, worker classification and collective bargaining. The Company has withheld and paid to the appropriate governmental entity or is holding for payment not yet due to such governmental entity all amounts required to be withheld from employees of the Company and is not liable for any arrears of wages, taxes, penalties or other sums for failure to comply with any of the foregoing.

(c) To the Company's knowledge, no Key Employee intends to terminate employment with the Company or is otherwise likely to become unavailable to continue as a Key Employee. The Company does not have a present intention to terminate the employment of any of the foregoing. The employment of each employee of the Company is terminable at the will of the Company. Except as set forth in Subsection 2.16(c) of the Disclosure Schedule or as required by law, upon termination of the employment of any such employees, no severance or other payments will become due. Except as set forth in Subsection 2.16(c) of the Disclosure Schedule, the Company has no policy, practice, plan or program of paying severance pay or any form of severance compensation in connection with the termination of employment services.

(d) The Company has not made any representations regarding equity incentives to any officer, employee, director or consultant that are inconsistent with the share amounts and terms set forth in the minutes of meetings of the Company's board of directors.

(e) Each former Key Employee whose employment was terminated by the Company has entered into an agreement with the Company providing for the full release of any claims against the Company or any related party arising out of such employment.

(f) Subsection 2.16(f) of the Disclosure Schedule sets forth each employee benefit plan maintained, established or sponsored by the Company, or which the Company participates in or contributes to, which is subject to the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"). The Company has made all required contributions and has no liability to any such employee benefit plan, other than liability for health plan continuation coverage described in Part 6 of Title I(B) of ERISA, and has complied in all material respects with all applicable laws for any such employee benefit plan.

(g) The Company is not bound by or subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labor union, and no labor union has requested or, to the knowledge of the Company, has sought to represent any of the employees, representatives or agents of the Company. There is no strike or other labor dispute involving the Company pending, or to the Company's knowledge, threatened, which could have a Material Adverse Effect, nor is the Company aware of any labor organization activity involving its employees.

(h) To the Company's knowledge, none of the Key Employees or directors of the Company has been (A) subject to voluntary or involuntary petition under the federal bankruptcy laws or any state insolvency law or the appointment of a receiver, fiscal agent or similar officer by a court for his or her business or property; (B) convicted in a criminal proceeding or named as a subject of a pending criminal proceeding (excluding traffic violations and other minor offenses); (C) subject to any order, judgment or decree (not subsequently reversed, suspended, or vacated) of any court of competent

jurisdiction permanently or temporarily enjoining him or her from engaging, or otherwise imposing limits or conditions on his or her engagement in any securities, investment advisory, banking, insurance, or other type of business or acting as an officer or director of a public company; or (D) found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated any federal or state securities, commodities, or unfair trade practices law, which such judgment or finding has not been subsequently reversed, suspended, or vacated.

2.17 Tax Returns and Payments. There are no federal, state, county, local or foreign taxes due and payable by the Company which have not been timely paid. There are no accrued and unpaid federal, state, country, local or foreign taxes of the Company which are due, whether or not assessed or disputed. There have been no examinations or audits of any tax returns or reports by any applicable federal, state, local or foreign governmental agency. The Company has duly and timely filed all federal, state, county, local and foreign tax returns required to have been filed by it and there are in effect no waivers of applicable statutes of limitations with respect to taxes for any year.

2.18 Insurance. The Company has in full force and effect insurance policies concerning such casualties as would be reasonable and customary for companies like the Company with extended coverage, sufficient in amount (subject to reasonable deductions) to allow it to replace any of its properties that might be damaged or destroyed.

2.19 Employee Agreements. Each current and former employee, consultant and officer of the Company has executed an agreement with the Company regarding confidentiality and proprietary information substantially in the form or forms delivered to the counsel for the Purchasers (the "**Confidential Information Agreements**"). No current or former Key Employee has excluded works or inventions from his or her assignment of inventions pursuant to such Key Employee's Confidential Information Agreement. Each current and former Key Employee has executed a non-competition and non-solicitation agreement substantially in the form or forms delivered to counsel for the Purchasers. The Company is not aware that any of its Key Employees is in violation of any agreement covered by this Subsection 2.19.

2.20 Permits. The Company has all franchises, permits, licenses and any similar authority necessary for the conduct of its business, the lack of which could reasonably be expected to have a Material Adverse Effect. The Company is not in default in any material respect under any of such franchises, permits, licenses or other similar authority.

2.21 Corporate Documents. The Restated Certificate and Bylaws of the Company are in the form provided to the Purchasers. The copy of the minute books of the Company provided to the Purchasers contains minutes of all meetings of directors and stockholders and all actions by written consent without a meeting by the directors and stockholders since the date of incorporation and accurately reflects in all material respects all actions by the directors (and any committee of directors) and stockholders with respect to all transactions referred to in such minutes.

2.22 Environmental and Safety Laws. Except as could not reasonably be expected to have a Material Adverse Effect to the best of its knowledge (a) the Company is and has been in compliance with all Environmental Laws; (b) there has been no release or to the Company's knowledge threatened release of any pollutant, contaminant or toxic or hazardous material, substance or waste or petroleum or any fraction thereof (each a "**Hazardous Substance**"), on, upon, into or from any site currently or heretofore owned, leased or otherwise used by the Company; (c) there have been no Hazardous Substances generated by the Company that have been disposed of or come to rest at any site that has been included in any published U.S. federal, state or local "superfund" site list or any other similar list of hazardous or toxic waste sites published by any governmental authority in the United

States; and (d) there are no underground storage tanks located on, no polychlorinated biphenyls ("**PCBs**") or PCB-containing equipment used or stored on, and no hazardous waste as defined by the Resource Conservation and Recovery Act, as amended, stored on, any site owned or operated by the Company, except for the storage of hazardous waste in compliance with Environmental Laws. The Company has made available to the Purchasers true and complete copies of all material environmental records, reports, notifications, certificates of need, permits, pending permit applications, correspondence, engineering studies and environmental studies or assessments.

For purposes of this Subsection 2.22, "**Environmental Laws**" means any law, regulation, or other applicable requirement relating to (a) releases or threatened release of Hazardous Substance; (b) pollution or protection of employee health or safety, public health or the environment; or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances.

2.23 Disclosure. The Company has made available to the Purchasers all the information reasonably available to the Company that the Purchasers have requested for deciding whether to acquire the Shares. No representation or warranty of the Company contained in this Agreement, as qualified by the Disclosure Schedule, and no certificate furnished or to be furnished to Purchasers at the Closing contains any untrue statement of a material fact or, to the Company's knowledge, omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. The Business Plan was prepared in good faith; however, the Company does not warrant that it will achieve any results projected in the Business Plan.

2.24 Foreign Corrupt Practices Act. Neither the Company nor any of its subsidiaries nor any of their respective directors, officers, employees or agents have, directly or indirectly, made, offered, promised or authorized any payment or gift of any money or anything of value to or for the benefit of any "foreign official" (as such term is defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**")), foreign political party or official thereof or candidate for foreign political office for the purpose of (i) influencing any official act or decision of such official, party or candidate, (ii) inducing such official, party or candidate to use his, her or its influence to affect any act or decision of a foreign governmental authority, or (iii) securing any improper advantage, in the case of (i), (ii) and (iii) above in order to assist the Company or any of its affiliates in obtaining or retaining business for or with, or directing business to, any person. Neither the Company nor any of its subsidiaries nor any of their respective directors, officers, employees or agents have made or authorized any bribe, rebate, payoff, influence payment, kickback or other unlawful payment of funds or received or retained any funds in violation of any law, rule or regulation. The Company further represents that it has maintained, and has caused each of its subsidiaries and affiliates to maintain, systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) and written policies to ensure compliance with the FCPA or any other applicable anti-bribery or anti-corruption law, and to ensure that all books and records of the Company and its subsidiaries accurately and fairly reflect, in reasonable detail, all transactions and dispositions of funds and assets. Neither the Company nor, to the Company's knowledge, any of its officers, directors or employees are the subject of any allegation, voluntary disclosure, investigation, prosecution or other enforcement action related to the FCPA or any other anti-corruption law (collectively, "**Enforcement Action**").

2.25 Company Valuation. The Company is not aware of any facts or circumstances that would reasonably be expected to cause the valuation of the Company to be less than $65,530,000.

2.26 Special Redemption Right. As of the date of the Initial Closing, the Company is not aware of any fact and/or circumstance that could avoid the application of the "Special Redemption Right" set forth in Section 4.3.6 of the Restated Certificate.

3. Representations and Warranties of the Purchasers. Each Purchaser hereby represents and warrants to the Company, severally and not jointly, that:

3.1 Authorization. The Purchaser has full power and authority to enter into the Transaction Agreements. The Transaction Agreements to which the Purchaser is a party, when executed and delivered by the Purchaser, will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with their terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, or (b) to the extent the indemnification provisions contained in the Investors' Rights Agreement may be limited by applicable federal or state securities laws.

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 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. The Purchaser has not been formed for the specific purpose of acquiring the Shares.

3.3 Disclosure of Information. The Purchaser has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Shares with the Company's management and has had an 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 Purchasers to rely thereon.

3.4 Restricted Securities. The Purchaser understands that the 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 understands that the Shares are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser acknowledges that the Company has no obligation to register or qualify the Shares, or the Common Stock into which it may be converted, 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 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.

3.5 No Public Market. The Purchaser understands that no public market now exists for the Shares, and that the Company has made no assurances that a public market will ever exist for the Shares.

3.6 Legends. The Purchaser understands that the Shares and any securities issued in respect of or exchange for the Shares, may be notated with one or all of the following legends:

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933."

(a) Any legend set forth in, or required by, the other Transaction Agreements.

(b) Any legend required by the securities laws of any state to the extent such laws are applicable to the Shares represented by the certificate, instrument, or book entry so legended.

3.7 Accredited Investor. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

3.8 Foreign Investors. If the Purchaser is not a United States person (as defined by Section 7701(a)(30) of the Code), the Purchaser hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Shares or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Shares, (ii) any foreign exchange restrictions applicable to such purchase, (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 purchase, holding, redemption, sale, or transfer of the Shares. The Purchaser's subscription and payment for and continued beneficial ownership of the Shares will not violate any applicable securities or other laws of the Purchaser's jurisdiction.

3.9 No General Solicitation. Neither the Purchaser, nor any of its officers, directors, 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.

3.10 Exculpation Among Purchasers. The Purchaser acknowledges that it is not relying upon any Person, other than the Company and its officers and directors, in making its investment or decision to invest in the Company. The Purchaser agrees that neither any Purchaser nor the respective controlling Persons, officers, directors, partners, agents, or employees of any Purchaser shall be liable to any other Purchaser for any action heretofore taken or omitted to be taken by any of them in connection with the purchase of the Shares.

3.11 Residence. If the Purchaser is an individual, then the Purchaser resides in the state or province identified in the address of the Purchaser set forth on Exhibit A; if the Purchaser is a partnership, corporation, limited liability company or other entity, then the office or offices of the Purchaser in which its principal place of business is identified in the address or addresses of the Purchaser set forth on Exhibit A.

4. Conditions to the Purchasers' Obligations at Closing. The obligations of each Purchaser to purchase Shares at the Initial Closing or any subsequent Closing are subject to the fulfillment, on or before such Closing, of each of the following conditions, unless otherwise waived:

4.1 Representations and Warranties. The representations and warranties of the Company contained in Section 2 shall be true and correct in all respects as of such Closing.

4.2 Performance. The Company shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by the Company on or before such Closing.

4.3 Compliance Certificate. The President of the Company shall deliver to the Purchasers at such Closing a certificate certifying that the conditions specified in Subsections 4.1 and 4.2 have been fulfilled.

4.4 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall be obtained and effective as of such Closing.

4.5 Board of Directors. As of the Initial Closing, the authorized size of the Board shall be increased by one, and the Board shall be comprised of Maurizio Chiriva-Internati, Scott Dahlbeck, Peter Hoang, Gianluca Rotino, Jason Terrell, and one additional person to be designated by a majority of the holders of record of shares of Series B Preferred Stock with a purchase price of at least $1,000,000 immediately following the Initial Closing.

4.6 Investors' Rights Agreement. The Company and each Purchaser shall have executed and delivered the Investors' Rights Agreement.

4.7 Right of First Refusal and Co-Sale Agreement. The Company, each Purchaser and the other stockholders of the Company named as parties thereto shall have executed and delivered the Right of First Refusal and Co-Sale Agreement.

4.8 Voting Agreement. The Company, each Purchaser (other than the Purchaser relying upon this condition to excuse such Purchaser's performance hereunder), and the other stockholders of the Company named as parties thereto shall have executed and delivered the Voting Agreement.

4.9 Restated Certificate. The Company shall have filed the Restated Certificate with the Secretary of State of Delaware on or prior to the Closing, which shall continue to be in full force and effect as of the Closing.

4.10 Secretary's Certificate. The Secretary of the Company shall have delivered to the Purchasers at the Closing a certificate certifying (i) the Bylaws of the Company, (ii) resolutions of the Board of Directors of the Company approving the Transaction Agreements and the transactions contemplated under the Transaction Agreements, and (iii) resolutions of the stockholders of the Company approving the Restated Certificate.

4.11 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to each Purchaser, and each Purchaser (or its counsel) shall have received all such counterpart original and certified or other copies of such documents as reasonably requested. Such documents may include good standing certificates.

4.12 Preemptive Rights. The Company shall have fully satisfied (including with respect to rights of timely notification) or obtained enforceable waivers in respect of any preemptive or similar rights directly or indirectly affecting any of its securities.

4.13 Warrant. The Company shall have delivered to each Purchaser acquiring Shares at the Initial Closing with an aggregate purchase price in excess of $1,000,000 a warrant in the form and substance of the Form of Warrant attached as Exhibit G.

5. Conditions of the Company's Obligations at Closing. The obligations of the Company to sell Shares to the Purchasers at the Initial Closing or any subsequent Closing are subject to the fulfillment, on or before the Closing, of each of the following conditions, unless otherwise waived:

5.1 Representations and Warranties. The representations and warranties of each Purchaser contained in Section 3 shall be true and correct in all respects as of such Closing.

5.2 Performance. The Purchasers shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by them on or before such Closing.

5.3 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall be obtained and effective as of the Closing.

5.4 Investors' Rights Agreement. Each Purchaser shall have executed and delivered the Investors' Rights Agreement.

5.5 Right of First Refusal and Co-Sale Agreement. Each Purchaser and the other stockholders of the Company named as parties thereto shall have executed and delivered the Right of First Refusal and Co-Sale Agreement.

5.6 Voting Agreement. Each Purchaser and the other stockholders of the Company named as parties thereto shall have executed and delivered the Voting Agreement.

6. Miscellaneous.

6.1 Survival of Warranties. Unless otherwise set forth in this Agreement, the representations and warranties of the Company and the Purchasers 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 Purchasers or the Company.

6.2 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.

6.3 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware (the "Governing Law").

6.4 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.5 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.

6.6 Notices. All notices and other communications given or made pursuant to this Agreement or any Transaction Agreement shall be in writing shall be delivered both physically and via electronic mail 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 e-mail address and mailing address as set forth on the signature page or Exhibit A, or to such e-mail address, facsimile number or address as subsequently modified by written notice given in accordance with this Subsection 6.6. All notices to the Company shall be addressed as follows:

Kiromic, Inc.

Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054
Attn: Scott Dahlbeck
Phone: (713) 689-4450
Email: sdahlbeck@kiromic.com

a copy (which shall not constitute notice) shall also be sent physically and via e-mail to:

Norton Rose Fulbright

1301 McKinney St., Suite 5100,
Houston, Texas 77010,
Attn: Charles Powell
charles.powell@nortonrosefulbright.com

If notice is given to the Investors, copies (which shall not constitute notice) shall also be sent physically and via e-mail to:

Avv. Giovanni Meliadò

Roma
Via G. Vico n.1 - 00196 Roma
avv.meliado@gmail.com

Avv. Laura Porta

6.7 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. Each 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 each 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.

6.8 Amendments and Waivers. The terms of this Agreement may be amended, terminated or waived only with the written consent of the Company and the holders of not less than 66.7% of the shares of Common Stock issued or issuable upon conversion of the then-outstanding Shares or (ii) for an amendment, termination or waiver effected prior to the Closing, Purchasers obligated to purchase not less than 66.7% of the Shares to be issued at the Closing. Any amendment or waiver effected in accordance with this Section 6.9 shall be binding upon the Purchasers and each transferee of the Shares (or the Common Stock issuable upon conversion thereof), each future holder of all such securities, and the Company.

6.9 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.10 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.

6.11 Entire Agreement. This Agreement (including the Exhibits hereto), the Restated Certificate and the other Transaction Agreements 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 are expressly canceled.

6.12 Termination of Closing Obligations. Each Purchaser shall have the right to terminate its obligations to complete the Initial Closing or the Second Closing, as the case may be, if prior to the occurrence thereof, any of the following occurs:

(a) the Company consummates a Deemed Liquidation Event (as defined in the Restated Certificate);

(b) the closing of an initial public offering of the Company, in which case the Purchasers may terminate their obligations hereunder immediately prior to, or contingent upon, such closing; or

(c) the Company (i) applies for or consents to the appointment of a receiver, trustee, custodian or liquidator of itself or substantially all of its property, (ii) becomes subject to the appointment of a receiver, trustee, custodian or liquidator of itself or substantially all of its property, (iii) makes an assignment for the benefit of creditors, (iv) institutes any proceedings under the United States Bankruptcy Code or any other federal or state bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, or files a petition or answer seeking reorganization or an arrangement with creditors to take advantage of any insolvency law, or files an answer admitting the material allegations of a bankruptcy, reorganization or insolvency petition filed against it, or (v) becomes subject to any involuntary proceedings under the United States Bankruptcy Code or any other federal or state bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, when proceeding is not dismissed within thirty (30) days of filing, or have an order for relief entered against it in any proceedings under the United States Bankruptcy Code.

6.13 Dispute Resolution. All disputes arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Any such arbitration shall (i) be subject to the application of the Governing Law, (ii) take place in Paris, France and (iii) be conducted in English. Each of the parties to this Agreement consents to personal jurisdiction for any emergency injunction sought in the U.S. District Court for the Southern District of Texas or any court of the State of Texas having subject matter jurisdiction. However, subsequent to the emergency injunction hearing, the merits of the matter will be decided by the ICC as per the procedure set forth above. The Company hereby consents to the resolution pursuant to and in accordance with this Section 6.13 of any dispute between the Company and any Purchaser arising under any provision related to the preferences, privileges, or other rights of holders of Series B Preferred Stock set forth in the Restated Certificate.

6.14 No Commitment for Additional Financing. The Company acknowledges and agrees that no Purchaser has made any representation, undertaking, commitment or agreement to provide or assist the Company in obtaining any financing, investment or other assistance, other than the purchase of the Shares as set forth herein and subject to the conditions set forth herein. In addition, the Company acknowledges and agrees that (i) no statements, whether written or oral, made by any Purchaser or its representatives on or after the date of this Agreement shall create an obligation, commitment or agreement to provide or assist the Company in obtaining any financing or investment, (ii) the Company shall not rely on any such statement by any Purchaser or its representatives, and (iii) an obligation, commitment or agreement to provide or assist the Company in obtaining any financing or investment may only be created by a written agreement, signed by such Purchaser and the Company, setting forth the terms and conditions of such financing or investment and stating that the parties intend for such writing to be a binding obligation or agreement. Each Purchaser shall have the right, in its sole and absolute discretion, to refuse or decline to participate in any other financing of or investment in the Company, and shall have no obligation to assist or cooperate with the Company in obtaining any financing, investment or other assistance.

IN WITNESS WHEREOF, the parties have executed this Series B Preferred Stock Purchase Agreement as of the date first written above.

COMPANY:

By: /s/ Maurizio Chiriva Internati

Name: Maurizio Chiriva Internati
(print)

Title: Chief Executive Officer

Address:

EXHIBIT D

FORM OF INVESTORS' RIGHTS AGREEMENT

INVESTORS’ RIGHTS AGREEMENT

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INVESTORS' RIGHTS AGREEMENT

THIS INVESTORS' RIGHTS AGREEMENT (this **"Agreement"**) is made as of the 7th day of September, 2019, by and among Kiromic, Inc., a Delaware corporation (the **"Company"**), and each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an **"Investor"** and any other person that becomes a party to this Agreement in accordance with Section 6.9 hereof.

RECITALS

WHEREAS, the Company and the Investors are parties to a Series B 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 certain of 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 general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

1.2 **"Certificate of Incorporation"** means the Company's certificate of incorporation, as amended and/or restated from time to time.

1.3 **"Common Stock"** means shares of the Company's common stock, par value $0.0001 per share.

1.4 **"Competitor"** means a Person engaged, directly or indirectly (including through any partnership, limited liability company, corporation, joint venture or similar arrangement (whether now existing or formed hereafter), in the same line of business, but shall not include any financial investment firm or collective investment vehicle that, together with its Affiliates, holds less than twenty percent (20%) of the outstanding equity of any Competitor and does not, nor do any of its Affiliates, have a right to designate any members of the board of directors of any Competitor.

1.5 **"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 (a) 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; (b) 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 (c) 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.

1.6 **"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.

1.7 **"Exchange Act"** means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.8 **"Excluded Registration"** means (a) a registration relating to the sale or grant of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, equity incentive or similar plan; (b) a registration relating to an SEC Rule 145 transaction; (c) 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 (d) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.9 **"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.

1.10 **"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.

1.11 **"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.

1.12 **"GAAP"** means generally accepted accounting principles in the United States.

1.13 **"Holder"** means any holder of Registrable Securities who is a party to this Agreement.

1.14 **"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.

1.15 **"Initiating Holders"** means, collectively, Holders who properly initiate a registration request under this Agreement.

1.16 **"IPO"** means the Company's first underwritten public offering of its Common Stock under the Securities Act.

1.17 **"Key Employee"** means any executive-level employee (including division director and vice president-level positions) as well as any employee who, either alone or in concert with others, develops, invents, programs or designs any Company Intellectual Property (as defined in the Purchase Agreement).

1.18 **"Major Investor"** means any Investor that, individually or together with such Investor's Affiliates, holds shares of Common Stock issued or issuable upon conversion of shares of Preferred Stock with an aggregate original issue price of at least $500,000.

1.19 **"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.

1.20 **"Person"** means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.21 **"Preferred Stock"** means, collectively, all shares of the Company's Series A-1 Preferred Stock and Series B Preferred Stock.

1.22 **"Registrable Securities"** means (a) the Common Stock issuable or issued upon conversion of the Preferred Stock; (b) 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 (c) 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 (a) and (b) 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 Section 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.13 of this Agreement.

1.23 **"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.

1.24 **"Restricted Securities"** means the securities of the Company required to be notated with the legend set forth in Section 2.12(b) hereof.

1.25 **"SEC"** means the Securities and Exchange Commission.

1.26 **"SEC Rule 144"** means Rule 144 promulgated by the SEC under the Securities Act.

1.27 **"SEC Rule 145"** means Rule 145 promulgated by the SEC under the Securities Act.

1.28 **"Securities Act"** means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.29 **"Selling Expenses"** means all underwriting discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Section 2.6.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) five (5) 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 at least fifty percent (50%) of the Registrable Securities then outstanding if prior to an IPO or at least twenty percent (20%) of the Registrable Securities then outstanding if after an IPO, that the Company file a Form S-1 registration statement with respect to Registrable Securities with an anticipated aggregate offering price, net of Selling Expenses, of not less than $10,000,000, 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 Section 2.1(c) and Section 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 ten percent (10%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $3,000,000, 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 Section 2.1(c) and Section 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Company's Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than ninety (90) days after the request of the Initiating Holders is given; *provided*, *however*, that the Company may not invoke this right more than once in any 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 ninety (90) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 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 Section 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(b) (i) during the period that is 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 Section 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 Section 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Section 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 2.1(d); provided, that if such withdrawal is during a period the Company has deferred taking action pursuant to Section 2.1(c), then the Initiating Holder may withdraw their request for registration and such registration will not be counted as "effected" for purposes of this Section 2.1(d).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), 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 Section 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Section 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the 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 Section 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 Section 2.3, if the managing underwriter(s) advise the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; *provided*, *however*, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in

their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering; or (ii) the number of Registrable Securities included in the offering be reduced below thirty percent (30%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company or corporation, the partners, members, retired partners, retired members, stockholders and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "**selling Holder**," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Section 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 2.3(a), fewer than 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 ninety (90) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; *provided* that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings or qualifications pursuant to Section 2, including all registration, filing and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one counsel for the selling Holders ("**Selling Holder Counsel**"), shall be borne and paid by the Company; *provided*, *however*, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Section 2.1(a) or **Section 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 Section 2.1(a) or Section 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 Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person or other aforementioned Person expressly for use in connection with such registration.

(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 Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and *provided further* that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Sections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given and to assume the defense thereof with counsel mutually satisfactory to the parties; *provided, however*, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential

differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case; or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions or other actions that resulted in such loss, claim, damage, liability or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; *provided*, *however*, that, in any such case, (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and *provided further* that in no event shall a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

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 not less than sixty-seven percent (67%) of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would allow such holder or prospective holder (i) to include such securities in any registration unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the number of the Registrable Securities of the Holders that are included, or (ii) 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 Section 6.9.

2.11 "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company 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, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of the IPO, or such other period as may be requested by the Company or an underwriter to

accommodate regulatory restrictions on (1) the publication or other distribution of research reports and (2) analysts' recommendations and opinions, including but not limited to the restrictions contained in FINRA Rule 2241), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering; or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise.

The foregoing provisions of this Section 2.11 shall apply only to the IPO, 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 and stockholders 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) are subject to the same restrictions. The underwriters in connection with such registration are intended third-party beneficiaries of this Section 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 2.11 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all security holders subject to such agreements, based on the number of shares subject to such agreements.

2.12 Restrictions on Transfer.

(a) The Preferred Stock and the Registrable Securities shall not be sold, pledged or otherwise transferred, and the Company shall not recognize and shall issue stop- transfer instructions to its transfer agent with respect to any such sale, pledge or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument or book entry representing (i) the Preferred Stock; (ii) the Registrable Securities; and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation or similar event, shall (unless otherwise permitted by the provisions of Section 2.12(c)) be notated with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 2.12.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, 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; (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; ; or (z) in any transaction in which such Holder distributes Restricted Securities to its beneficial interest holders, such as limited partners, members or any other Person having "beneficial ownership," as such term is defined in Rule 13d-3 promulgated under the Exchange Act ("**Investor Beneficial Owners**") for no consideration; *provided* that each transferee agrees in writing to be subject to the terms of this Section 2.12. Each certificate, instrument or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Section 2.12(b), except that such certificate, instrument or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Section 2.1 or Section 2.2 shall terminate upon the earliest to occur of:

(a) the closing of a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation;

(b) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration;

(c) the fifth anniversary of the IPO; and

(d) the transfer of not less than 50% of the voting securities of the Company to one Person who is not an existing Holder in a single transaction.

3. Information Rights.

3.1 Delivery of Financial Statements. The Company shall deliver to each Major Investor, *provided* that the Board of Directors has not reasonably determined in good faith that such Major Investor is a Competitor of the Company:

(a) as soon as practicable, but in any event within 135 days after the end of each fiscal year of the Company (beginning with fiscal year 2020) (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 below) 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 audited and certified by independent public accountants selected by the Board of Directors; *provided*, *however*, that, the Board of Directors, may, with respect to any fiscal year, waive (retroactively or prospectively) the requirement that the financial statements for such fiscal year be audited, in which case such financial statements for such fiscal year need not be audited, but shall be prepared in accordance with GAAP (except that such financial statements (i) may be subject to normal year-end audit adjustments; and (ii) need not contain all notes thereto that may be required in accordance with GAAP);

(b) as soon as practicable, but in any event within 60 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 (i) may be subject to normal year-end audit adjustments; and (ii) need not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event within 60 days after the end of each of the first three (3) quarters of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete and correct;

(d) as soon as practicable, but in any event within 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 as of the end of such month, prepared in accordance with GAAP (except that such financial statements (i) may be subject to normal year-end audit adjustments and (ii) need not contain all notes thereto that may be required in accordance with GAAP);

(e) as soon as practicable, but in any event thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the "**Budget**"), approved by the Board of Directors and prepared on a monthly basis, including balance sheets, income statements and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company;

(f) with respect to the financial statements called for in Section 3.1(a), and Section 3.1(b), 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 Section 3.1(a) and Section 3.1(b)) and fairly present the financial condition of the Company and its results of operation for the periods specified therein; and

(g) as soon as practicable, and in any event in no less than 10 days upon request from any Major Investor, such other information, to be provided digitally, 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 Section 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company, it being understood that the CNDA (as defined below) constitutes one such agreement); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 during the period starting with the

registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; *provided* that the Company's covenants under this Section 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Major Investor (*provided* that the Board of Directors has not reasonably determined in good faith that such Major Investor is a Competitor of the Company), at such Major Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; *provided, however*, that the Company shall not be obligated pursuant to this Section 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Termination of Information Rights. The covenants set forth in Section 3.1 and Section 3.2 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO; (ii) upon a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation; or (iii) upon the transfer of not less than 50% of the voting securities of the Company to one Person who is not an existing Holder in a single transaction, whichever event occurs first.

3.4 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.5 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 Section 3.5; (iii) to any existing or prospective Affiliate, partner, member, stockholder or wholly owned subsidiary of such Investor in the ordinary course of business, *provided* that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, regulation, rule, court order or subpoena, *provided* that such 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 Section 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Major Investor. A Major Investor shall be entitled to apportion the right of first offer hereby granted to it, in such proportions as it deems appropriate, among (i) itself; (ii) its Affiliates; and (iii) its Investor Beneficial Owners; *provided* that each such Affiliate or Investor Beneficial Owner: (x) is not a Competitor or FOIA Party, unless such party's purchase of New Securities is otherwise consented to by the Board of Directors; and (y) agrees to enter into this Agreement and 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 (*provided* that any Competitor or FOIA Party shall not be entitled to any rights as a Major Investor under Sections 3.1, 3.2 and 4.1 hereof); and (z) agrees to purchase at least such number of New Securities as are allocable hereunder to the Major Investor holding the fewest number of Preferred Stock and any other Derivative Securities.

(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 held by all Major Investors (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 Major 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 Major 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 Major 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 Major Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Section 4.1(b) shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.1(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period or if such agreement is not consummated within 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 Section 4.1.

(d) The right of first offer in this Section 4.1 shall not be applicable to (i) Exempted Securities (as defined in the Certificate of Incorporation); (ii) shares of Common Stock issued in the IPO; and (iii) the issuance of shares of Preferred Stock pursuant to Section 1.2 or Section 1.3 of the Purchase Agreement.

4.2 Termination. The covenants set forth in Section 4.1 shall terminate and be of no further force or effect (a) immediately before the consummation of the IPO; (b) upon a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation; (c) upon the transfer of not less than 50% of the voting securities of the Company to one Person who is not an existing Holder in a single transaction, whichever event occurs first.

5. Additional Covenants.

5.1 Insurance. The Company shall obtain and maintain from financially sound and reputable insurers Directors and Officers liability insurance and term “key person” insurance on Maurizio Chiriva in an amount and on terms and conditions satisfactory to the Board of Directors, until such time as the Preferred Stock Director determines that such insurance should be discontinued. Notwithstanding any other provision of this Section 5.1 to the contrary, for so long as the Preferred Stock Director is serving on the Board of Directors, the Company shall not cease to maintain a Directors and Officers liability insurance policy, including non-rescindable Side A coverage, in an amount of at least $3,000,000 unless approved by the Preferred Stock Director then in office, if any, and the Company shall annually, within one hundred twenty (120) days after the end of each fiscal year of the Company, deliver to the Preferred Stock Director a certification that such a Directors and Officers liability insurance policy remains in effect. Such insurance policy shall not be cancelable by the Company without prior approval by the Board of Directors, including the affirmative approval of the Preferred Stock Director then in office, if any.

5.2 Employee Agreements. The Company will cause (a) each person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets, or who develops intellectual property related to the Company’s business as conducted or proposed to be conducted, to enter into a nondisclosure and proprietary rights assignment agreement; and (b) each Key Employee to enter into a one (1) year noncompetition and nonsolicitation agreement. In addition, the Company shall not amend, modify, terminate, waive or otherwise alter, in whole or in part, any of the above-referenced agreements or any restricted stock agreement between the Company and any employee, without the approval of the Board of Directors, including the Preferred Stock Director then in office, if any.

5.3 Employee Stock. Unless otherwise approved by the Board of Directors, including the Preferred Stock Director then in office, if any, 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 (a) vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months; and (b) a market stand-off provision substantially similar to that in Section 2.11. In addition, unless otherwise approved by the Board of Directors, including the Preferred Stock Director then in office, if any, 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 Qualified Small Business Stock. The Company shall use commercially reasonable efforts to cause the shares of Preferred Stock issued pursuant to the Purchase Agreements, as well as any shares into which such shares are converted, within the meaning of Section 1202(f) of the Internal Revenue Code (the "**Code**"), to constitute "qualified small business stock" as defined in Section 1202(c) of the Code; *provided*, *however*, that such requirement shall not be applicable if the Board of Directors of the Company determines, in its good-faith business judgment, that such qualification is inconsistent with the best interests of the Company. The Company shall submit to its stockholders (including the Investors) and to the Internal Revenue Service any reports that may be required under Section 1202(d)(1)(C) of the Code and the regulations promulgated thereunder. In addition, within twenty (20) business days after any Investor's written request therefor, the Company shall, at its option, either (x) deliver to such Investor a written statement indicating whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code or (y) deliver to such Investor such factual information in the Company's possession as is reasonably necessary to enable such Investor to determine whether (and what portion of) such Investor's interest in the Company constitutes "qualified small business stock" as defined in Section 1202(c) of the Code.

5.5 Matters Requiring Board Approval. The Company hereby covenants and agrees with each of the Investors that it shall not, without approval of the Board of Directors, including the affirmative approval of the Preferred Stock Director then in office, if any:

(a) make, or permit any subsidiary to make, any loan or advance to, or own any stock or other securities of, any subsidiary or other corporation, partnership or other entity unless it is wholly owned by the Company;

(b) make, or permit any subsidiary to make, any loan or advance to any Person, including, without limitation, any employee or director of the Company or any subsidiary, except advances and similar expenditures in the ordinary course of business or under the terms of an employee stock or option plan approved by the Board of Directors;

(c) guarantee, directly or indirectly, or permit any subsidiary to guarantee, directly or indirectly, any indebtedness except for trade accounts of the Company or any subsidiary arising in the ordinary course of business;

(d) make any investment inconsistent with any investment policy approved by the Board of Directors;

(e) 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;

(f) 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, including, without limitation, any "management bonus" or similar plan providing payments to employees in connection with a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation, except for transactions contemplated by this Agreement or the Purchase Agreements and except for transactions made in the ordinary course of business and pursuant to reasonable requirements of the Company's business and upon fair and reasonable terms that are approved by a majority of the Board of Directors;

(g) hire, terminate, or change the compensation of the executive officers, including approving any option grants or stock awards to executive officers;

(h) change the principal business of the Company, enter new lines of business or exit the current line of business; or

(i) sell, transfer, assign, license, pledge or encumber material technology or intellectual property, other than licenses granted in the ordinary course of business.

5.6 Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office, the Board of Directors shall meet at least quarterly in accordance with an agreed-upon schedule. The Company shall reimburse the nonemployee directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board of Directors. The Company shall cause to be established, as soon as practicable, and will maintain an audit and compensation committee composed, each of which shall consist solely of non-management directors. Each non-employee director shall be entitled in such person's discretion to be a member of any committee of the Board of Directors.

5.7 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.

5.8 FCPA. The Company represents that it shall not (and shall not permit any of its subsidiaries or affiliates or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents to) promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, to any third party, including any Non-U.S. Official (as such term is defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**")), in each case, in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further represents that it shall (and shall cause each of its subsidiaries and affiliates to) cease all of its or their respective activities, as well as remediate any actions taken by the Company, its subsidiaries or affiliates, or any of their respective directors, officers, managers, employees, independent contractors, representatives or agents in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further represents that it shall (and shall cause each of its subsidiaries and affiliates to) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. Upon request, the Company agrees to provide responsive information and/or certifications concerning its compliance with applicable anti-corruption laws. The Company shall promptly notify each Investor if the Company becomes aware of any Enforcement Action (as defined in the Purchase Agreement). The Company shall, and shall cause any direct or indirect subsidiary or entity controlled by it, whether now in existence or formed in the future, to comply with the FCPA. The Company shall use its best efforts to cause any direct or indirect subsidiary, whether now in existence or formed in the future, to comply in all material respects with all applicable laws.

5.9 Termination of Covenants. The covenants set forth in this Section 5, except for Section 5.7, shall terminate and be of no further force or effect (a) immediately before the consummation of the IPO, (b) upon a Deemed Liquidation Event, as such term is defined in the Certificate of Incorporation, or (c) a transfer of not less than 50% of the voting securities of the Company to one Person who is not an existing Holder in a single transaction, whichever event occurs first.

6. Miscellaneous.

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (a) is an Affiliate or Investor Beneficial Owner of a Holder; (b) 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 (c) after such transfer, holds at least 250,000 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 Section 2.11. For the purposes of determining the number of shares of Registrable Securities

held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; *provided further* that all transferees who would not qualify individually for assignment of rights shall have a single attorney-in-fact for the purpose of exercising any rights, receiving notices or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.2 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware (the "Governing Law").

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the party to be notified; (b) 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; (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-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 Section 6.5. If notice is given to the Company, it shall be sent to Kiromic, Inc., Fannin South Professional Building, 7707 Fannin, St Suite 140, Houston, Texas 77054, *Attn:* Gianluca Rotino, Houston, Texas 77054; and a copy (which shall not constitute notice) shall also be sent to Norton Rose Fulbright US LP, 1301 McKinney St. Suite 5100, Houston, Texas, Attn: Charles D. Powell.

6.6 Amendments and Waivers. Any term of this Agreement may be amended or terminated and the observance of any term of this Agreement may be waived (either generally

or in a particular instance, and either retroactively or prospectively) only with the written consent of (a) the Company, (b) the holders of not less than a majority of the Registrable Securities then outstanding, and (c) the holders of not less than 66.7% of the shares of Common Stock issued or issuable upon conversion of the shares of Preferred Stock held by the Investors (voting or consenting as a single class and not as separate series), *provided* that the Company may in its sole discretion waive compliance with Section 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Section 2.12(c) shall be deemed to be a waiver); and *provided further* that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, 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 Section 6.9. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination or waiver. Any amendment, termination or waiver effected in accordance with this Section 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition or provision.

6.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal or unenforceable provision shall be reformed and construed so that it will be valid, legal and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Company's 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. All disputes arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Any such arbitration shall (i) be subject to the application of the Governing Law, (ii) take place in Paris, France and (iii) be conducted in English. Each of the parties to this Agreement consents to personal jurisdiction for any emergency injunction sought in the U.S. District Court for the Southern District of Texas or any court of the State of Texas having subject matter jurisdiction. However, subsequent to the emergency injunction hearing, the merits of the matter will be decided by the ICC as per the procedure set forth above.

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.

[Signature Pages Follow]

[*] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

The Company

Kiromic, Inc.

By: /s/ Maurizio Chiriva-Internati
Name: Maurizio Chiriva-Internati
Title: CEO .

Name of Investors*

Print Name of Investor: /s/ *

By: *
Name: * .
Title: * .

EXHIBIT E

FORM OF RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

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RIGHT OF FIRST REFUSAL
AND CO-SALE AGREEMENT

THIS RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT (this "**Agreement**"), is made as of the 7th day of September, 2019 by and among Kiromic, Inc., a Delaware corporation (the "**Company**"), the Investors (as defined below) listed on Schedule A and the Key Holders (as defined below) listed on Schedule B.

WHEREAS, the name and address of each Key Holder is set forth on Schedule B;

WHEREAS, the Company and the Investors are parties to that certain Series B Preferred Stock Purchase Agreement, of even date herewith (the "**Purchase Agreement**"), pursuant to which the Investors have agreed to purchase shares of the Series B Preferred Stock of the Company, par value $0.01 per share ("**Series B Preferred Stock**"); and

WHEREAS, the Key Holders and the Company desire to further induce the Investors to purchase the Series B Preferred Stock.

NOW, THEREFORE, the Company, the Key Holders, and the Investors agree as follows:

1. Definitions.

1.1 "**Affiliate**" means, with respect to any specified Investor, any other Investor who directly or indirectly, controls, is controlled by or is under common control with such Investor, including, without limitation, any general partner, managing member, officer, director or trustee of such Investor, or any venture capital fund or registered investment company now or hereafter existing which is controlled by one or more general partners, managing members or investment advisers of, or shares the same management company or investment adviser with, such Investor.

1.2 "**Board of Directors**" means the board of directors of the Company.

1.3 "**Capital Stock**" means (a) shares of Common Stock and Preferred Stock (whether now outstanding or hereafter issued in any context), (b) shares of Common Stock issued or issuable upon conversion of Preferred Stock, and (c) shares of Common Stock issued or issuable upon exercise or conversion, as applicable, of stock options, warrants or other convertible securities of the Company, in each case now owned or subsequently acquired by any Key Holder, any Investor, or their respective successors or permitted transferees or assigns. For purposes of the number of shares of Capital Stock held by an Investor or Key Holder (or any other calculation based thereon), all shares of Preferred Stock shall be deemed to have been converted into Common Stock at the then-applicable conversion ratio.

1.4 "**Change of Control**" means 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.

1.5 "**Common Stock**" means shares of Common Stock of the Company, $0.01 par value per share.

1.6 "**Company Notice**" means written notice from the Company notifying the selling Key Holders and each Investor that the Company intends to exercise its Right of First Refusal as to some or all of the Transfer Stock with respect to any Proposed Key Holder Transfer.

1.7 "**Investor Notice**" means written notice from any Investor notifying the Company and the selling Key Holder(s) that such Investor intends to exercise its Secondary Refusal Right as to a portion of the Transfer Stock with respect to any Proposed Key Holder Transfer.

1.8 "**Investors**" means the persons named on Schedule A hereto, each person to whom the rights of an Investor are assigned pursuant to Subsection 6.9, each person who hereafter becomes a signatory to this Agreement pursuant to Subsection 6.11 and any one of them, as the context may require.

1.9 "**Key Holders**" means the persons named on Schedule B hereto, each person to whom the rights of a Key Holder are assigned pursuant to Subsection 3.1, each person who hereafter becomes a signatory to this Agreement pursuant to Subsection 6.9 and any one of them, as the context may require.

1.10 "**Preferred Stock**" means collectively, all shares of Series B Preferred Stock.

1.11 "**Proposed Key Holder Transfer**" means any assignment, sale, offer to sell, pledge, mortgage, hypothecation, encumbrance, disposition of or any other like transfer or encumbering of any Transfer Stock (or any interest therein) proposed by any of the Key Holders.

1.12 "**Proposed Transfer Notice**" means written notice from a Key Holder setting forth the terms and conditions of a Proposed Key Holder Transfer.

1.13 "**Prospective Transferee**" means any person to whom a Key Holder proposes to make a Proposed Key Holder Transfer.

1.14 "**Restated Certificate**" means the Company's Amended and Restated Certificate of Incorporation, as amended and/or restated from time to time.

1.15 "**Right of Co-Sale**" means the right, but not an obligation, of an Investor to participate in a Proposed Key Holder Transfer on the terms and conditions specified in the Proposed Transfer Notice.

1.16 "**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 Stock with respect to a Proposed Key Holder Transfer, on the terms and conditions specified in the Proposed Transfer Notice.

1.17 "**Secondary Notice**" means written notice from the Company notifying the Investors and the selling Key Holder that the Company does not intend to exercise its Right of First Refusal as to all shares of any Transfer Stock with respect to a Proposed Key Holder Transfer, on the terms and conditions specified in the Proposed Transfer Notice.

1.18 "**Secondary Refusal Right**" means the right, but not an obligation, of each Investor to purchase up to its pro rata portion (based upon the total number of shares of Capital Stock then held by all Investors) of any Transfer Stock not purchased pursuant to the Right of First Refusal, on the terms and conditions specified in the Proposed Transfer Notice.

1.19 "**Transfer Stock**" means shares of Capital Stock owned by a Key Holder, or issued to a Key Holder after the date hereof (including, without limitation, in connection with any stock split, stock dividend, recapitalization, reorganization, or the like), but does not include any shares of Preferred Stock or of Common Stock that are issued or issuable upon conversion of Preferred Stock.

1.20 "**Undersubscription Notice**" means written notice from an Investor notifying the Company and the selling Key Holder that such Investor intends to exercise its option to purchase all or any portion of the Transfer Stock not purchased pursuant to the Right of First Refusal or the Secondary Refusal Right.

2. Agreement Among the Company, the Investors and the Key Holders.

2.1 Right of First Refusal.

(a) Grant. Subject to the terms of Section 3 below, each Key Holder hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of Transfer Stock that such Key Holder may propose to transfer in a Proposed Key Holder Transfer, at the same price and on the same terms and conditions as those offered to the Prospective Transferee.

(b) Notice. Each Key Holder proposing to make a Proposed Key Holder Transfer must deliver a Proposed Transfer Notice to the Company and each Investor not later than forty-five (45) days prior to the consummation of such Proposed Key Holder Transfer. Such Proposed Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Key Holder Transfer, the identity of the Prospective Transferee and the intended date of the Proposed Key Holder Transfer. To exercise its Right of First Refusal under this Section 2, the Company must deliver a Company Notice to the selling Key Holder and the Investors within fifteen (15) days after delivery of the Proposed Transfer Notice specifying the number of shares of Transfer Stock to be purchased by the Company. In the event of a conflict between this Agreement and any other agreement that may have been entered into by a Key Holder with the Company that contains a preexisting right of first refusal, the Company and the Key Holder 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 Subsection 2.1(a) and this Subsection 2.1(b). In the event of a conflict between this Agreement and the Company's Bylaws containing a preexisting right of first refusal, the terms of the Bylaws will control and compliance with the Bylaws shall be deemed compliance with this Subsection 2.1(a) and (b) in full.

(c) Grant of Secondary Refusal Right to the Investors. Subject to the terms of Section 3 below, each Key Holder hereby unconditionally and irrevocably grants to the Investors a Secondary Refusal Right to purchase all or any portion of the Transfer Stock not purchased by the Company pursuant to the Right of First Refusal, as provided in this Subsection 2.1(c). If the Company does not provide the Company Notice exercising its Right of First Refusal with respect to all Transfer Stock subject to a Proposed Key Holder Transfer, the Company must deliver a Secondary Notice to the selling Key Holder and to each Investor to that effect no later than fifteen (15) days after the selling Key Holder delivers the Proposed Transfer Notice to the Company. To exercise its Secondary Refusal Right, an Investor must deliver an Investor Notice to the selling Key Holder 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 Stock. If options to purchase have been exercised by the Company and the Investors pursuant to Subsections 2.1(b) and (c) with respect to some but not all of the Transfer Stock by the end of the ten (10) day period specified in the last sentence of Subsection 2.1(c) (the "**Investor Notice Period**"), then the Company shall, within five (5) days after the expiration of the Investor Notice Period, send written notice (the "**Company Undersubscription Notice**") to those Investors who fully exercised their Secondary Refusal Right within the Investor Notice Period (the "**Exercising Investors**"). Each Exercising Investor shall, subject to the provisions of this Subsection 2.1(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed shares of Transfer Stock on the terms and conditions set forth in the Proposed Transfer Notice. To exercise such option, an Exercising Investor must deliver an Undersubscription Notice to the selling Key Holder and the Company within ten (10) days after the expiration of the Investor Notice Period. In the event there are two (2) or more such Exercising Investors that choose to exercise the last- mentioned option for a total number of remaining shares in excess of the number available, the remaining shares available for purchase under this Subsection 2.1(d) shall be allocated to such Exercising Investors pro rata based on the number of shares of Transfer Stock such Exercising Investors have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any shares of Transfer Stock that any such Exercising Investor has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining shares are exercised in full by the Exercising Investors, the Company shall immediately notify all of the Exercising Investors and the selling Key Holder of that fact.

(e) Forfeiture of Rights. Notwithstanding the foregoing, if the total number of shares of Transfer Stock that the Company and the Investors have agreed to purchase in the Company Notice, Investor Notices and Undersubscription Notices is less than the total number of shares of Transfer Stock, then the Company and the Investors shall be deemed to have forfeited any right to purchase such Transfer Stock, and the selling Key Holder shall be free to sell all, but not less than all, of the Transfer Stock to the Prospective Transferee on terms and conditions substantially similar to (and in no event more favorable than) the terms and conditions set forth in the Proposed 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 Subsections 2.2 and 6.9(b); (ii) any future Proposed Key Holder Transfer shall remain subject to the terms and conditions of this Agreement, including this Section 2; and (iii) such sale shall be consummated within forty-five (45) days after receipt of the Proposed Transfer Notice by the Company and, if such sale is not consummated within such forty-five (45) day period, such sale shall again become subject to the Right of First Refusal and Secondary Refusal Right on the terms set forth herein.

(f) Consideration; Closing. If the consideration proposed to be paid for the Transfer Stock 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 Investor cannot for any reason pay for the Transfer Stock in the same form of non-cash consideration, the Company or such Investor 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 Stock by the Company and the Investors shall take place, and all payments from the Company and the Investors shall have been delivered to the selling Key Holder, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Key Holder Transfer; and (ii) forty-five (45) days after delivery of the Proposed Transfer Notice.

2.2 Right of Co-Sale.

(a) Exercise of Right. If any Transfer Stock subject to a Proposed Key Holder Transfer is not purchased pursuant to Subsection 2.1 above and thereafter is to be sold to a Prospective Transferee, each respective Investor may elect to exercise its Right of Co-Sale and participate on a pro rata basis in the Proposed Key Holder Transfer as set forth in Subsection 2.2(b) below and, subject to Subsection 2.2(d), otherwise on the same terms and conditions specified in the Proposed Transfer Notice. Each Investor who desires to exercise its Right of Co- Sale (each, a "**Participating Investor**") must give the selling Key Holder 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 Participating Investor shall be deemed to have effectively exercised the Right of Co-Sale.

(b) Shares Includable. Each Participating Investor may include in the Proposed Key Holder Transfer all or any part of such Participating Investor's Capital Stock equal to the product obtained by multiplying (i) the aggregate number of shares of Transfer Stock subject to the Proposed Key Holder Transfer (excluding shares purchased by the Company or the Participating Investors pursuant to the Right of First Refusal or the Secondary Refusal Right) by (ii) a fraction, the numerator of which is the number of shares of Capital Stock owned by such Participating Investor immediately before consummation of the Proposed Key Holder Transfer and the denominator of which is the total number of shares of Capital Stock owned, in the aggregate, by all Participating Investors immediately prior to the consummation of the Proposed Key Holder Transfer, plus the number of shares of Transfer Stock held by the selling Key Holder. To the extent one (1) or more of the Participating Investors exercise such right of participation in accordance with the terms and conditions set forth herein, the number of shares of Transfer Stock that the selling Key Holder may sell in the Proposed Key Holder Transfer shall be correspondingly reduced.

(c) Purchase and Sale Agreement. The Participating Investors and the selling Key Holder agree that the terms and conditions of any Proposed Key Holder Transfer in accordance with this Subsection 2.2 will be memorialized in, and governed by, a written purchase and sale agreement with the Prospective Transferee (the "**Purchase and Sale Agreement**") with customary terms and provisions for such a transaction, and the Participating Investors and the selling Key Holder further covenant and agree to enter into such Purchase and Sale Agreement as a condition precedent to any sale or other transfer in accordance with this Subsection 2.2.

(d) Allocation of Consideration.

(i) Subject to Subsection 2.2(d)(ii), the aggregate consideration payable to the Participating Investors and the selling Key Holder shall be allocated based on the number of shares of Capital Stock sold to the Prospective Transferee by each Participating Investor and the selling Key Holder as provided in Subsection 2.2(b), provided that if a Participating Investor wishes to sell Preferred Stock, the price set forth in the Proposed Transfer Notice shall be appropriately adjusted based on the conversion ratio of the Preferred Stock into Common Stock.

(ii) In the event that the Proposed Key Holder Transfer constitutes a Change of Control, the terms of the Purchase and Sale Agreement shall provide that the aggregate consideration from such transfer shall be allocated to the Participating Investors and the selling Key Holder in accordance with Sections 4.3.2(a) and 4.3.2(b) of Article IV of the Second Amended and Restated Certificate of the Company and, if applicable, the next sentence as if (A) such transfer were a Deemed Liquidation Event (as defined in the Restated Certificate), and (B) the Capital Stock sold in accordance with the Purchase and Sale Agreement were the only Capital Stock outstanding. In the event that a portion of the aggregate consideration payable to the Participating Investor(s) and selling Key Holder is placed into escrow and/or is payable only upon satisfaction of contingencies, the Purchase and Sale Agreement shall provide that (x) the portion of such consideration that is not placed in escrow and is not subject to contingencies (the "**Initial Consideration**") shall be allocated in accordance with Sections 4.3.2(a) and 4.3.2(b) of Article IV of the Second Amended and Restated Certificate of the Company as if the Initial Consideration were the only consideration payable in connection with such transfer, and (y) any additional consideration which becomes payable to the Participating Investor(s) and selling Key Holder upon release from escrow or satisfaction of such contingencies shall be allocated in accordance Sections 4.3.2(a) and 4.3.2(b) of Article IV of the Second Amended and Restated Certificate of the Company after taking into account the previous payment of the Initial Consideration as part of the same transfer.

(e) Purchase by Selling Key Holder; Deliveries. Notwithstanding Subsection 2.2(c) above, if any Prospective Transferee or Transferees refuse(s) to purchase securities subject to the Right of Co-Sale from any Participating Investor or Investors or upon the failure to negotiate a Purchase and Sale Agreement reasonably satisfactory to the Participating Investors, no Key Holder may sell any Transfer Stock to such Prospective Transferee or Transferees unless and until, simultaneously with such sale, such Key Holder purchases all securities subject to the Right of Co-Sale from such Participating Investor or Investors on the same terms and conditions (including the proposed purchase price) as set forth in the Proposed

Transfer Notice and as provided in Subsection 2.2(d)(i); provided, however, if such sale constitutes a Change of Control, the portion of the aggregate consideration paid by the selling Key Holder to such Participating Investor or Investors shall be made in accordance with the first sentence of Subsection 2.2(d)(ii). In connection with such purchase by the selling Key Holder, such Participating Investor or Investors shall deliver to the selling Key Holder any stock certificate or certificates, properly endorsed for transfer, representing the Capital Stock being purchased by the selling Key Holder (or request that the Company effect such transfer in the name of the selling Key Holder). Any such shares transferred to the selling Key Holder will be transferred to the Prospective Transferee against payment therefor in consummation of the sale of the Transfer Stock pursuant to the terms and conditions specified in the Proposed Transfer Notice, and the selling Key Holder shall concurrently therewith remit or direct payment to each such Participating Investor the portion of the aggregate consideration to which each such Participating Investor is entitled by reason of its participation in such sale as provided in this Subsection 2.2(e).

(f) Additional Compliance. If any Proposed Key Holder Transfer is not consummated within sixty (60) days after receipt of the Proposed Transfer Notice by the Company, the Key Holders proposing the Proposed Key Holder Transfer may not sell any Transfer Stock unless they first comply in full with each provision of this Section 2. The exercise or election not to exercise any right by any Investor hereunder shall not adversely affect its right to participate in any other sales of Transfer Stock subject to this Subsection 2.2.

2.3 Effect of Failure to Comply.

(a) Transfer Void; Equitable Relief. Any Proposed Key Holder 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 Stock not made in strict compliance with this Agreement).

(b) Violation of First Refusal Right. If any Key Holder becomes obligated to sell any Transfer Stock to the Company or any Investor under this Agreement and fails to deliver such Transfer Stock in accordance with the terms of this Agreement, the Company and/or such Investor may, at its option, in addition to all other remedies it may have, send to such Key Holder the purchase price for such Transfer Stock as is herein specified and transfer to the name of the Company or such Investor (or request that the Company effect such transfer in the name of an Investor) on the Company's books any certificates, instruments, or book entry representing the Transfer Stock to be sold.

(c) Violation of Co-Sale Right. If any Key Holder purports to sell any Transfer Stock in contravention of the Right of Co-Sale (a "**Prohibited Transfer**"), each Participating Investor who desires to exercise its Right of Co-Sale under Subsection 2.2 may, in addition to such remedies as may be available by law, in equity or hereunder, require such Key Holder to purchase from such Participating Investor the type and number of shares of Capital Stock that such Participating Investor would have been entitled to sell to the Prospective Transferee had the Prohibited Transfer been effected in compliance with the terms of Subsection 2.2. The sale will be made on the same terms, including, without limitation, as provided in Subsection 2.2(d)(i) and the first sentence of Subsection 2.2(d)(ii), as applicable, and subject to the same conditions as would have applied had the Key Holder 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 Participating Investor learns of the Prohibited Transfer, as opposed to the timeframe proscribed in Subsection 2.2. Such Key Holder shall also reimburse each Participating Investor 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 Participating Investor's rights under Subsection 2.2.

3. Exempt Transfers.

3.1 Exempted Transfers. Notwithstanding the foregoing or anything to the contrary herein, the provisions of Subsections 2.1 and 2.2 shall not apply (a) in the case of a Key Holder that is an entity, upon a transfer by such Key Holder to its stockholders, members, partners or other equity holders, (b) to a repurchase of Transfer Stock from a Key Holder by the Company at a price no greater than that originally paid by such Key Holder for such Transfer Stock and pursuant to an agreement containing vesting and/or repurchase provisions approved by a majority of the Board of Directors, (c) to a pledge of Transfer Stock that creates a mere security interest in the pledged Transfer Stock, provided that the pledgee thereof agrees in writing in advance to be bound by and comply with all applicable provisions of this Agreement to the same extent as if it were the Key Holder making such pledge, or (d) in the case of a Key Holder that is a natural person, upon a transfer of Transfer Stock by such Key Holder made for bona fide estate planning purposes, either during his or her lifetime or on death by will or intestacy to his or her spouse, child (natural or adopted), or any other direct lineal descendant of such Key Holder (or his or her spouse) (all of the foregoing collectively referred to as "family members"), or any other person approved by unanimous consent of the Board of Directors, or any custodian or trustee of any trust, partnership or limited liability company for the benefit of, or the ownership interests of which are owned wholly by such Key Holder or any such family members; provided that in the case of clause(s) (a), (c), and (d), the Key Holder shall deliver prior written notice to the Investors of such pledge, gift or transfer and such shares of Transfer Stock shall at all times remain subject to the terms and restrictions set forth in this Agreement and such transferee shall, as a condition to such issuance, deliver a counterpart signature page to this Agreement as confirmation that such transferee shall be bound by all the terms and conditions of this Agreement as a Key Holder (but only with respect to the securities so transferred to the transferee), including the obligations of a Key Holder with respect to Proposed Key Holder Transfers of such Transfer Stock pursuant to Section 2; and provided further in the case of any transfer pursuant to clause (a) or (d) above, that such transfer is made pursuant to a transaction in which there is no consideration actually paid for such transfer.

3.2 Exempted Offerings. Notwithstanding the foregoing or anything to the contrary herein, the provisions of Section 2 shall not apply to the sale of any Transfer Stock (a) to the public in an offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (a "**Public Offering**"); or (b) pursuant to a Deemed Liquidation Event (as defined in the Restated Certificate).

3.3 Prohibited Transferees. Notwithstanding the foregoing, no Key Holder shall transfer any Transfer Stock to (a) any entity which, in the determination of the Board of Directors, directly or indirectly competes with the Company; or (b) any customer, distributor or supplier of the Company, if the Board of Directors should determine that such transfer would result in such customer, distributor or supplier receiving information that would place the Company at a competitive disadvantage with respect to such customer, distributor or supplier.

4. Legend. Each certificate, instrument, or book entry representing shares of Transfer Stock held by the Key Holders or issued to any permitted transferee in connection with a transfer permitted by Subsection 3.1 hereof shall be notated with the following legend:

> THE SALE, PLEDGE, HYPOTHECATION, OR TRANSFER OF THE SECURITIES REPRESENTED HEREBY IS SUBJECT TO, AND IN CERTAIN CASES PROHIBITED BY, THE TERMS AND CONDITIONS OF A CERTAIN RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT BY AND AMONG THE STOCKHOLDER, THE CORPORATION AND CERTAIN OTHER HOLDERS OF STOCK OF THE CORPORATION. COPIES OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE CORPORATION.

Each Key Holder agrees that the Company may instruct its transfer agent to impose transfer restrictions on the shares notated with the legend referred to in this Section 4 above to enforce the provisions of this Agreement, and the Company agrees to promptly do so. The legend shall be removed upon termination of this Agreement at the request of the holder.

5. Lock-Up.

5.1 Agreement to Lock-Up. Each Key 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 Company's initial public offering (the "**IPO**") and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (l80) 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 Capital Stock held immediately prior to the effectiveness of the registration statement for the IPO; 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 the Capital Stock, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Capital Stock or other securities, in cash or otherwise. The foregoing provisions of this Section 5 shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall only

be applicable to the Key Holders if all officers, directors and holders of more than one percent (1%) of the outstanding Common Stock (after giving effect to the conversion into Common Stock of all outstanding Preferred Stock) enter into similar agreements. The underwriters in connection with the IPO 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. Each Key Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in the IPO that are consistent with this Section 5 or that are necessary to give further effect thereto.

5.2 Stop Transfer Instructions. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the shares of Capital Stock of each Key Holder (and transferees and assignees thereof) until the end of such restricted period.

6. Miscellaneous.

6.1 Term. This Agreement shall automatically terminate upon the earlier of (a) immediately prior to the consummation of the Company's IPO; and (b) the consummation of a Deemed Liquidation Event (as defined in the Restated Certificate).

6.2 Stock Split. All references to numbers of shares in this Agreement shall be appropriately adjusted to reflect any stock dividend, split, combination or other recapitalization affecting the Capital Stock occurring after the date of this Agreement.

6.3 Ownership. Each Key Holder represents and warrants that such Key Holder is the sole legal and beneficial owner of the shares of Transfer Stock subject to this Agreement and that no other person or entity has any interest in such shares (other than a community property interest as to which the holder thereof has acknowledged and agreed in writing to the restrictions and obligations hereunder).

6.4 Dispute Resolution. Any unresolved controversy or claim arising out of or relating to this Agreement, except as (i) otherwise provided in this Agreement, or (ii) any such controversies or claims arising out of either party's intellectual property rights for which a provisional remedy or equitable relief is sought, shall be submitted to arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within thirty (30) days after names of potential arbitrators have been proposed by the International Chamber of Commerce (the "**ICC**"), then by one arbitrator having reasonable experience in corporate finance transactions of the type provided for in this Agreement and who is chosen by the ICC. The arbitration shall take place in Paris, France, in accordance with the ICC 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. There shall be limited discovery prior to the arbitration hearing as follows: (a) exchange of witness lists and copies of documentary evidence and documents relating to or arising out of the issues to be arbitrated, (b) depositions of all party witnesses and (c) such other depositions as may be allowed by the arbitrators upon a showing of good cause. Depositions shall be conducted in accordance with the Texas Code of Civil Procedure, the arbitrator shall be required to provide in writing to the parties the basis for the award or order of such arbitrator, and a court reporter shall record all hearings, with such record constituting the official transcript of such proceedings.

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 of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the U.S. District Court for the Southern District of Texas or any court of the State of Texas having subject matter jurisdiction.

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 (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 Schedule A or Schedule B hereof, as the case may be, or to such email address, facsimile number or address as subsequently modified by written notice given in accordance with this Section 6.5. If notice is given to the Company, it shall be sent to Kiromic, Inc., Fannin South Professional Building, 7707 Fannin, St Suite 140, Houston, Texas 77054, *Attn:* Gianluca Rotino, Houston, Texas 77054; and a copy (which shall not constitute notice) shall also be sent to Norton Rose Fulbright US LP, 1301 McKinney St. Suite 5100, Houston, Texas, Attn: Charles D. Powell, and if notice is given to the Investors, a copy shall also be given to [●].

(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 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.

6.6 Entire Agreement. This Agreement (including, the Exhibits and Schedules hereto) 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.

6.7 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.

6.8 Amendment; Waiver and Termination. This Agreement may be amended, modified or terminated (other than pursuant to Section 6.1 above) 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 (a) the Company and (b) the Key Holders holding not less than a majority of the shares of Transfer Stock then held by all of the Key Holders; provided that such consent shall not be required if the Key Holders do not then own shares of Capital Stock representing collectively at least a third of the outstanding Capital Stock of the Company. Any amendment, modification, termination or waiver so effected shall be binding upon the Company, the Investors, the Key Holders and all of their respective successors and permitted assigns whether or not such party, assignee or other shareholder entered into or approved such amendment, modification, termination or waiver. Notwithstanding the foregoing, (i) this Agreement may not be amended, modified or terminated and the observance of any term hereunder 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 and Key Holders, respectively, in the same fashion, (ii) this Agreement may not be amended, modified or terminated and the observance of any term hereunder may not be waived with respect to any Investor without the written consent of such Investor, if such amendment, modification, termination or waiver would adversely affect the rights of such Investor in a manner disproportionate to any adverse effect such amendment, modification, termination or waiver would have on the rights of the other Investors under this Agreement, (iii) the consent of the Key Holders shall not be required for any amendment, modification, termination or waiver if such amendment, modification, termination or waiver does not apply to the Key Holders, and (iv) Schedule A hereto may be amended by the Company from time to time in accordance with the Purchase Agreement to add information regarding Additional Purchasers (as defined in the Purchase Agreement) without the consent of the other parties hereto. The Company shall give prompt written 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. 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.

6.9 Assignment of Rights.

(a) The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted 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 permitted assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

(b) Any successor or permitted assignee of any Key Holder, including any Prospective Transferee who purchases shares of Transfer Stock in accordance with the terms hereof, shall deliver to the Company and the Investors, as a condition to any transfer or assignment, a counterpart signature page hereto pursuant to which such successor or permitted assignee shall confirm their agreement to be subject to and bound by all of the provisions set forth in this Agreement that were applicable to the predecessor or assignor of such successor or permitted assignee.

(c) The rights of the Investors hereunder are not assignable without the Company's written consent (which shall not be unreasonably withheld, delayed or conditioned), except (i) by an Investor to any Affiliate, or (ii) to an assignee or transferee who acquires at least 1,000,000 shares of Capital Stock (as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction), it being acknowledged and agreed that any such assignment, including an assignment contemplated by the preceding clauses (i) or (ii) shall be subject to and conditioned upon any such assignee's delivery to the Company and the other Investors of a counterpart signature page hereto pursuant to which such assignee shall confirm their agreement to be subject to and bound by all of the provisions set forth in this Agreement that were applicable to the assignor of such assignee.

(d) Except in connection with an assignment by the Company by operation of law to the acquirer of the Company, the rights and obligations of the Company hereunder may not be assigned under any circumstances.

6.10 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.11 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Company's 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.

6.12 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.

6.13 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.

6.14 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.15 Aggregation of Stock. All shares of Capital Stock held or acquired by Affiliated entities or persons 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.

6.16 Specific Performance. In addition to any and all other remedies that may be available at law in the event of any breach of this Agreement, each Investor shall be entitled to specific performance of the agreements and obligations of the Company and the Key Holders hereunder and to such other injunction or other equitable relief as may be granted by a court of competent jurisdiction.

6.17 Consent of Spouse. If any Key Holder is married on the date of this Agreement, such Key Holder's spouse shall execute and deliver to the Company a Consent of Spouse in the form of Exhibit A 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 Key Holder's shares of Transfer Stock that do not otherwise exist by operation of law or the agreement of the parties. If any Key Holder should marry or remarry subsequent to the date of this Agreement, such Key Holder 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.

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THE COMPANY:

KIROMIC, INC.

By: /s/ Maurizio Chiriva Internati

Name: Maurizio Chiriva Internati

Title: Chief Executive Officer

SIGNATURE PAGE TO RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

EXHIBIT F

FORM OF VOTING AGREEMENT

VOTING AGREEMENT

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VOTING AGREEMENT

THIS VOTING AGREEMENT (this "**Agreement**"), is made and entered into as of this 7th day of September, 2019, by and among Kiromic, Inc., a Delaware corporation (the "**Company**"), each holder of the Series B Preferred Stock, $0.01 par value per share, of the Company ("**Series B Preferred Stock**" or "**Preferred Stock**") listed on Schedule A (together with any subsequent investors, or transferees, who become parties hereto as "Investors" pursuant to Subsections 6.1(a) or 6.2 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 Subsection 6.2 below, the "**Key Holders**," and together collectively with the Investors, the "**Stockholders**").

RECITALS

A. Concurrently with the execution of this Agreement, the Company and the Investors are entering into a Series B Preferred Stock Purchase Agreement (the "**Purchase Agreement**") providing for the sale of shares of the Series B 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.

NOW, THEREFORE, the parties agree as follows:

1. Voting Provisions Regarding the Board.

1.1 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) One person who shall be designated by a majority of the holders of record as of the date hereof of shares of Series B Preferred Stock with a purchase price of at least $1,000,000 to serve as a director of the Company for so long as such holders of record continue to beneficially own not less than 25% of the issued and outstanding shares of Series B Preferred Stock, which person is now designated to be Angelo Minotti or a person designated by him.

To the extent that clause (a) 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 advisers of, or shares the same management company or investment adviser with, such Person.

For purposes of this Agreement, the term "**Shares**" shall mean and include any securities of the Company that 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 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 and willing to serve as provided herein and otherwise, such Board seat shall remain vacant.

1.3 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 1.1 or 1.2 of this Agreement may be removed from office unless (i) such removal is directed or approved by the affirmative vote of the Person(s), or of the holders of at least a majority of the 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 pursuant to Subsection 1.2 is no longer so entitled to designate or approve such director;

(b) any vacancies created by the resignation, removal or death of a director elected pursuant to Subsections 1.1 or 1.2 shall be filled pursuant to the provisions of this Section 1; and

(c) upon the request of any party entitled to designate a director as provided in Subsection 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 Section 1, and the Company agrees at the request of any Person or group entitled to designate directors to call a special meeting of stockholders for the purpose of electing directors.

1.4 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.

1.5 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) 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 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 the exercise of any warrant and/or the conversion of all of the shares of Preferred Stock outstanding at any given time.

3. Remedies.

3.1 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.

3.2 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.

3.3 Remedies Cumulative. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

4. "Bad Actor" Matters.

4.1 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.

4.2 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.

4.3 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.

5. 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 Second Amended and Restated Certificate of the Company; or (c) termination of this Agreement in accordance with Subsection 6.8 below.

6. Miscellaneous.

6.1 Additional Parties.

(a) Notwithstanding anything to the contrary contained herein, if the Company issues additional 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 such shares 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 shall thereafter be deemed an Investor and Stockholder for all purposes under this Agreement.

6.2 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 recognition of 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 6.2. 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 6.12.

6.3 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.

6.4 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware (the "Governing Law").

6.5 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.

6.6 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.

6.7 Notices.

All notices and other communications given or made pursuant to this Agreement shall be in writing shall be delivered both physically and via electronic mail 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 notices to the Company shall be addressed as follows:

Kiromic Inc.
Fannin South Professional Building
7707 Fannin, St Suite 140
Houston, Texas 77054
Attn: Scott Dahlbeck
Phone: (713) 689-4450
Email: sdahlbeck@kiromic.com

a copy (which shall not constitute notice) shall also be sent physically and via e-mail to:

Norton Rose Fulbright
1301 McKinney St., Suite 5100
Houston, Texas 77010
Attn: Charles Powell
charles.powell@nortonrosefulbright.com

If notice is given to the Investors, copies (which shall not constitute notice) shall also be sent physically and via e-mail to:

Avv. Giovanni Meliadò
Roma
Via G. Vico n.1 - 00196 Roma
avv.meliado@gmail.com

Avv. Laura Porta

6.8 Consent Required to Amend, Modify, Terminate or Waive. This Agreement may be amended, modified or terminated (other than pursuant to Section 4.1) 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 (a) the Company; (b) the Key Holders holding a majority of the Shares then held by the Key Holders; provided that such consent shall not be required if the Key Holders do not then own Shares representing at least 33% of the outstanding capital stock of the Company who are then providing services to the Company as officers, employees or consultants; and (c) the Investors. Notwithstanding the foregoing:

(a) 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;

(b) the provisions of Subsection 1.1(a) and this Subsection 6.8(b) may not be amended, modified, terminated or waived without the written consent of Angelo Minotti;

(c) the consent of the Key Holders shall not be required for any amendment, modification, termination or waiver if such amendment, modification, termination, or waiver either (A) is not directly applicable to the rights of the Key Holders hereunder; or (B) does not adversely affect the rights of the Key Holders in a manner that is different than the effect on the rights of the other parties hereto; and

(d) any provision hereof may be waived by the waiving party on such party's own behalf, without the consent of any other party.

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 6.8 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 6.8, 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.

6.9 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.

6.10 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.11 Entire Agreement. This Agreement (including the Exhibits hereto), the Second Amended and Restated Certificate of the Company 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.

6.12 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 6.12 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 6.12 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.

6.13 Stock Splits, Stock Dividends, etc. In the event of any issuance of Shares or the voting securities of the Company 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 6.12.

6.14 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.

6.15 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 carry out the intent of the parties hereunder.

6.16 Dispute Resolution. All disputes arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Any such arbitration shall (i) be subject to the application of the Governing Law, (ii) take place in Paris, France and (iii) be conducted in English. Each of the parties to this Agreement consents to personal jurisdiction for any emergency injunction sought in the U.S. District Court for the Southern District of Texas or any court of the State of Texas having subject matter jurisdiction. However, subsequent to the emergency injunction hearing, the merits of the matter will be decided by the ICC as per the procedure set forth above.

Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the U.S. District Court for the Southern District of Texas or any court of the State of Texas having subject matter jurisdiction.

6.17 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.

6.18 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.

6.19 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.

[Signature Page Follows]

THE COMPANY:

KIROMIC, INC.

By: /s/ Maurizio Chiriva Internati

Name: Maurizio Chiriva Internati

Title Chief Executive Officer

SUBSCRIPTION BOOKLET

KIROMIC, INC.

SHARES OF SERIES A1 PREFERRED STOCK

September 21, 2018

CONTENTS

KIROMIC, INC.

SUBSCRIPTION BOOKLET

INSTRUCTIONS FOR SUBSCRIPTION FOR SHARES

Each purchaser of Shares offered must do the following:

1. Complete, sign and deliver the Securities Purchase Agreement included in this Subscription Booklet.
2. Deliver payment in the Number of Shares subscribed for in accordance with the wire transfer instructions attached hereto as Exhibit A.
3. Delivery of the completed subscription documents described above should be delivered directly to the Company at the following address:

   7707 Fannin St | Suite 140 | Houston, Texas 77054

EXHIBIT B

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this "Agreement") is dated as of Sept. 21, 2018, between Kiromic, Inc., a Delaware corporation (the "Company"), and each purchaser identified on the signature pages hereto (each, including its successors and assigns, a "Purchaser" and collectively the "Purchasers").

WHEREAS, subject to the terms and conditions set forth in this Agreement and pursuant to Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act") and the provisions of Regulation D promulgated thereunder, the Company desires to issue and sell to each Purchaser, and each Purchaser, severally and not jointly, desires to purchase from the Company, securities of the Company as more fully described in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser agree as follows:

ARTICLE I.
DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms have the meanings set forth in this Section 1.1:

"Acquiring Person" shall have the meaning ascribed to such term in Section 4.3.

"Action" shall have the meaning ascribed to such term in Section 3.1(h).

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"Closing" means the closing of the purchase and sale of the Securities pursuant to Section 2.1.

"Closing Date" means the Business Day on which all of the Transaction Documents have been executed and delivered by the applicable parties thereto, and all conditions precedent to (i) the Purchasers' obligations to pay the Subscription Amount and (ii) the Company's obligations to deliver the Securities, in each case, have been satisfied or waived, but in no event later than the third Business Day following the date hereof.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value $0.001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Common Stock Equivalents" means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

"Company Counsel" means Sheppard, Mullin, Richter & Hampton LLP.

"Current Amount Raised" shall have the meaning assigned to such term in Section 2.4.

"Disclosure Schedules" means the Disclosure Schedules of the Company delivered concurrently herewith.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Intellectual Property Rights" shall have the meaning ascribed to such term in Section 3.1(m).

"Liens" means a lien, charge, security interest, encumbrance, right of first refusal, preemptive right or other restriction.

"Material Adverse Effect" shall have the meaning assigned to such term in Section 3.1(b).

"Material Permits" shall have the meaning ascribed to such term in Section 3.1(k).

"Per Share Purchase Price" equals $0.50, subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Preferred Stock that occur after the date of this Agreement.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Proceeding" means an action, claim, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"Purchaser Party" shall have the meaning ascribed to such term in Section 4.6.

"Required Approvals" shall have the meaning ascribed to such term in Section 3.1(e).

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Series A1 Preferred Stock" means the Series A1 Preferred Stock as set forth in the Certificate of Designations set forth in Annex A attached hereto.

"Shares" means the shares of Series A1 Preferred Stock issued or issuable to each

Purchaser pursuant to this Agreement.

"Subscription Amount" means, as to each Purchaser, the aggregate amount to be paid for Shares purchased hereunder as specified below such Purchaser's name on the signature page of this Agreement and next to the heading "Subscription Amount," in United States dollars and in immediately available funds.

"Subsidiary" means any subsidiary of the Company as set forth in the SEC Reports, and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

"Termination Date" shall have the meaning ascribed to such term in Section 5.1.

"Transaction Documents" means this Agreement and any other documents or agreements executed in connection with the transactions contemplated hereunder.

ARTICLE II.
PURCHASE AND SALE

2.1 Closing. On the Closing Date, upon the terms and subject to the conditions set forth herein, substantially concurrent with the execution and delivery of this Agreement by the parties hereto, the Company agrees to sell, and the Purchasers, severally and not jointly, agree to purchase, a maximum of $3,000,000 of Shares at the Per Share Purchase Price. Each Purchaser shall deliver to the Company via wire transfer, immediately available funds equal to such Purchaser's Subscription Amount as set forth on the signature page hereto executed by such Purchaser and the Company shall deliver to each Purchaser its respective Shares as determined by Section 2.2(a), and the Company and each Purchaser shall deliver the other items set forth in Section 2.2 deliverable at the Closing. Upon satisfaction of the covenants and conditions set forth in Sections 2.2 and 2.3, the Closing shall occur at the offices of Company Counsel or such other location as the parties shall mutually agree.

2.2 Deliveries.

(a) On or prior to the Closing Date, the Company shall deliver or cause to be delivered to each Purchaser the following:

(i) this Agreement duly executed by the Company; and

(ii) a number of Shares equal to such Purchaser's Subscription Amount divided by the Per Share Purchase Price, registered in the name of such Purchaser, plus any number of Shares that Purchaser is entitled to receive as an Early Incentive Award;

(b) On or prior to the Closing Date, each Purchaser shall deliver or cause to be delivered to the Company the following:

(i) this Agreement duly executed by such Purchaser; and

(ii) such Purchaser's Subscription Amount by wire transfer to the account as specified in writing by the Company.

2.3 Closing Conditions.

(a) The obligations of the Company hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects on the Closing Date of the representations and warranties of the Purchasers contained herein (unless as of a specific date therein);

(ii) all obligations, covenants and agreements of each Purchaser required to be performed at or prior to the Closing Date shall have been performed; and

(iii) the delivery by each Purchaser of the items set forth in Section 2.2(b) of this Agreement.

(b) The respective obligations of the Purchasers hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects when made and on the Closing Date of the representations and warranties of the Company contained herein (unless as of a specific date therein);

(ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the Closing Date shall have been performed;

(iii) the delivery by the Company of the items set forth in Section 2.2(a) of this Agreement; and

(iv) there shall have been no Material Adverse Effect with respect to the Company since the date hereof.

2.4 Award of Additional Shares. , Upon Closing, a Purchaser shall be awarded an aggregate number of additional Shares equal to (i) 1.50% of the Number of Shares Purchased and (ii) 20% of subscription amount (100,000 additional shares).

ARTICLE III.
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. Except as set forth in the Disclosure Schedules, which Disclosure Schedules shall be deemed a part hereof and shall qualify any representation made herein to the extent of the disclosure contained in the corresponding section of the Disclosure Schedules, the Company hereby makes the following representations and warranties to each Purchaser:

(a) Subsidiaries. All of the direct and indirect subsidiaries of the Company are as set forth in Schedule 3.1. The Company owns equity interests of each Subsidiary as set forth in Schedule 3.1(a), free and clear of any Liens, and all of the issued and outstanding shares of capital stock of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights of others to subscribe for or purchase securities.

(b) Organization and Qualification. The Company and each of the Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Each of the Company and the Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any Transaction Document, (ii) a material adverse effect on the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document (any of (i), (ii) or (iii), a "Material Adverse Effect") and no Proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(c) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by each of the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of each of the Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, the Board of Directors or the Company's stockholders in connection therewith other than in connection with the Required Approvals. Each Transaction Document to which it is a party has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its

terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(d) No Conflicts. The execution, delivery and performance by the Company of the Transaction Documents, the issuance and sale of the Shares and the consummation by it of the transactions contemplated hereby and thereby to which it is a party do not and will not (i) conflict with or violate any provision of the Company's or any Subsidiary's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any Subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company or Subsidiary debt or otherwise) or other understanding to which the Company or any Subsidiary is a party or by which any property or asset of the Company or any Subsidiary is bound or affected, or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or a Subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or a Subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in a Material Adverse Effect.

(e) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than: (i) any filing or registration that has been made as of the date hereof, or (ii) such filings as are required to be made under applicable state securities laws (collectively, the "Required Approvals").

(f) Issuance of the Shares. The Shares are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company.

(g) Capitalization. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents. Except as a result of the purchase and sale of the Shares and as set forth in Schedule 3.1(g), there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock, or contracts, commitments, understandings or arrangements by which the Company or any

Subsidiary is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents. The issuance and sale of the Shares will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than the Purchasers). All of the outstanding shares of capital stock of the Company are validly issued, fully paid and nonassessable, have been issued in compliance with all federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. No further approval or authorization of any stockholder, the Board of Directors or others is required for the issuance and sale of the Shares. Except as disclosed in Schedule 3.1(g), there are no stockholders agreements, voting agreements or other similar agreements with respect to the Company's capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's stockholders.

(h) Litigation. There is no action, suit, inquiry, notice of violation, proceeding or investigation pending or, to the knowledge of the Company, threatened against or affecting the Company, any Subsidiary or any of their respective properties before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign) (collectively, an "Action") which adversely affects or challenges the legality, validity or enforceability of any of the Transaction Documents or the Shares. Neither the Company nor any Subsidiary, nor any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by the Commission involving the Company or any current or former director or officer of the Company. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary under the Exchange Act or the Securities Act.

(i) Labor Relations. No material labor dispute exists or, to the knowledge of the Company, is imminent with respect to any of the employees of the Company, which could reasonably be expected to result in a Material Adverse Effect.

(j) Compliance. Neither the Company nor any Subsidiary: (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary received notice of a claim that it is in default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived), (ii) is in violation of any judgment, decree or order of any court, arbitrator or governmental body or (iii) is or has been in violation of any statute, rule, ordinance or regulation of any governmental authority, including without limitation all foreign, federal, state and local laws relating to taxes, environmental protection, occupational health and safety, product quality and safety and employment and labor matters, except in each case as could not have or reasonably be expected to result in a Material Adverse Effect.

(k) Regulatory Permits. The Company and the Subsidiaries possess all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign regulatory authorities necessary to conduct their respective businesses, except where the failure to possess such permits could not reasonably be expected to result in a Material Adverse Effect ("Material Permits"), and neither the Company nor any Subsidiary has received any notice of proceedings relating to the revocation or modification of any Material Permit.

(l) Title to Assets. The Company and the Subsidiaries have good and marketable title in all personal property owned by them that is material to the business of the Company and the Subsidiaries, in each case free and clear of all Liens, except for Liens as do not materially affect the value of such property, do not materially interfere with the use made and proposed to be made of such property by the Company and the Subsidiaries, and Liens for the payment of federal, state or other taxes, the payment of which is neither delinquent nor subject to penalties. Any real property and facilities held under lease by the Company and the Subsidiaries which is material to the business of the Company and Subsidiaries are held by them under valid, subsisting and enforceable leases with which the Company and the Subsidiaries are in compliance.

(m) Patents and Trademarks. The Company and the Subsidiaries have, or have rights to use, all patents, patent applications, trademarks, trademark applications, service marks, trade names, trade secrets, inventions, copyrights, licenses and other intellectual property rights and similar rights necessary or material for use in connection with their respective businesses and which the failure to so have could have a Material Adverse Effect (collectively, the "Intellectual Property Rights"). Neither the Company nor any Subsidiary has received, a written notice of a claim or otherwise has any knowledge that the Intellectual Property Rights violate or infringe upon the rights of any Person, except as would not have a Material Adverse Effect. To the knowledge of the Company, all such Intellectual Property Rights are enforceable and there is no existing infringement by another Person of any of the Intellectual Property Rights. The Company and its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of all of their intellectual properties, except where failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(n) Transactions With Affiliates and Employees. None of the officers or directors of the Company and, to the knowledge of the Company, none of the employees of the Company is presently a party to any transaction with the Company or any Subsidiary (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner, in each case in excess of $120,000 other than for (i) payment of salary or consulting fees for services rendered, (ii) reimbursement for expenses incurred on behalf of the Company and (iii) other employee benefits, including stock option agreements under any stock option plan of the Company.

(o) No General Solicitation. Neither the Company, nor any of its affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising in connection with the offer or sale of the Shares.

(p) Investment Company. The Company is not, and is not an Affiliate of, and immediately after receipt of payment for the Shares, will not be or be an Affiliate of, an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become an "investment company" subject to registration under the Investment Company Act of

1940, as amended.

(q) Registration Rights. No Person has any right to cause the Company to effect the registration under the Securities Act of any securities of the Company.

(r) Disclosure. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, the Company confirms that neither it nor any other Person acting on its behalf has provided any of the Purchasers or their agents or counsel with any information that it believes constitutes or might constitute material, non-public information. The Company understands and confirms that the Purchasers will rely on the foregoing representation in effecting transactions in securities of the Company. All of the disclosure furnished by or on behalf of the Company to the Purchasers regarding the Company, its business and the transactions contemplated hereby, including the Disclosure Schedules to this Agreement, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The press releases disseminated by the Company during the twelve months preceding the date of this Agreement taken as a whole do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made and when made, not misleading. The Company acknowledges and agrees that no Purchaser makes or has made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3.2 hereof.

(s) No Integrated Offering. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2, neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause this offering of the Shares to be integrated with prior offerings by the Company.

(t) Tax Status. Except for matters that would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect, the Company and each Subsidiary (i) has made or filed all United States federal and state income and all foreign income and franchise tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on

such returns, reports and declarations and (iii) has set aside on its books provision reasonably adequate for the payment of all material taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company or of any Subsidiary know of no basis for any such claim.

(u) Foreign Corrupt Practices. Neither the Company, nor to the knowledge of the Company, any agent or other person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

(v) Acknowledgment Regarding Purchasers' Purchase of Shares. The Company acknowledges and agrees that each of the Purchasers is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that no Purchaser is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Purchaser or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Purchasers' purchase of the Shares. The Company further represents to each Purchaser that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

3.2 Representations and Warranties of the Purchasers. Each Purchaser, for itself and for no other Purchaser, hereby represents and warrants as of the date hereof and as of the Closing Date to the Company as follows (unless as of a specific date therein):

(a) The Purchaser is acquiring the Shares for his or its own account as principal, not as a nominee or agent, for investment purposes only, and not with a view to, or for, resale, distribution or fractionalization thereof in whole or in part and no other person has a direct or indirect beneficial interest in such Shares or any of the components of the Shares. Further, the Purchaser does not 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 for which the Purchaser is subscribing.

(b) The Purchaser has full power and authority to enter into this Agreement, the execution and delivery of this Agreement has been duly authorized, if applicable, and this Agreement constitutes a valid and legally binding obligation of the Purchaser.

(c) The Purchaser acknowledges its understanding that the offering and sale of the Shares is intended to be exempt from registration under the Securities Act of 1933, as amended (the "Securities Act") by virtue of Section 4(2) of the Securities Act and the provisions of Regulation D promulgated thereunder ("Regulation D"). In furtherance thereof, the Purchaser represents and warrants to and agrees with the Company and its affiliates as follows:

(i) The Purchaser has the financial ability to bear the economic risk of his investment, has adequate means for providing for his current needs and personal contingencies and has no need for liquidity with respect to his investment in the Company; and

(ii) The Purchaser has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the prospective investment in the Shares. If other than an individual, the Purchaser also represents it has not been organized for the purpose of acquiring the Shares.

(d) At the time such Purchaser was offered the Shares, it was, and as of the date hereof it is, an "accredited investor" as defined in Rule 501(a) under the Securities Act.

(e) The Purchaser , has:

(i) had access to and carefully reviewed the Schedules and Exhibits to this Agreement and has had an opportunity for a reasonable period of time prior to the date hereof to obtain additional information concerning the offering of the Shares, the Company, and all other information to the extent the Company possesses such information or can acquire it without unreasonable effort or expense;

(iii) been given the opportunity for a reasonable period of time prior to the date hereof to ask questions of, and receive answers from, the Company or its representatives concerning the terms and conditions of the offering of the Shares and other matters pertaining to this investment, and have been given the opportunity for a reasonable period of time prior to the date hereof to obtain such additional information necessary to verify the accuracy of the information provided in order for him to evaluate the merits and risks of purchase of the Shares to the extent the Company possesses such information or can acquire it without unreasonable effort or expense;

(iv) not been furnished with any oral representation or oral information in connection with the offering of the Shares which is not contained herein; and

(v) determined that the Shares are a suitable investment for the Purchaser and that at this time the Purchaser could bear a complete loss of such investment.

(f) The Purchaser is not relying on the Company, or its affiliates with respect to economic considerations involved in this investment.

(g) The Purchaser represents, warrants and agrees that he will not sell or otherwise transfer the Shares without registration under the Securities Act or an exemption therefrom and fully understands and agrees that he must bear the economic risk of his purchase because, among other reasons, the Shares have not been registered under the Securities Act or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Securities Act and under the applicable securities laws of such states or an exemption from such registration is available. In particular, the Purchaser is aware that the Shares are "restricted securities," as such term is defined in Rule 144 promulgated under the Securities Act ("Rule 144"), and they may not be sold pursuant to Rule 144 unless all of the conditions of Rule 144 are met. The Purchaser also understands that, except as otherwise provided herein and in the certificates for the Shares, the Company is under no obligation to register the Shares on his behalf or to assist him in complying with any exemption from registration under the Securities Act or applicable state securities laws. The Purchaser further understands that sales or transfers of the Shares are further restricted by state securities laws and the provisions of this Agreement.

(h) No representations or warranties have been made to the Purchaser by the Company, or any officer, employee, agent, affiliate or subsidiary of the Company, other than the representations of the Company contained herein, and in subscribing for Shares, the Purchaser is not relying upon any representations other than those contained herein.

(i) Any information which the Purchaser has heretofore furnished to the Company with respect to his financial position and business experience is correct and complete as of the date of this Agreement and if there should be any material change in such information he will immediately furnish such revised or corrected information to the Company.

(j) The Purchaser understands and agrees that the certificates for the Shares shall bear the following legend until (i) such securities shall have been registered under the Securities Act and effectively been disposed of in accordance with a registration statement that has been declared effective; or (ii) in the opinion of counsel for the Company such securities may be sold without registration under the Securities Act as well as any applicable "Blue Sky" or state securities laws. Accordingly, the Purchaser understands and consents that the certificates representing the Shares, in addition to any notation required by law or by this Agreement, shall have the following legend:

> "THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED, HYPOTHECATED, ASSIGNED OR TRANSFERRED EXCEPT (i) PURSUANT TO A REGISTRATION STATEMENT UNDER THE SECURITIES ACT WHICH HAS BECOME EFFECTIVE AND IS CURRENT WITH RESPECT TO THESE SECURITIES, OR (ii) PURSUANT TO A SPECIFIC EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT BUT ONLY UPON A HOLDER HEREOF FIRST HAVING OBTAINED THE WRITTEN OPINION OF COUNSEL TO THE CORPORATION, OR OTHER COUNSEL REASONABLY ACCEPTABLE TO THE CORPORATION, THAT THE PROPOSED DISPOSITION IS CONSISTENT WITH ALL APPLICABLE PROVISIONS OF THE SECURITIES ACT AS WELL AS ANY APPLICABLE "BLUE SKY" OR SIMILAR SECURITIES LAW."

(k) The Purchaser understands that an investment in the Shares is a speculative investment which involves a high degree of risk and the potential loss of his entire investment.

(l) The Purchaser's overall commitment to investments which are not readily marketable is not disproportionate to the Purchaser's net worth, and an investment in the Shares will not cause such overall commitment to become excessive.

(m) Purchaser is not purchasing the Shares as a result of any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement.

(n) Other than the transaction contemplated hereunder, such Purchaser has not directly or indirectly, nor has any person acting on behalf of or pursuant to any understanding with such Purchaser, executed any disposition, in the securities of the Company during the period commencing from the time that such Purchaser first received a term sheet from the Company or any other person setting forth the material terms of the transactions contemplated hereunder until the date hereof ("Discussion Time"). Notwithstanding the foregoing, in the case of a Purchaser that is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Purchaser's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Purchaser's assets, the representation set forth above shall only apply with respect to the portion of assets managed by the portfolio manager that made the investment decision to purchase the Shares covered by this Agreement. Other than to other persons party to this Agreement, such Purchaser has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction).

(m) Purchaser hereby acknowledges that the Company seeks to comply with all applicable laws concerning money laundering and related activities. In furtherance of those efforts, Purchaser hereby represents, warrants and agrees that, to the best of Purchaser's knowledge based upon appropriate diligence and investigation:

(i) none of the cash or property that Purchaser has paid, will pay or will contribute to the Company has been or shall be derived from, or related to, an activity that is deemed criminal under United States law;

(ii) no contribution or payment by Purchaser to the Company shall cause the Company to be in violation of the United States Bank Secrecy Act, the United States Money Laundering Control Act of 1986 or the United States International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001;

(iii) Purchaser agrees to promptly notify the Company if any of these representations cease to be true and accurate regarding Purchaser, and to provide to the Company any additional information regarding Purchaser that the Company deems necessary or appropriate to ensure compliance with all applicable laws concerning money laundering and similar activities;

(iv) Purchaser agrees that if at any time the Company determines that any of the foregoing representations are incorrect with respect to Purchaser, or if otherwise required by applicable law or regulation related to money laundering and similar activities, the Company may undertake whatever actions it considers appropriate to ensure compliance with applicable law or regulation, including causing the withdrawal of Purchaser from the Company in accordance with such terms as the Company shall determine in its discretion are required to comply with applicable laws and regulations; and

(v) Purchaser further agrees that the Company may release confidential information about such Purchaser to proper authorities if the Company, in its sole discretion, determines that it is in the best interests of the Company in light of relevant rules and regulations under the laws described herein.

(n) The foregoing representations, warranties and agreements shall survive the Closing.

The Company acknowledges and agrees that the representations contained in Section 3.2 shall not modify, amend or affect such Purchaser's right to rely on the Company's representations and warranties contained in this Agreement or any representations and warranties contained in any other Transaction Document or any other document or instrument executed and/or delivered in connection with this Agreement or the consummation of the transaction contemplated hereby.

ARTICLE IV.
OTHER AGREEMENTS OF THE PARTIES

4.1 Integration. None of the Company, its Subsidiaries, any of their affiliates, and any Person acting on their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of any of the Shares under the 1933 Act or cause this offering of the Shares to be integrated with prior offerings by the Company for purposes of the 1933 Act. None of the Company, its Subsidiaries, their affiliates and any Person acting on their behalf will take any action or steps referred to in the preceding sentence that would require registration of any of the Shares under the 1933 Act or cause the offering of the Shares to be integrated with other offerings.

4.2 Publicity. The Company and each Purchaser shall consult with each other in issuing any press releases with respect to the transactions contemplated hereby, and neither the Company nor any Purchaser shall issue any such press release nor otherwise make any such public statement without the prior consent of the Company, with respect to any press release of any Purchaser, or without the prior consent of each Purchaser, with respect to any press release of the

Company, which consent shall not unreasonably be withheld or delayed, except if such disclosure is required by law, in which case the disclosing party shall promptly provide the other party with prior notice of such public statement or communication. Notwithstanding the foregoing, the Company shall not publicly disclose the name of any Purchaser, or include the name of any Purchaser in any filing with the Commission or any regulatory agency, without the prior written consent of such Purchaser, except (a) as required by federal securities law in connection with the filing of final Transaction Documents (including signature pages thereto) with the Commission and (b) to the extent such disclosure is required by law, in which case the Company shall provide the Purchasers with prior notice of such disclosure permitted under this clause (b).

4.3 Shareholder Rights Plan. No claim will be made or enforced by the Company or, with the consent of the Company, any other Person, that any Purchaser is an "Acquiring Person" under any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or similar anti-takeover plan or arrangement in effect or hereafter adopted by the Company, or that any Purchaser could be deemed to trigger the provisions of any such plan or arrangement, by virtue of receiving Shares under the Transaction Documents or under any other agreement between the Company and the Purchasers.

4.4 Non-Public Information. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, the Company covenants and agrees that neither it, nor any other Person acting on its behalf will provide any Purchaser or its agents or counsel with any information that the Company believes constitutes material non-public information, and each Purchaser agrees, and shall direct its agents and counsel not to, request any material non-public information from the Company or any Person acting on its behalf, unless prior thereto such Purchaser shall have executed a written agreement with the Company regarding the confidentiality and use of such information. The Company understands and confirms that each Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company.

4.5 Use of Proceeds. The Company shall use the net proceeds from the sale of the Shares hereunder for product development, clinical operations, working capital and for general corporate purposes.

4.6 Indemnification of Purchasers. Subject to the provisions of this Section 4.6, the Company will indemnify and hold each Purchaser and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "Purchaser Party") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation that any such Purchaser Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or

in the other Transaction Documents or (b) any action instituted against a Purchaser in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of such Purchaser, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is based upon a breach of such Purchaser's representations, warranties or covenants under the Transaction Documents or any agreements or understandings such Purchaser may have with any such stockholder or any violations by such Purchaser of state or federal securities laws or any conduct by such Purchaser which constitutes fraud, gross negligence, willful misconduct or malfeasance). If any action shall be brought against any Purchaser Party in respect of which indemnity may be sought pursuant to this Agreement, such Purchaser Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Purchaser Party. Any Purchaser Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Purchaser Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Company and the position of such Purchaser Party, in which case the Company shall be responsible for the reasonable fees and expenses of no more than one such separate counsel. The Company will not be liable to any Purchaser Party under this Agreement (y) for any settlement by a Purchaser Party effected without the Company's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Purchaser Party's breach of any of the representations, warranties, covenants or agreements made by such Purchaser Party in this Agreement or in the other Transaction Documents. The indemnification required by this Section 4.6 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Purchaser Party against the Company or others, and (y) any liabilities the Company may be subject to pursuant to law.

4.7 Equal Treatment of Purchasers. No consideration (including any modification of any Transaction Document) shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of any of the Transaction Documents unless the same consideration is also offered to all of the parties to the Transaction Documents. For clarification purposes, this provision constitutes a separate right granted to each Purchaser by the Company and negotiated separately by each Purchaser, and is intended for the Company to treat the Purchasers as a class and shall not in any way be construed as the Purchasers acting in concert or as a group with respect to the purchase, disposition or voting of Securities or otherwise.

4.8 Confidentiality. Each Purchaser, severally and not jointly with the other Purchasers, covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company, such Purchaser will maintain the confidentiality of the existence and terms of this transaction and the information included in the Disclosure Schedules.

ARTICLE V.
MISCELLANEOUS

5.1 Fees and Expenses. Except as expressly set forth in the Transaction Documents to the contrary, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all Transfer Agent fees, stamp taxes and other taxes and duties levied in connection with the delivery of any Shares to the Purchasers.

5.2 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth on the signature pages attached hereto prior to 5:30 p.m. (New York City time) on a Business Day, (b) the next Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth on the signature pages attached hereto on a day that is not a Business Day or later than

5:30 p.m. (New York City time) on any Business Day, (c) the second (2nd) Business Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto.

5.4 Amendments; Waivers. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Purchasers holding at least 67% in interest of the Shares based on the initial Subscription Amounts hereunder or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

5.5 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

5.6 Transfer of Shares. No Purchaser may offer, sell, assign, hypothecate, pledge or otherwise transfer (each a "Transfer") all or any portion of its Shares unless (i) such Purchaser obtains explicit approval from the Company's Board of Directors, (ii) such Transfer is a bona fide gift, sales or other dispositions of Shares in each case that is made exclusively between and among the Purchaser and members of the Purchaser's family, (iii) such Transfer is a Transfer to any trust for the direct or indirect benefit of the Purchaser or a member of the immediate family

of the Purchaser, or (iv) such Transfer is a Transfer by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary, or a member of the immediate family of the Purchaser; provided that in the case of any Transfer pursuant to clause (ii), (iii) and (iv), (1) each donee or distributee shall execute and deliver to the Company a restricted transfer letter with the same restrictions as set forth in herein and (2) any such Transfer shall not involve a disposition for value.

5.7 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of each Purchaser (other than by merger). Any Purchaser may assign any or all of its rights under this Agreement to any Person to whom such Purchaser assigns or transfers any Shares, provided that such transferee agrees in writing to be bound, with respect to the transferred Shares, by the provisions of the Transaction Documents that apply to the "Purchasers."

5.8 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except as otherwise set forth in Section 4.6.

5.10 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of Wilmington. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of Wilmington, county of New Castle for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If either party shall commence an action or proceeding to enforce any provisions of the Transaction Documents, then, in addition to the obligations of the Company under Section 4.6, the prevailing party in such action or proceeding shall be reimbursed by the other party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

5.9 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Shares.

5.10 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page was an original thereof.

5.11 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

5.12 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever any Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

5.13 Replacement of Shares. If any certificate or instrument evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity) associated with the issuance of such replacement Securities.

5.14 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agree to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

5.15 Payment Set Aside. To the extent that the Company makes a payment or payments to any Purchaser pursuant to any Transaction Document or a Purchaser enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other person under any law (including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

5.16 Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under any Transaction Document are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance or non-performance of the obligations of any other Purchaser under any Transaction Document. Nothing contained herein or in any other Transaction Document, and no action taken by any Purchaser pursuant thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights including, without limitation, the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose. Each Purchaser has been represented by its own separate legal counsel in their review and negotiation of the Transaction Documents. The Company has elected to provide all Purchasers with the same terms and Transaction Documents for the convenience of the Company and not because it was required or requested to do so by any of the Purchasers. It is expressly understood and agreed that each provision contained in this Agreement and in each other Transaction Document is between the Company and a Purchaser, solely, and not between the Company and the Purchasers collectively and not between and among the Purchasers.

5.17 Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding Business Day.

5.18 Construction. The parties agree that each of them and/or their respective counsel has reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments hereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

5.19 **WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.**

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

KIROMIC, INC.

Address for Notice:
7707 Fannin St | Suite 140 |
Houston, Texas 77054

By: /s/ Maurizio Chiriva-Internati Date 9.22.2018

Name: Maurizio Chiriva-Internati, DBSc, PhDs

Title: CEO
With a copy to (which shall not constitute notice):

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOR PURCHASER FOLLOWS]

Exhibit 10.6

EXECUTION VERSION

*NEITHER THIS NOTE NOR THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR UNDER THE SECURITIES LAWS OF APPLICABLE STATES. THIS NOTE AND SUCH SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION UNDER SUCH LAWS OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE ISSUER OF THIS NOTE AND ANY SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ALL APPLICABLE STATE SECURITIES LAWS.*

KIROMIC, INC.

CONVERTIBLE PROMISSORY NOTE

Note No. 2019 - 1
$134,800

Made as of May 30, 2019

Subject to the terms and conditions of this Note, for value received, Kiromic, Inc., a Delaware corporation (the "***Company***"), hereby promises to pay to Prevail Partners, or his registered assigns ("***Holder***"), the principal sum of ONE HUNDRED THIRTY FOUR THOUSAND EIGHT HUNDRED AND 00/100 DOLLARS ($134,800.00) or such lesser amount as shall then equal the outstanding principal amount hereunder, together with interest accrued on the unpaid principal amount at a rate of six percent (6%) per annum, compounded annually. Interest shall begin to accrue on the date of this Note and shall continue to accrue on the outstanding principal and be compounded annually until the entire Balance is paid (or converted, as provided in Section 6 hereof), and shall be computed based on the actual number of days elapsed and on a year of 365 days.

This Note has been issued pursuant to that certain Note Purchase Agreement, dated as of the date of this Note, as may be amended from time to time (the "***Purchase Agreement***"), by and among the Company, the original holder of this Note and other purchasers of Notes, up to a maximum of $2,000,000 in total face amount, and is subject to, and incorporates, the provisions of the Purchase Agreement. This Note is the form appended as Exhibit B-2 to the Purchase Agreement and is intended only for New Investors (as that term is defined in the Purchase Agreement).

The following is a statement of the rights of Holder and the terms and conditions to which this Note is subject, and to which the Holder hereof, by the acceptance of this Note, agrees:

1. DEFINITION. The following definitions shall apply for all purposes of this Note:

"***Actual Conversion Date***" means the date on which all of the Balance is converted pursuant to Section 6 hereof.

"***Affiliate***" has the meaning ascribed to it in Rule 144 promulgated under the Securities Act.

"***Alternate Valuation***" means $60,900,000.00

"***Balance***" means, at the applicable time, the sum of the Principal Balance, all then accrued and unpaid interest and all other amounts (including fees and expenses) then accrued but unpaid under this Note.

"***Business Day***" means a weekday on which banks are open for general banking business in Houston, Texas.

"***Change of Control***" means any of the following: (i) a sale or other transfer of all or substantially all of the Company's assets or (ii) the acquisition of the Company by another entity by means of merger, share purchase (whether from the Company or from the holders of the Company's capital stock), share exchange or other transaction or series of related transactions; provided that a Change of Control shall not include (A) a merger effected exclusively for the purpose of changing the domicile of the Company, (B) an equity financing in which the Company is the surviving corporation, or (C) a transaction in which the stockholders of the Company immediately prior to the transaction own 50% or more of the voting power of the surviving corporation following the transaction.

"***Common Stock***" means common stock of the Company.

"***Common Stock Equivalents***" means all shares of Common Stock issued and outstanding at the applicable time, assuming full conversion or exercise of all then issued and outstanding securities of the Company that are exercisable for or convertible into Common Stock of the Company (excluding the Notes, any previously issued convertible promissory notes, and any other indebtedness or convertible securities that are covered in the Next Financing), plus all shares of Common Stock reserved for issuance upon exercise of stock options or stock awards to be granted in the future under any stock option or equity incentive plan of the Company.

"***Company***" shall include, in addition to the Company identified in the opening paragraph of this Note, any corporation or other entity which succeeds to the Company's obligations under this Note, whether by permitted assignment, by merger or consolidation, operation of law or otherwise.

"***Conversion Price***" means (1) if the Conversion Stock is the type of capital stock of the Company sold in the Next Financing pursuant to Section 6.1, an amount equal to 90% of the lowest per share selling price of Conversion Stock sold by the Company in the Next Financing, or (2) in the case of the Series A Stock of the Company issued pursuant to Section 6.2, an amount determined by dividing (a) $60,900,000.00 by (b) the total number of Common Stock Equivalents immediately prior to the close of business on the Maturity Date.

"***Conversion Stock***" means (i) in the case of conversion in the Next Financing pursuant to Section 6.1, the Company's capital stock that is sold by the Company in the Next Financing, and (ii) in the case of full conversion upon the Maturity Date pursuant to Section 6.2 or partial conversion upon the Maturity Date pursuant to Section 6.3, the Series A Stock of the Company. The term "***Conversion Stock***" shall include the stock and other securities and property that are, on the Actual Conversion Date, receivable or issuable upon such conversion of this Note in accordance with its terms.

"***Event of Default***" has the meaning set forth in Section 5 hereof.

"***Financing Document***" means the Notes, the Purchase Agreement and any document entered into, executed or delivered under or in connection with, or for the purpose of amending, any of such documents.

"***Lost Note Documentation***" means documentation satisfactory to the Company with regard to a lost or stolen Note, including, if required by the Company, an affidavit of lost note and an indemnification agreement by Holder in favor of the Company with respect to such lost or stolen Note.

"***Majority Holders***" has the meaning set forth in the Purchase Agreement.

"***Maturity Date***" means the earlier of (i) June 30, 2020, or (ii) the time at which the Balance is made due and payable upon an Event of Default; provided, however that if the Event of Default is cured as permitted in this Note, then the Maturity Date shall not thereafter be deemed to have occurred with regard to such Event of Default under this clause (ii).

"***Next Financing***" means the Company's next sale of its preferred stock (but not issuances only of options or warrants to acquire such preferred stock, the primary purpose of which is not to raise capital) in one transaction or series of related transactions for an aggregate gross purchase price paid to the Company of no less than $4,000,000.00 (including the aggregate principal amount and any accrued interest and other amounts under the Notes converted into Conversion Stock in such sale), in each case, occurring on or prior to the Maturity Date.

"***Next Financing Closing***" has the meaning set forth in Section 6.1 hereof.

"***Note***" means this Convertible Promissory Note.

"***Notes***" means a series of convertible promissory notes, including this Note, issued pursuant to the Purchase Agreement.

"***Principal Balance***" means, at the applicable time, all then outstanding principal of this Note, including any and all interest compounded into the principal balance as of the applicable time.

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Series A Stock***" means Series A Preferred Stock of the Company.

2. MATURITY DATE; CHANGE OF CONTROL.

2.1 Maturity Date. If this Note has not been previously converted (as provided in Section 6 below), then on the Maturity Date the Balance shall be due and payable in full, *provided, however*, that Holder shall not be entitled to any payment under this Section 2.1 if the Balance of this Note is converted into Common Stock pursuant to Section 6.2.

2.2 Change of Control. If the Company consummates a Change of Control prior to the full repayment or conversion of this Note, then, upon the closing of such Change of Control, then at Holder's election, (a) the outstanding principal and interest under the Note shall be converted into Series A Stock at the Alternative Valuation or (b) the Company will pay Holder an amount equal to 200% of the principal and accrued interest at the time of the Change of Control under Holder's Note.

3. PREPAYMENT. The outstanding principal and accrued interest under this Note may only be prepaid (a) upon a Change in Control pursuant Section 2.2, or (b) with the specific consent of the Holder pursuant to Section 6.3.

4. NOTES PARI PASSU; APPLICATION OF PAYMENTS. Each of the Notes shall rank equally without preference or priority of any kind over one another and any other outstanding promissory notes made by the Company, and all payments and recoveries under any other Financing Document payable on account of principal and interest on the Notes shall be paid and applied ratably and proportionately on the Balances of all outstanding Notes on the basis of their original principal amount. Subject to Section 6 below and the foregoing provisions of this Section 4, all payments will be applied first to the repayment of accrued fees and expenses under this Note, then to accrued interest until all then outstanding accrued interest has been paid in full, and then to the repayment of principal until all principal has been paid in full.

5. EVENTS OF DEFAULT; REMEDIES IN CONCERT.

5.1 Events of Default. Each of the following events shall constitute an "***Event of Default***" hereunder:

(a) The Company fails to make any payment when due under the Note on the applicable due date;

(b) A receiver is appointed for any material part of the Company's property, the Company makes a general assignment for the benefit of creditors, or the Company becomes a debtor or alleged debtor in a case under the U.S. Bankruptcy Code or becomes the subject of any other bankruptcy or similar proceeding for the general adjustment of its debts or for its liquidation;

(c) The Company breaches any material obligation to Holder under this Note or under any other Financing Document and does not cure such breach within thirty (30) days after written notice thereof has been given by or on behalf of Holder to the Company; or

(d) The Company's Board of Directors or stockholders adopt a resolution for the liquidation, dissolution or winding up of the Company.

5.2 Remedies in Concert. Upon the occurrence of any Event of Default all accrued but unpaid expenses, accrued but unpaid interest, all principal and any other amounts outstanding under this Note shall (i) in the case of any Event of Default under Section 5.1(b) above become immediately due and payable in full pursuant to the terms of Section 2 hereof without further notice or demand by Holder and (ii) in the case of any Event of Default other than under Section 5.1(b) above, become immediately due and payable upon written notice by or on behalf of Holder to the Company but only if such notice is given with the prior written consent of the Majority Holders. Notwithstanding any other provision of this Note, or of the other Financing Documents, Holder agrees that Holder will exercise Holder's rights and remedies under this Note and the other Financing Documents only in concert with all other holders of outstanding Notes as provided in the Financing Documents and will not take any action, including commencement or prosecution of litigation or any other proceeding to collect this Note, except as agreed by the Majority Holders.

6. CONVERSION.

6.1 Conversion in Next Financing. Upon the closing of the Next Financing (the "***Next Financing Closing***"), if the entire Balance is outstanding at such time, then such Balance shall automatically be converted into that number of shares of Conversion Stock issued in the Next Financing, obtained by dividing (i) the entire Balance by (ii) the Conversion Price, rounded down to the nearest whole number of shares. In connection with a conversion pursuant to this Section 6.1, Holder shall deliver the original Note to the Company and will execute and deliver to the Company at the Next Financing Closing such stock purchase, investors' rights, right of first refusal, co-sale, voting and/or other agreements as are entered into by the investors in the Next Financing generally. Such conversion shall be deemed to occur under this Section 6.1 as of immediately prior to the Next Financing Closing, without regard to whether Holder has then delivered to the Company this Note (or the Lost Note Documentation where applicable) or executed any other documents including, if applicable, the stock purchase, investors' rights, right of first refusal, co-sale, voting and/or other agreements, required to be executed by the investors purchasing the Conversion Stock in the Next Financing.

6.2 Conversion Upon Maturity. If there has not been a Next Financing Closing or a Change of Control by the Maturity Date, then the Balance then outstanding shall automatically be converted into Conversion Stock at the Conversion Price then in effect. Holder shall tender this Note on the Maturity Date (or Lost Note Documentation, if applicable) for conversion at the chief executive offices of the Company. If Holder elects to convert this Note pursuant to this Section 6.2 then such conversion shall be deemed to have occurred at the close of business on the Maturity Date.

6.3 Optional Partial Conversion. If on or before the Maturity Date, the Company is able to repay the Note based on financing available to the Company that is not a Next Financing, the Company will inform the Holder that a cash, non-equity payment is an option. The Holder will then have the option to decide whether to convert all or a portion of the Balance into equity. If the Holder elects a cash payment of all or a portion of the Balance then the repayment amount will be 140% of such Balance less any portion of the Balance that is converted into equity. Any portion of the Balance that is not repaid pursuant to this Section 6.3 shall be converted on the Maturity Date pursuant to Section 6.2.

6.4 Termination of Rights. Except for the right to obtain certificates representing the Conversion Stock under Section 7 below, all rights with respect to this Note shall terminate upon the effective conversion of the entire Balance of the Note as provided in Section 6 above. Notwithstanding the foregoing, Holder agrees to surrender this Note to the Company (or Lost Note Documentation where applicable) as soon as practicable after conversion. In any event, Holder shall not be entitled to receive any stock certificates representing the shares of Conversion Stock issuable upon conversion of this Note unless and until Holder has surrendered the original of this Note (or Lost Note Documentation where applicable).

7. CERTIFICATES; NO FRACTIONAL SHARES. As soon as practicable after conversion of this Note pursuant to Section 6 above, the Company at its expense will register such shares of Conversion Stock in the Company's Register of Stockholders in the name of the respective Holder and will cause to be issued in the name of Holder and to be delivered to Holder, a certificate or certificates for the number of shares of Conversion Stock to which Holder shall be entitled upon such conversion (bearing such legends as may be required by applicable state and federal securities laws in the opinion of legal counsel of the Company, by the Company's Certificate of Incorporation and Bylaws and by any agreement between the Company and Holder), together with any other securities and property to which Holder is entitled upon such conversion under the terms of this Note. No fractional shares shall be issued upon conversion of this Note. If upon any conversion of this Note (and after aggregating the amounts of all other Notes held by the same Holder that are converted at the same time as this Note), a fraction of a share would otherwise be issued, then in lieu of such fractional share, the Company shall pay to Holder an amount in cash equal to such fraction of a share multiplied by the applicable Conversion Price.

8. PROVISIONS RELATING TO STOCKHOLDER RIGHTS; NO VOTING OR OTHER RIGHTS. This Note does not entitle Holder to any voting rights or other rights as a stockholder of the Company, unless and until (and only to the extent that) this Note is actually converted into shares of the Company's capital stock in accordance with its terms. In the absence of conversion of this Note into Conversion Stock no provisions of this Note and no enumeration herein of the rights or privileges of Holder, shall cause Holder to be a stockholder of the Company for any purpose.

9. REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND THE HOLDER. In order to induce the Company and the Holders to enter into the Financing Documents and the Company to issue this Note to the original Holder, the Company and the original Holder each have made representations and warranties to each other as set forth in the Purchase Agreement.

10. GENERAL PROVISIONS.

10.1 Waivers. The Company and all endorsers of this Note hereby waive notice, presentment, protest and notice of dishonor.

10.2 Attorneys' Fees. If any party is required to engage the services of an attorney for the purpose of enforcing this Note, or any provision thereof, the prevailing party shall be entitled to recover its reasonable expenses and costs in enforcing this Note, including attorneys' fees.

10.3 Transfer. Neither this Note nor any rights hereunder may be assigned, conveyed or transferred, in whole or in part, without the Company's prior written consent, which the Company may withhold in its sole discretion; provided, however, that this Note may be assigned, conveyed or transferred without the prior written consent of the Company to any Affiliate of Holder (including an affiliated venture capital fund) who executes and delivers to the Company an acknowledgement that such Affiliate agrees to be subject to, and bound by, all the terms and conditions of this Note and satisfies the Company that such transfer complies with state and federal securities laws. Subject to the foregoing, the rights and obligations of the Company and Holder under this Note and the other Financing Documents shall be binding upon and benefit their respective permitted successors, assigns, heirs, administrators and transferees.

10.4 Governing Law. This Note shall be governed by and construed under the internal laws of the State of Delaware applied to agreements entered into and to be performed entirely within the State of Delaware, without reference to principles of conflict of laws or choice of laws.

10.5 Headings. The headings and captions used in this Note are used only for convenience and are not to be considered in construing or interpreting this Note. All references in this Note to sections and exhibits shall, unless otherwise provided, refer to sections hereof and exhibits attached hereto, all of which exhibits are incorporated herein by this reference.

10.6 Notices. Unless otherwise provided herein, any notice required or permitted to be given to a party pursuant to this Note will be given in writing and will be effective and deemed to provide such party sufficient notice under this Note on the earliest of the following: (i) at the time of personal delivery, if delivered in person; (ii) one (1) Business Day after deposit with an express overnight courier for United States deliveries; or (iii) three (3) Business Days after (A) deposit in the United States mail by certified mail (return receipt requested) for United States deliveries or (B) deposit with an international express air courier for deliveries outside of the United States, with proof of delivery from the courier requested. All notices for delivery outside the United States will be sent by express courier. All notices not delivered personally will be sent with postage and/or other charges prepaid and properly addressed to the party to be notified at the address indicated for such party on the signature page hereto or, in the case of the Company, at Fannin South Professional Building, 7707 Fannin Street, Suite 140, Houston, Texas 77054, or at such other address as any party or the Company may designate by giving ten (10) days' advance written notice to all other parties in accordance with the provisions of this Section 10.6.

10.7 Amendments and Waivers. This Note may be amended, and any provisions under this Note may be waived, only with the written consent of the Company and the Majority Holders as provided in Section 6.9 of the Purchase Agreement.

10.8 Severability. If one or more provisions of this Note are held to be unenforceable under applicable law, then such provision(s) shall be excluded from this Note to the extent they are held to be unenforceable and the remainder of the Note shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

[SIGNATURE PAGE FOLLOWS]

IN **WITNESS WHEREOF,** the Company has caused this Convertible Promissory Note to be signed in its name as of the date first written above.

THE COMPANY:

KIROMIC, INC.

By: /s/ Scott Dahlbeck
Name: Scott Dahlbeck, MD, PharmD
Title: President

AGREED AND ACKNOWLEDGED:

HOLDER:

PREVAIL PARTNERS, INC

SIGN HERE: /s/ Patrick Keenan
Printed Name: Patrick Keenan
Address: 211 N. 31st Street, Sixth Floor
Philadelphia, PA 19107

Exhibit 10.7

EXECUTION VERSION

*NEITHER THIS NOTE NOR THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR UNDER THE SECURITIES LAWS OF APPLICABLE STATES. THIS NOTE AND SUCH SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION UNDER SUCH LAWS OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE ISSUER OF THIS NOTE AND ANY SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ALL APPLICABLE STATE SECURITIES LAWS.*

KIROMIC, INC.

CONVERTIBLE PROMISSORY NOTE

Note No. 2019-1
$xxx,xxx

Made as of February 21, 2019

Subject to the terms and conditions of this Note, for value received, Kiromic, Inc., a Delaware corporation (the "***Company***"), hereby promises to pay to Peter Ho, MD or its registered assigns ("***Holder***"), the principal sum of $100,000 or such lesser amount as shall then equal the outstanding principal amount hereunder, together with interest accrued on the unpaid principal amount at a rate of seventeen percent (17%) per annum, compounded annually. Interest shall begin to accrue on the date of this Note and shall continue to accrue on the outstanding principal and be compounded annually until the entire Balance is paid (or converted, as provided in Section 6 hereof), and shall be computed based on the actual number of days elapsed and on a year of 365 days.

This Note has been issued pursuant to that certain Note Purchase Agreement, dated as of February 21, 2019, as may be amended from time to time (the "***Purchase Agreement***"), by and among the Company, the original holder of this Note and other purchasers of Notes, and is subject to, and incorporates, the provisions of the Purchase Agreement. This Note is the form appended as Exhibit B-1 to the Purchase Agreement and is intended only for Prior Investors (as that term is defined in the Purchase Agreement).

The following is a statement of the rights of Holder and the terms and conditions to which this Note is subject, and to which the Holder hereof, by the acceptance of this Note, agrees:

1. DEFINITION. The following definitions shall apply for all purposes of this Note:

"***Actual Conversion Date***" means the date on which all of the Balance is converted pursuant to Section 6 hereof.

"***Affiliate***" has the meaning ascribed to it in Rule 144 promulgated under the Securities Act.

"***Balance***" means, at the applicable time, the sum of the Principal Balance, all then accrued and unpaid interest and all other amounts (including fees and expenses) then accrued but unpaid under this Note.

"***Business Day***" means a weekday on which banks are open for general banking business in Houston, Texas.

"***Change of Control***" means any of the following: (i) a sale or other transfer of all or substantially all of the Company's assets or (ii) the acquisition of the Company by another entity by means of merger, share purchase (whether from the Company or from the holders of the Company's capital stock), share exchange or other transaction or series of related transactions; provided that a Change of Control shall not include (A) a merger effected exclusively for the purpose of changing the domicile of the Company, (B) an equity financing in which the Company is the surviving corporation, or (C) a transaction in which the stockholders of the Company immediately prior to the transaction own 50% or more of the voting power of the surviving corporation following the transaction.

"***Common Stock***" means common stock of the Company.

"***Common Stock Equivalents***" means all shares of Common Stock issued and outstanding at the applicable time, assuming full conversion or exercise of all then issued and outstanding securities of the Company that are exercisable for or convertible into Common Stock of the Company (excluding the Notes, any previously issued convertible promissory notes, and any other indebtedness or convertible securities that are covered in the Next Financing), plus all shares of Common Stock reserved for issuance upon exercise of stock options or stock awards to be granted in the future under any stock option or equity incentive plan of the Company.

"***Company***" shall include, in addition to the Company identified in the opening paragraph of this Note, any corporation or other entity which succeeds to the Company's obligations under this Note, whether by permitted assignment, by merger or consolidation, operation of law or otherwise.

"*Conversion Price*" [means (1) if the Conversion Stock is the type of capital stock of the Company sold in the Next Financing pursuant to Section 6.1, an amount equal to 85% of the lowest per share selling price of Conversion Stock sold by the Company in the Next Financing, or (2) in the case of the Series A1 Stock of the Company issued pursuant to Section 6.2, an amount determined by dividing (a) $60,900,000 by (b) the total number of Common Stock Equivalents immediately prior to the close of business on the Maturity Date.

"***Conversion Stock***" means (i) in the case of conversion in the Next Financing pursuant to Section 6.1, the Company's capital stock that is sold by the Company in the Next Financing, and (ii) in the case of full conversion upon the Maturity Date pursuant to Section 6.2 or partial conversion upon the Maturity Date pursuant to Section 6.3, the Series A1 Stock of the Company. The term "***Conversion Stock***" shall include the stock and other securities and property that are, on the Actual Conversion Date, receivable or issuable upon such conversion of this Note in accordance with its terms.

"***Event of Default***" has the meaning set forth in Section 5 hereof.

"***Financing Document***" means the Notes, the Purchase Agreement and any document entered into, executed or delivered under or in connection with, or for the purpose of amending, any of such documents.

"***Lost Note Documentation***" means documentation satisfactory to the Company with regard to a lost or stolen Note, including, if required by the Company, an affidavit of lost note and an indemnification agreement by Holder in favor of the Company with respect to such lost or stolen Note.

"***Majority Holders***" has the meaning set forth in the Purchase Agreement.

"***Maturity Date***" means the earlier of (i) June 30, 2020, or (ii) the time at which the Balance is made due and payable upon an Event of Default; provided, however that if the Event of Default is cured as permitted in this Note, then the Maturity Date shall not thereafter be deemed to have occurred with regard to such Event of Default under this clause (ii).

"***Next Financing***" means the Company's next sale of its preferred stock (but not issuances only of options or warrants to acquire such preferred stock, the primary purpose of which is not to raise capital) in one transaction or series of related transactions for an aggregate gross purchase price paid to the Company of no less than $15,000,000.00 (including the aggregate principal amount and any accrued interest and other amounts under the Notes converted into Conversion Stock in such sale), in each case, occurring on or prior to the Maturity Date.

"***Next Financing Closing***" has the meaning set forth in Section 6.1 hereof. "***Note***" means this Convertible Promissory Note.

"***Notes***" means a series of convertible promissory notes, including this Note, issued pursuant to the Purchase Agreement.

"***Principal Balance***" means, at the applicable time, all then outstanding principal of this Note, including any and all interest compounded into the principal balance as of the applicable time.

"***Securities Act***" means the Securities Act of 1933, as amended. "***Series A1 Stock***" means Series A1 preferred stock of the Company.

2. MATURITY DATE; CHANGE OF CONTROL.

2.1 Maturity Date. If this Note has not been previously converted (as provided in Section 6 below), then on the Maturity Date the Balance shall be due and payable in full, *provided*, *however*, that Holder shall not be entitled to any payment under this Section 2.1 if the Balance of this Note is converted into Common Stock pursuant to Section 6.2.

2.2 Change of Control. If the Company consummates a Change of Control prior to the full repayment or conversion of this Note, then, upon the closing of such Change of Control, Holder shall be repaid an amount equal to 200% of the Balance at such time.

3. PREPAYMENT. The outstanding principal and accrued interest under this Note may only be prepaid (a) upon a Change in Control pursuant Section 2.2, or (b) with the specific consent of the Holder pursuant to Section 6.3.

4. NOTES PARI PASSU; APPLICATION OF PAYMENTS. Each of the Notes shall rank equally without preference or priority of any kind over one another and any other outstanding promissory notes made by the Company, and all payments and recoveries under any other Financing Document payable on account of principal and interest on the Notes shall be paid and applied ratably and proportionately on the Balances of all outstanding Notes on the basis of their original principal amount. Subject to Section 6 below and the foregoing provisions of this Section 4, all payments will be applied first to the repayment of accrued fees and expenses under this Note, then to accrued interest until all then outstanding accrued interest has been paid in full, and then to the repayment of principal until all principal has been paid in full.

5. EVENTS OF DEFAULT; REMEDIES IN CONCERT.

5.1 Events of Default. Each of the following events shall constitute an "***Event of Default***" hereunder:

(a) The Company fails to make any payment when due under the Note on the applicable due date;

(b) A receiver is appointed for any material part of the Company's property, the Company makes a general assignment for the benefit of creditors, or the Company becomes a debtor or alleged debtor in a case under the U.S. Bankruptcy Code or becomes the subject of any other bankruptcy or similar proceeding for the general adjustment of its debts or for its liquidation;

(c) The Company breaches any material obligation to Holder under this Note or under any other Financing Document and does not cure such breach within thirty (30) days after written notice thereof has been given by or on behalf of Holder to the Company; or

(d) The Company's Board of Directors or stockholders adopt a resolution for the liquidation, dissolution or winding up of the Company.

5.2 Remedies in Concert. Upon the occurrence of any Event of Default all accrued but unpaid expenses, accrued but unpaid interest, all principal and any other amounts outstanding under this Note shall (i) in the case of any Event of Default under Section 5.1(b) above become immediately due and payable in full pursuant to the terms of Section 2 hereof without further notice or demand by Holder and (ii) in the case of any Event of Default other than under Section 5.1(b) above, become immediately due and payable upon written notice by or on behalf of Holder to the Company but only if such notice is given with the prior written consent of the Majority Holders. Notwithstanding any other provision of this Note, or of the other Financing Documents, Holder agrees that Holder will exercise Holder's rights and remedies under this Note and the other Financing Documents only in concert with all other holders of outstanding Notes as provided in the Financing Documents and will not take any action, including commencement or prosecution of litigation or any other proceeding to collect this Note, except as agreed by the Majority Holders.

6. CONVERSION.

6.1 Conversion in Next Financing. Upon the closing of the Next Financing (the "***Next Financing Closing***"), if the entire Balance is outstanding at such time, then such Balance shall automatically be converted into that number of shares of Conversion Stock issued in the Next Financing, obtained by dividing (i) the entire Balance by (ii) the Conversion Price, rounded down to the nearest whole number of shares. In connection with a conversion pursuant to this Section 6.1, Holder shall deliver the original Note to the Company and will execute and deliver to the Company at the Next Financing Closing such stock purchase, investors' rights, right of first refusal, co-sale, voting and/or other agreements as are entered into by the investors in the Next Financing generally. Such conversion shall be deemed to occur under this Section 6.1 as of immediately prior to the Next Financing Closing, without regard to whether Holder has then delivered to the Company this Note (or the Lost Note Documentation where applicable) or executed any other documents including, if applicable, the stock purchase, investors' rights, right of first refusal, co-sale, voting and/or other agreements, required to be executed by the investors purchasing the Conversion Stock in the Next Financing.

6.2 Conversion Upon Maturity. If there has not been a Next Financing Closing or a Change of Control by the Maturity Date, then the Balance then outstanding shall automatically be converted into Conversion Stock at the Conversion Price then in effect. Holder shall tender this Note on the Maturity Date (or Lost Note Documentation, if applicable) for conversion at the chief executive offices of the Company. If Holder elects to convert this Note pursuant to this Section 6.2 then such conversion shall be deemed to have occurred at the close of business on the Maturity Date.

6.3 **Optional Partial Conversion**. If on or before the Maturity Date, the Company is able to repay the Note based on financing available to the Company that is not a Next Financing, the Company will inform the Holder that a cash, non-equity payment is an option. The Holder will then have the option to decide whether to convert all or a portion of the Balance into equity. If the Holder elects a cash payment of all or a portion of the Balance then the repayment amount will be 140% of such Balance less any portion of the Balance that is converted into equity. Any portion of the Balance that is not repaid pursuant to this Section 6.3 shall be converted on the Maturity Date pursuant to Section 6.2.

6.4 **Termination of Rights**. Except for the right to obtain certificates representing the Conversion Stock under Section 7 below, all rights with respect to this Note shall terminate upon the effective conversion of the entire Balance of the Note as provided in Section 6 above. Notwithstanding the foregoing, Holder agrees to surrender this Note to the Company (or Lost Note Documentation where applicable) as soon as practicable after conversion. In any event, Holder shall not be entitled to receive any stock certificates representing the shares of Conversion Stock issuable upon conversion of this Note unless and until Holder has surrendered the original of this Note (or Lost Note Documentation where applicable).

7. **CERTIFICATES; NO FRACTIONAL SHARES**. As soon as practicable after conversion of this Note pursuant to Section 6 above, the Company at its expense will register such shares of Conversion Stock in the Company's Register of Stockholders in the name of the respective Holder and will cause to be issued in the name of Holder and to be delivered to Holder, a certificate or certificates for the number of shares of Conversion Stock to which Holder shall be entitled upon such conversion (bearing such legends as may be required by applicable state and federal securities laws in the opinion of legal counsel of the Company, by the Company's Certificate of Incorporation and Bylaws and by any agreement between the Company and Holder), together with any other securities and property to which Holder is entitled upon such conversion under the terms of this Note. No fractional shares shall be issued upon conversion of this Note. If upon any conversion of this Note (and after aggregating the amounts of all other Notes held by the same Holder that are converted at the same time as this Note), a fraction of a share would otherwise be issued, then in lieu of such fractional share, the Company shall pay to Holder an amount in cash equal to such fraction of a share multiplied by the applicable Conversion Price.

8. **PROVISIONS RELATING TO STOCKHOLDER RIGHTS; NO VOTING OR OTHER RIGHTS**. This Note does not entitle Holder to any voting rights or other rights as a stockholder of the Company, unless and until (and only to the extent that) this Note is actually converted into shares of the Company's capital stock in accordance with its terms. In the absence of conversion of this Note into Conversion Stock no provisions of this Note and no enumeration herein of the rights or privileges of Holder, shall cause Holder to be a stockholder of the Company for any purpose.

9. **REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND THE HOLDER**. In order to induce the Company and the Holders to enter into the Financing Documents and the Company to issue this Note to the original Holder, the Company and the original Holder each have made representations and warranties to each other as set forth in the Purchase Agreement.

10. **GENERAL PROVISIONS**.

10.1 **Waivers**. The Company and all endorsers of this Note hereby waive notice, presentment, protest and notice of dishonor.

10.2 **Attorneys' Fees**. If any party is required to engage the services of an attorney for the purpose of enforcing this Note, or any provision thereof, the prevailing party shall be entitled to recover its reasonable expenses and costs in enforcing this Note, including attorneys' fees.

10.3 **Transfer**. Neither this Note nor any rights hereunder may be assigned, conveyed or transferred, in whole or in part, without the Company's prior written consent, which the Company may withhold in its sole discretion; provided, however, that this Note may be assigned, conveyed or transferred without the prior written consent of the Company to any Affiliate of Holder (including an affiliated venture capital fund) who executes and delivers to the Company an acknowledgement that such Affiliate agrees to be subject to, and bound by, all the terms and conditions of this Note and satisfies the Company that such transfer complies with state and federal securities laws. Subject to the foregoing, the rights and obligations of the Company and Holder under this Note and the other Financing Documents shall be binding upon and benefit their respective permitted successors, assigns, heirs, administrators and transferees.

10.4 **Governing Law**. This Note shall be governed by and construed under the internal laws of the State of Delaware applied to agreements entered into and to be performed entirely within the State of Delaware, without reference to principles of conflict of laws or choice of laws.

10.5 **Headings**. The headings and captions used in this Note are used only for convenience and are not to be considered in construing or interpreting this Note. All references in this Note to sections and exhibits shall, unless otherwise provided, refer to sections hereof and exhibits attached hereto, all of which exhibits are incorporated herein by this reference.

10.6 **Notices**. Unless otherwise provided herein, any notice required or permitted to be given to a party pursuant to this Note will be given in writing and will be effective and deemed to provide such party sufficient notice under this Note on the earliest of the following: (i) at the time of personal delivery, if delivered in person; (ii) one (1) Business Day after deposit with an express overnight courier for United States deliveries; or (iii) three (3) Business Days after (A) deposit in the United States mail by certified mail (return receipt requested) for United States deliveries or (B) deposit with an international express air courier for deliveries outside of the United States, with proof of delivery from the courier requested. All notices for delivery outside the United States will be sent by express courier. All notices not delivered personally will be sent with postage and/or other charges prepaid and properly addressed to the party to be notified at the address indicated for such party on the signature page hereto or, in the case of the Company, at Fannin South Professional Building, 7707 Fannin Street, Suite 140, Houston, Texas 77054, or at such other address as any party or the Company may designate by giving ten (10) days' advance written notice to all other parties in accordance with the provisions of this Section 10.6.

10.7 **Amendments and Waivers**. This Note may be amended, and any provisions under this Note may be waived, only with the written consent of the Company and the Majority Holders as provided in Section 6.9 of the Purchase Agreement.

10.8 **Severability**. If one or more provisions of this Note are held to be unenforceable under applicable law, then such provision(s) shall be excluded from this Note to the extent they are held to be unenforceable and the remainder of the Note shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this Convertible Promissory Note to be signed in its name as of the date first written above.

THE COMPANY:

KIROMIC, INC.

By: _____

Name: _____

Title: _____

AGREED AND ACKNOWLEDGED:

HOLDER:

SIGN HERE: _____

Printed Name: _____

Address: _____

_____

Exhibit 10.8

*NEITHER THIS NOTE NOR THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR UNDER THE SECURITIES LAWS OF APPLICABLE STATES. THIS NOTE AND SUCH SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION UNDER SUCH LAWS OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE ISSUER OF THIS NOTE AND ANY SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ALL APPLICABLE STATE SECURITIES LAWS.*

KIROMIC, INC.

CONVERTIBLE PROMISSORY NOTE

Note No. __
$_____ Made as of_____, 2018

Subject to the terms and conditions of this Note, for value received, Kiromic, Inc., a Delaware corporation (the "Company"), hereby promises to pay to _____, or its registered assigns ("***Holder***"), the principal sum of $ or such lesser amount as shall then equal the outstanding principal amount hereunder, together with simple interest accrued on the unpaid principal amount at a rate of seven percent (7%) per annum. Interest shall begin to accrue on the date of this Note and shall continue to accrue on the outstanding principal until the entire Balance is paid (or converted, as provided in Section 6 hereof), and shall be computed based on the actual number of days elapsed and on a year of 365 days.

This Note has been issued pursuant to that certain Note Purchase Agreement, dated as of June 10, 2017, as may be amended from time to time (the "***Purchase Agreement***"), by and among the Company, the original holder of this Note and other purchasers of Notes, and is subject to, and incorporates, the provisions of the Purchase Agreement.

The following is a statement of the rights of Holder and the terms and conditions to which this Note is subject, and to which the Holder hereof, by the acceptance of this Note, agrees:

1. DEFINITION. The following definitions shall apply for all purposes of this Note:

"***Actual Conversion Date***" means the date on which all of the Balance is converted pursuant to Section 6 hereof.

"***Affiliate***" has the meaning ascribed to it in Rule 144 promulgated under the Securities Act.

"***Balance***" means, at the applicable time, the sum of the Principal Balance, all then accrued and unpaid interest and all other amounts (including fees and expenses) then accrued but unpaid under this Note.

"***Business Day***" means a weekday on which banks are open for general banking business in San Francisco, California.

"***Change of Control***" means any of the following: (i) a sale or other transfer of all or substantially all of the Company's assets or (ii) the acquisition of the Company by another entity by means of merger, share purchase (whether from the Company or from the holders of the Company's capital stock), share exchange or other transaction or series of related transactions; provided that a Change of Control shall not include (A) a merger effected exclusively for the purpose of changing the domicile of the Company, (B) an equity financing in which the Company is the surviving corporation, or (C) a transaction in which the stockholders of the Company immediately prior to the transaction own 50% or more of the voting power of the surviving corporation following the transaction.

"***Common Stock Equivalents***" means all shares of Common Stock issued and outstanding at the applicable time, assuming full conversion or exercise of all then issued and outstanding securities of the Company that are exercisable for or convertible into Common Stock of the Company (excluding the Notes, any previously issued convertible promissory notes, and any other indebtedness or convertible securities that are covered in the Next Financing), plus all shares of Common Stock reserved for issuance upon exercise of stock options or stock awards to be granted in the future under any stock option or equity incentive plan of the Company.

"***Company***" shall include, in addition to the Company identified in the opening paragraph of this Note, any corporation or other entity which succeeds to the Company's obligations under this Note, whether by permitted assignment, by merger or consolidation, operation of law or otherwise.

"***Conversion Price***" means (1) if the Conversion Stock is the type of capital stock of the Company sold in the Next Financing pursuant to Section 6.1, an amount equal to the lower of (a) 80% of the lowest per share selling price of Conversion Stock sold by the Company in the Next Financing, or (b) the amount determined by dividing (i) five hundred million dollars ($500,000,000) by (ii) the total number of Common Stock Equivalents immediately prior to the Next Financing Closing and conversion of this Note pursuant to Section 6.1 below, (2) in the case of Common Stock of the Company issued pursuant to Section 6.2, an amount determined by dividing (a) five hundred million dollars ($500,000,000) by (b) the total number of Common Stock Equivalents immediately prior to the close of business on the Maturity Date, and (3) in the case of Common Stock of the Company issued pursuant to Section 6.3, an amount determined by dividing (a) five hundred million dollars ($500,000,000) by (b) the total number of Common Stock Equivalents immediately prior to the closing of the Change of Control.

"***Conversion Stock***" means (i) in the case of conversion in the Next Financing pursuant to Section 6.1, the Company's capital stock that is sold by the Company in the Next Financing, and (ii) in the case of conversion upon the Maturity Date or upon a Change of Control pursuant to Section 6.2 and Section 6.3, respectively, the Common Stock of the Company. The term "***Conversion Stock***" shall include the stock and other securities and property that are, on the Actual Conversion Date, receivable or issuable upon such conversion of this Note in accordance with its terms.

"***Event of Default***" has the meaning set forth in Section 5 hereof.

"***Financing Document***" means the Notes, the Purchase Agreement and any document entered into, executed or delivered under or in connection with, or for the purpose of amending, any of such documents.

"***Lost Note Documentation***" means documentation satisfactory to the Company with regard to a lost or stolen Note, including, if required by the Company, an affidavit of lost note and an indemnification agreement by Holder in favor of the Company with respect to such lost or stolen Note.

"***Majority Holders***" has the meaning set forth in the Purchase Agreement.

"***Maturity Date***" means the earlier of (i) June 1, 2019, or (ii) the time at which the Balance is made due and payable upon an Event of Default; provided, however that if the Event of Default is cured as permitted in this Note, then the Maturity Date shall not thereafter be deemed to have occurred with regard to such Event of Default under this clause (ii).

"***Next Financing***" means the Company's next sale of its preferred stock (but not issuances only of options or warrants to acquire such preferred stock, the primary purpose of which is not to raise capital) in one transaction or series of related transactions for an aggregate gross purchase price paid to the Company of no less than $4,000,000 (including the aggregate principal amount and any accrued interest and other amounts under the Notes converted into Conversion Stock in such sale), in each case, occurring on or prior to the Maturity Date.

"***Next Financing Closing***" has the meaning set forth in Section 6.1 hereof.

"***Note***" means this Convertible Promissory Note.

"***Notes***" means a series of convertible promissory notes, including this Note, issued pursuant to the Purchase Agreement.

"***Principal Balance***" means, at the applicable time, all then outstanding principal of this Note.

"***Securities Act***" means the Securities Act of 1933, as amended.

2. MATURITY DATE; CHANGE OF CONTROL.

2.1 Maturity Date. If this Note has not been previously converted (as provided in Section 6 below), then on the Maturity Date the Balance shall be due and payable in full, *provided*, *however*, that Holder shall not be entitled to any payment under this Section 2.1 if the Balance of this Note is converted into Common Stock pursuant to Section 6.2.

2.2 Change of Control. If the Company consummates a Change of Control prior to the full repayment or conversion of this Note, then, upon the closing of such Change of Control, Holder shall be entitled to be repaid the Balance, *provided*, *however*, that Holder shall not be entitled to any payment under this Section 2.2 if the Balance of this Note is converted into Common Stock in connection with such Change of Control, or otherwise, pursuant to Section 6.3.

3. NO PREPAYMENT. The Company may not prepay in whole or in part the Balance without the prior consent of the Majority Holders.

4. NOTES PARI PASSU; APPLICATION OF PAYMENTS. Each of the Notes shall rank equally without preference or priority of any kind over one another, and all payments and recoveries under any other Financing Document payable on account of principal and interest on the Notes shall be paid and applied ratably and proportionately on the Balances of all outstanding Notes on the basis of their original principal amount. Subject to Section 6 below and the foregoing provisions of this Section 4, all payments will be applied first to the repayment of accrued fees and expenses under this Note, then to accrued interest until all then outstanding accrued interest has been paid in full, and then to the repayment of principal until all principal has been paid in full.

5. EVENTS OF DEFAULT; REMEDIES IN CONCERT.

5.1 Events of Default. Each of the following events shall constitute an "***Event of***

Default" hereunder:

(a) The Company fails to make any payment when due under the Note on the applicable due date;

(b) A receiver is appointed for any material part of the Company's property, the Company makes a general assignment for the benefit of creditors, or the Company becomes a debtor or alleged debtor in a case under the U.S. Bankruptcy Code or becomes the subject of any other bankruptcy or similar proceeding for the general adjustment of its debts or for its liquidation;

(c) The Company breaches any material obligation to Holder under this Note or under any other Financing Document and does not cure such breach within thirty (30) days after written notice thereof has been given by or on behalf of Holder to the Company; or

(d) The Company's Board of Directors or stockholders adopt a resolution for the liquidation, dissolution or winding up of the Company.

5.2 Remedies in Concert. Upon the occurrence of any Event of Default all accrued but unpaid expenses, accrued but unpaid interest, all principal and any other amounts outstanding under this Note shall (i) in the case of any Event of Default under Section 5.1(b) above become immediately due and payable in full pursuant to the terms of Section 2 hereof without further notice or demand by Holder and (ii) in the case of any Event of Default other than under Section 5.1(b) above, become immediately due and payable upon written notice by or on behalf of Holder to the Company but only if such notice is given with the prior written consent of the Majority Holders. Notwithstanding any other provision of this Note, or of the other Financing Documents, Holder agrees that Holder will exercise Holder's rights and remedies under this Note and the other Financing Documents only in concert with all other holders of outstanding Notes as provided in the Financing Documents and will not take any action, including commencement or prosecution of litigation or any other proceeding to collect this Note, except as agreed by the Majority Holders.

6. CONVERSION.

6.1 Conversion in Next Financing. Upon the closing of the Next Financing (the "***Next Financing Closing***"), if the entire Balance is outstanding at such time, then such Balance shall automatically be converted into that number of shares of Conversion Stock issued in the Next Financing, obtained by dividing (i) the entire Balance by (ii) the Conversion Price, rounded down to the nearest whole number of shares. In connection with a conversion pursuant to this Section 6.1, Holder shall deliver the original Note to the Company and will execute and deliver to the Company at the Next Financing Closing such stock purchase, investors' rights, right of first refusal, co-sale, voting and/or other agreements as are entered into by the investors in the Next Financing generally. Such conversion shall be deemed to occur under this Section 6.1 as of immediately prior to the Next Financing Closing, without regard to whether Holder has then delivered to the Company this Note (or the Lost Note Documentation where applicable) or executed any other documents including, if applicable, the stock purchase, investors' rights, right of first refusal, co-sale, voting and/or other agreements, required to be executed by the investors purchasing the Conversion Stock in the Next Financing.

6.2 Optional Conversion Upon Maturity. If there has not been a Next Financing Closing or a Change of Control by the Maturity Date, then at Holder's option, the Balance then outstanding shall either (i) be repaid pursuant to Section 2.1 of this Note or (ii) be converted into Conversion Stock at the Conversion Price then in effect. Holder shall tender this Note on the Maturity Date (or Lost Note Documentation, if applicable) for conversion at the chief executive offices of the Company. If Holder elects to convert this Note pursuant to this Section 6.2 then such conversion shall be deemed to have occurred at the close of business on the Maturity Date.

6.3 **Optional Conversion Upon Change of Control**. If at any time before payment or conversion of the entire Balance, the Company effects a Change of Control, the Company agrees that it shall give Holder ten (10) days advance notice of the anticipated closing of such Change of Control transaction (the "***Change of Control Notice***"). After the giving of a Change of Control Notice, Holder may elect to convert all (but not less than all) of the Balance then outstanding into Conversion Stock at the Conversion Price contingent upon the completion of such Change of Control, by tendering this Note (or Lost Note Documentation, if applicable) for conversion at the chief executive offices of the Company, accompanied by written notice of Holder's election to convert no later than three (3) days before the anticipated closing of the Change of Control as stated in such Change of Control Notice, and if such tender is timely made, conversion shall have deemed to have occurred immediately prior to effectiveness of the Change of Control. If Holder does not deliver to the Company such written notice of conversion by the time set forth in this Section 6.3, then the conversion right under this Note shall terminate upon the closing of such Change of Control.

6.4 **Termination of Rights**. Except for the right to obtain certificates representing the Conversion Stock under Section 7 below, all rights with respect to this Note shall terminate upon the effective conversion of the entire Balance of the Note as provided in Section 6 above. Notwithstanding the foregoing, Holder agrees to surrender this Note to the Company (or Lost Note Documentation where applicable) as soon as practicable after conversion. In any event, Holder shall not be entitled to receive any stock certificates representing the shares of Conversion Stock issuable upon conversion of this Note unless and until Holder has surrendered the original of this Note (or Lost Note Documentation where applicable).

7. **CERTIFICATES; NO FRACTIONAL SHARES**. As soon as practicable after conversion of this Note pursuant to Section 6 above, the Company at its expense will register such shares of Conversion Stock in the Company's Register of Stockholders in the name of the respective Holder and will cause to be issued in the name of Holder and to be delivered to Holder, a certificate or certificates for the number of shares of Conversion Stock to which Holder shall be entitled upon such conversion (bearing such legends as may be required by applicable state and federal securities laws in the opinion of legal counsel of the Company, by the Company's Certificate of Incorporation and Bylaws and by any agreement between the Company and Holder), together with any other securities and property to which Holder is entitled upon such conversion under the terms of this Note. No fractional shares shall be issued upon conversion of this Note. If upon any conversion of this Note (and after aggregating the amounts of all other Notes held by the same Holder that are converted at the same time as this Note), a fraction of a share would otherwise be issued, then in lieu of such fractional share, the Company shall pay to Holder an amount in cash equal to such fraction of a share multiplied by the applicable Conversion Price.

8. **PROVISIONS RELATING TO STOCKHOLDER RIGHTS.**

8.1 **No Voting or Other Rights.** This Note does not entitle Holder to any voting rights or other rights as a stockholder of the Company, unless and until (and only to the extent that) this Note is actually converted into shares of the Company's capital stock in accordance with its terms. In the absence of conversion of this Note into Conversion Stock no provisions of this Note and no enumeration herein of the rights or privileges of Holder, shall cause Holder to be a stockholder of the Company for any purpose.

9. **REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND THE HOLDER.**

In order to induce the Company and the Holders to enter into the Financing Documents and the Company to issue this Note to the original Holder, the Company and the original Holder each have made representations and warranties to each other as set forth in the Purchase Agreement.

10. GENERAL PROVISIONS.

10.1 Waivers. The Company and all endorsers of this Note hereby waive notice, presentment, protest and notice of dishonor.

10.2 Attorneys' Fees. If any party is required to engage the services of an attorney for the purpose of enforcing this Note, or any provision thereof, the prevailing party shall be entitled to recover its reasonable expenses and costs in enforcing this Note, including attorneys' fees.

10.3 Transfer. Neither this Note nor any rights hereunder may be assigned, conveyed or transferred, in whole or in part, without the Company's prior written consent, which the Company may withhold in its sole discretion; provided, however, that this Note may be assigned, conveyed or transferred without the prior written consent of the Company to any Affiliate of Holder (including an affiliated venture capital fund) who executes and delivers to the Company an acknowledgement that such Affiliate agrees to be subject to, and bound by, all the terms and conditions of this Note and satisfies the Company that such transfer complies with state and federal securities laws. Subject to the foregoing, the rights and obligations of the Company and Holder under this Note and the other Financing Documents shall be binding upon and benefit their respective permitted successors, assigns, heirs, administrators and transferees.

10.4 Governing Law. This Note shall be governed by and construed under the internal laws of the State of Delaware applied to agreements entered into and to be performed entirely within the State of Delaware, without reference to principles of conflict of laws or choice of laws.

10.5 Headings. The headings and captions used in this Note are used only for convenience and are not to be considered in construing or interpreting this Note. All references in this Note to sections and exhibits shall, unless otherwise provided, refer to sections hereof and exhibits attached hereto, all of which exhibits are incorporated herein by this reference.

10.6 Notices. Unless otherwise provided herein, any notice required or permitted to be given to a party pursuant to this Note will be given in writing and will be effective and deemed to provide such party sufficient notice under this Note on the earliest of the following: (i) at the time of personal delivery, if delivered in person; (ii) one (1) Business Day after deposit with an express overnight courier for United States deliveries; or (iii) three (3) Business Days after (A) deposit in the United States mail by certified mail (return receipt requested) for United States deliveries or (B) deposit with an international express air courier for deliveries outside of the United States, with proof of delivery from the courier requested. All notices for delivery outside the United States will be sent by express courier. All notices not delivered personally will be sent with postage and/or other charges prepaid and properly addressed to the party to be notified at the address indicated for such party on the signature page hereto or, in the case of the Company, at 6104 45th Street, Suite D, Lubbock, TX 79407, Attention: Chief Executive Officer, or at such other address as any party or the Company may designate by giving ten (10) days' advance written notice to all other parties in accordance with the provisions of this Section 10.6.

10.7 Amendments and Waivers. This Note may be amended, and any provisions under this Note may be waived, only with the written consent of the Company and the Majority Holders as provided in Section 6.9 of the Purchase Agreement.

10.8 Severability. If one or more provisions of this Note are held to be unenforceable under applicable law, then such provision(s) shall be excluded from this Note to the extent they are held to be unenforceable and the remainder of the Note shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this Convertible Promissory Note to be signed in its name as of the date first written above.

THE COMPANY:

KIROMIC, INC.

By:

Name: _____

Title: _____

AGREED AND ACKNOWLEDGED:

HOLDER:

SIGN HERE: _____

_____

Printed Name:

_____

Address:

_____

_____

[SIGNATURE PAGE TO KIROMIC, INC. CONVERTIBLE PROMISSORY NOTE]

EXHIBIT E

STOCKHOLDERS' AGREEMENT

KIROMIC, INC.

STOCKHOLDERS' AGREEMENT

This Stockholders' Agreement (this ***"Agreement")*** is made and entered into as of May 27, 2016 by and among Kiromic, Inc., a Delaware corporation (the ***"Company")*** and the parties listed on **Exhibit A** attached hereto (the ***"Stockholders").***

RECITALS

WHEREAS, the Stockholders were formerly parties to that certain Third Amended and Restated Company Agreement of Kiromic, LLC, a Texas limited liability company ***("Kiromic Texas"),*** dated August 13, 2013 (as amended, the ***"LLC Agreement");***

WHEREAS, Kiromic Texas was converted to the Company pursuant to a Plan of Conversion and a Certificate of Conversion filed with the Secretary of State of the State of Delaware on May 27, 2016 and in connection therewith the LLC Agreement was terminated (the ***"Conversion");***

WHEREAS, in connection with the Conversion each former member of Kiromic Texas has received shares of Common Stock of the Company (the ***"Common Stock")*** and desires to enter into this Agreement to set forth certain agreements with respect to the shares of Common Stock;

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter set forth, the parties hereto agree as follows:

1. RESTRICTIONS ON TRANSFER.

1.1 Limitations on Disposition. Each person owning of record shares of Common Stock or any other class of capital stock or other securities of the Company now owned or hereafter acquired (the ***"Securities")*** or any assignee of record of Securities (each such person, a ***"Stockholder")*** hereby agrees not to make any disposition of all or any portion of any Securities unless and until:

(a) there is then in effect a registration statement under the Securities Act of 1933, as amended (the ***"Securities Act"),*** covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(b) such Stockholder shall have notified the Company of the proposed disposition and shall have furnished the Company with a statement of the circumstances surrounding the proposed disposition, and, at the expense of such Stockholder or its transferee, with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such securities under the Securities Act.

Notwithstanding the provisions of Sections 1.1*(a)* and *(b)* above, no such registration statement or opinion of counsel shall be required: (i) for any transfer of any Securities in compliance with SEC Rule 144 or Rule 144A, or (ii) for any transfer of any

Securities by a Stockholder that is a partnership, limited liability company, a corporation or a venture capital fund to (A) a partner of such partnership, a member of such limited liability company or stockholder of such corporation, (B) an affiliate of such partnership, limited liability company or corporation (including, without limitation, any affiliated investment fund of such Stockholder), (C) a retired partner of such partnership or a retired member of such limited liability company, (D) the estate of any such partner, member or stockholder, or (iii) for the transfer by gift, will or intestate succession by any Stockholder to his or her spouse or lineal descendants or ancestors or any trust for any of the foregoing; provided that in the case of clauses (ii) and (iii) the transferee agrees in writing to be subject to the terms of this Agreement to the same extent as if the transferee were an original Stockholder hereunder and in the case of clause (iii) the transfer was without additional consideration.

1.2 Bylaws Restrictions on Transfer. Without limiting the foregoing, each Stockholder hereby agrees to be bound by Section 10.1 ("Restriction on Transfer") and Section 10.2 ("Right of First Refusal") of the Bylaws of the Company, as adopted May 27, 2016 and as the same may be amended from time to time (the ***"Bylaws").*** Stockholder acknowledges that he, she or it has received a copy of the Bylaws.

1.3 "Market Stand-Off' Agreement. Each Stockholder hereby agrees that it shall not, to the extent requested by the Company or an underwriter of securities of the Company, sell or otherwise transfer or dispose of any Securities or other shares of stock of the Company then owned by such Stockholder (other than to donees or partners of the Stockholder who agree to be similarly bound) for up to one hundred eighty (180) days following the effective date of any registration statement of the Company filed under the Securities Act; provided however that, if during the last seventeen (17) days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, and if the Company's securities are listed on the Nasdaq Stock Market and Rule 2711 thereof applies, then the restrictions imposed by this Section 1.3 shall continue to apply until the expiration of the 18- day period beginning on the issuance of the earnings release or the occurrence of the material news or material event; provided, further, that such automatic extension will not apply to the extent that the Financial Industry Regulatory Authority has amended or repealed NASD Rule 2711(t)(4), or has otherwise provided written interpretive guidance regarding such rule, in each case, so as to eliminate the prohibition of any broker, dealer, or member of a national securities association from publishing or distributing any research report, with respect to the securities of an "emerging growth company" (as defined in the Jumpstart Our Business Startups Act of 2012) before or after the expiration of any agreement between the broker, dealer, or member of a national securities association and the emerging growth company or its stockholders that restricts or prohibits the sale of securities held by the emerging growth company or its stockholders after the initial public offering date. In no event will the restricted period extend beyond two hundred fifteen (215) days after the effective date of the registration statement.

For purposes of this Section 1.3, the term "Company" shall include any wholly-owned subsidiary of the Company into which the Company merges or consolidates. To enforce the foregoing covenant, the Company shall have the right to place restrictive legends on the certificates representing the Securities subject to this Section 1.3 and to impose stop transfer

instructions with respect to the Securities and such other shares of stock of each Stockholder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period. Each Stockholder further agrees to enter into any agreement reasonably required by the underwriters to implement the foregoing within any reasonable timeframe so requested.

2. DRAG ALONG RIGHT. In the event that each of (i) the holders of a majority of the shares of Common Stock and (ii) the Board of Directors approve a Sale of the Company (as defined below), each Stockholder hereby agrees to vote (in person, by proxy or by action by written consent, as applicable) all shares of capital stock of the Company now or hereafter directly or indirectly owned of record or beneficially by such Stockholder (the ***"Shares")*** in favor of, and adopt, such Sale of the Company and 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 in order to carry out the terms and provision of this Section 2, 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, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents. The obligation of any party to participate in a Sale of the Company pursuant to this Section 2 shall not apply to a Sale of the Company, where the other party involved in such transaction is an affiliate or stockholder holding more than 10% of the voting power of the Company.

For purposes of this Agreement the term ***"Sale of the Company"*** means (i) the sale or exclusive licensing of all or substantially all of the assets of the Company; or (ii) the acquisition of the Company by another entity, person or group by means of any transaction or series of related transactions including, without limitation, (A) any reorganization, merger or consolidation that results in the voting securities of the Company outstanding immediately prior thereto failing to represent immediately after such transaction or series of transactions (either by remaining outstanding or by being converted into voting securities of the surviving entity, or the entity that controls the surviving entity) a majority of the total voting power represented by the outstanding voting securities of the Company, such surviving entity or the entity that controls such surviving entity or (B) any sale of capital stock representing a majority of the voting power of the Company, except for a sale of stock made primarily for the purposes of raising capital or to a strategic partner or investor.

3. IRREVOCABLE PROXY. To secure each Stockholder's obligations to vote the Shares in accordance with this Agreement, each Stockholder hereby appoints the Board of Directors or the President of the Company, or either of them from time to time, or their designees, as such Stockholder's true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to vote all of such Stockholder's Shares as set forth in this Agreement and to execute all appropriate instruments consistent with this Agreement on behalf of such Stockholder if, and only if, such Stockholder (a) fails to vote or (b) 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 Stockholder's Shares or execute such other instruments in accordance with the provisions of this Agreement within five (5) days of the Company's written request for such Stockholder's written consent or signature. The proxy and power granted by each Stockholder pursuant to this Section 3 are coupled with an interest and are given to secure

the performance of such party's duties under this Agreement. Each such proxy and power will be irrevocable for the term hereof. The proxy and power, so long as any party hereto is an individual, will survive the death, incompetency and disability of such party or any other individual Stockholder of Shares and, so long as any party hereto is an entity, will survive the merger, consolidation, conversion or reorganization of such party or any other entity holding Shares.

4. LEGEND ON SHARE CERTIFICATES. Each certificate representing any Securities shall be endorsed by the Company with a legend (in addition to any other legends required by any agreement, the Company's Certificate of Incorporation or Bylaws, or any other agreement between the Stockholder and the Company or by applicable law) reading substantially as follows:

"THE SHARES EVIDENCED HEREBY ARE SUBJECT TO A STOCKHOLDER 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 STOCKHOLDER 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 evidencing the Securities issued after the date hereof to bear the legend required by this Section 1_, and it shall supply, free of charge, a copy of this Agreement to any holder of a certificate evidencing Securities 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 evidencing the Securities to bear the legend required by this Section 4 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.

5. ADDITIONAL PARTIES; TRANSFEREES.

5.1 Additional Parties. In the event that after the date of this Agreement, the Company enters into an agreement with any an individual, firm, corporation, partnership, association, limited liability company, trust or any other entity (collectively, a ***"Person")*** to issue shares of capital stock to such Person, then, the Company may cause such Person, to become a party to this Agreement by executing an Adoption Agreement in the form attached hereto as **Exhibit B** (the ***"Adoption Agreement").*** 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.

5.2 Transferees. Each transferee or assignee of any Securities 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. 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 a Stockholder hereunder. The Company shall not permit the transfer of the Securities subject to this Agreement on its books or issue a new certificate representing any such Securities unless and until such transferee shall have complied with the terms of this Section 5.2.

6. GENERAL PROVISIONS.

6.1 Amendment and Waiver of Rights. Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and Stockholders (and/or any of their permitted successors or assigns) holding a majority of the shares of Common Stock then outstanding. Any amendment or waiver effected in accordance with this Section 6.1 shall be binding upon each Stockholder, each permitted successor or assignee of such Stockholder and the Company.

6.2 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 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 **Exhibit A** or **Exhibit B** hereto, or to such address or facsimile number as subsequently modified by written notice given in accordance with this Section 6.2. If notice is given to the Company, it shall be sent to 6104 45th St, Lubbock, Texas 79407, Attention: CEO; and a copy (which shall not constitute notice) shall also be sent to Fenwick & West, LLP, Silicon Valley Center, 801 California Street, Mountain View, California 94041, Attention: Stefano Quintini.

6.3 Entire Agreement. This Agreement and the documents referred to herein, together with all the Exhibits hereto, constitute the entire agreement and understanding of the parties with respect to the subject matter of this Agreement, and supersede any and all prior understandings and agreements, whether oral or written, between or among the parties hereto with respect to the specific subject matter hereof.

6.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of law.

6.5 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.6 Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their successors and assigns, any rights or remedies under or by reason of this Agreement.

6.7 Successors **and** Assigns. This Agreement, and any and all rights, duties and obligations hereunder, shall not be assigned, transferred, delegated or sublicensed by a Stockholder without the prior written consent of the Company. Any attempt by a Stockholder without such permission to assign, transfer, delegate or sublicense any rights, duties or obligations that arise under this Agreement shall be void. Subject to the foregoing, and except as otherwise provided herein, this Agreement, and the rights and obligations of the parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives.

6.8 **Titles and Headings.** The titles, captions and headings of this Agreement are included for ease of reference only and will be disregarded in interpreting or construing this Agreement. Unless otherwise specifically stated, all references herein to "sections" and "exhibits" will mean "sections" and "exhibits" to this Agreement.

6.9 **Counterparts; Facsimile Signatures.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, and all of which together shall constitute one and the same agreement. This Agreement may be executed and delivered by facsimile and upon such delivery the facsimile signature will be deemed to have the same effect as if the original signature had been delivered to the other party.

6.10 **Costs and Attorneys' Fees.** In the event that any action, suit or other proceeding is instituted concerning or arising out of this Agreement or any transaction contemplated hereunder, the prevailing party shall recover all of such party's costs and attorneys' fees incurred in each such action, suit or other proceeding, including any and all appeals or petitions therefrom.

6.11 **Adjustments for Stock Splits, Etc.** Wherever in this Agreement there is a reference to a specific number of shares of capital stock of the Company of any class or series, then, upon the occurrence of any subdivision, combination or stock dividend of such class or series of stock, the specific number of shares so referenced in this Agreement shall automatically be proportionally adjusted to reflect the effect on the outstanding shares of such class or series of stock by such subdivision, combination or stock dividend.

6.12 **Further Assurances.** The parties agree to execute such further documents and instruments and to take such further actions as may be reasonably necessary to carry out the purposes and intent of this Agreement.

6.13 **Termination.** Notwithstanding anything to the contrary herein, this Agreement (excluding any then-existing obligations) shall terminate upon the closing of a Sale of the Company.

6.14 **Dispute Resolution.** Each party (a) hereby irrevocably and unconditionally submits to the jurisdiction of the federal or state courts located in the New Castle County, 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 federal or state courts located in the New Castle

County, 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 and thereof 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 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]

IN WITNESS **WHEREOF,** the parties hereto have executed this Agreement as of the date and year first written above.

THE COMPANY:

By: /s/ Maurizio Chiriva-Internati
Name: Maurizio Chiriva-Internati
Title: Chief Executive Officer

[SIGNATURE PAGE TO STOCKHOLDERS' AGREEMENT]

IN WITNESS **WHEREOF,** the parties hereto have executed this Agreement as of the date and year first written above.

STOCKHOLDERS:

Date: 4/25/2016

/s/ Maurizio Chiriva-Internati
Maurizio Chiriva-Internati

Date: 4/25/2016

/s/ Jose A. Figueroa
Jose A. Figueroa

Date: 4/27/2016

/s/ Everardo Cobos
Everardo Cobos

Date: 4/28/2016

/s/ Diane Nguyen
Diane Nguyen

Date: 4/25/2016

/s/ Scott Dahlbeck
Scott Dahlbeck

Date: 4/25/2016

/s/ Kent Hance
Kent Hance

[SIGNATURE PAGE TO STOCKHOLDERS' AGREEMENT]

IN WITNESS **WHEREOF,** the parties hereto have executed this Agreement as of the date and year first written above.

STOCKHOLDERS:

IF AN INDIVIDUAL:

By: _____
(duly authorized signature)

Name: _____
(please print or type full name)

Address:

_____

_____

E-mail: _____

Date: _____

IF AN ENTITY:

_____
(please print or type complete name of entity)

By: _____
(duly authorized signature)

Name: _____
(please print or type full name)

Title: _____
(please print or type full title)

Address:

_____

_____

E-mail: _____

Date: _____

[SIGNATURE PAGE TO STOCKHOLDERS' AGREEMENT]

Exhibit 10.10

Execution Copy

[*] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

LICENSE AGREEMENT

Between

MERCER UNIVERSITY

and

KIROMIC, INC.

TABLE OF CONTENTS

THIS LICENSE AGREEMENT is made and entered into as of the 1st day of December, 2016, (hereinafter referred to as the **'"Effective Date")** by and among MERCER UNIVERSITY, a nonprofit Georgia corporation with offices located at 1501 Mercer University Drive, Macon, GA 31201: (hereinafter referred to as **"MERCER" or "LICENSOR"),** and Kiromic, Inc. (hereinafter referred to as **"COMPANY" or "LICENSEE")** a Delaware corporation having a principal place of business located at 7707 Fannin, Suite 140, Houston, Texas 77054.

WHEREAS; LICENSOR is the owner of all right, title: and interest in inventions and technology, developed by its employees and is responsible for their protection and commercial development; and

WHEREAS, LICENSOR has developed certain inventions and technology related to nanoparticles useful as vaccines as described in the patents listed in APPENDIX B; and

WHEREAS, LICENSOR wants to have such inventions and technology developed, commercialized, and made available in commerce for use by the public; and

WHEREAS, COMPANY wishes to obtain certain rights to pursue the development and commercialization of the inventions and technology; and

WHEREAS, LICENSOR wishes to grant COMPANY such rights in accordance with the terms and conditions of the Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and the promises herein contained, the parties, intending to be legally bound, hereby agree as follows.

ARTICLE 1. DEFINITIONS

The following terms as used herein shall have the following meaning:

"Affiliate" shall mean any corporation or non-corporate business entity which controls, is controlled by, or is under common control with a party to this Agreement. A corporation or non-corporate business entity shall be regarded as in control of another corporation if it owns or directly or indirectly controls, at least fifty (50%) percent of the voting stock of the other corporation, or (i) in the absence of the ownership of at least fifty (50%) percent of the voting stock of a corporation or (ii) in the case of a non-corporate business entity, or non-profit corporation, if it possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation or non-corporate business entity, as applicable.

"Agreement" or "License Agreement" shall mean this Agreement, including all APPENDICES attached to this Agreement.

"'COMPANY's Development Plan" shall mean the plan detailed in **APPENDIX A-1** of this Agreement.

"Dollars" shall mean United States dollars.

"Field of Use" shall mean oral vaccines for any diseases, including, without limitation, any form of cancer.

"Improvements" shall mean any patent applications that are developed by an Inventor which if practiced would infringe or be necessary or useful in the practice of any of the Licensed Patents. For clarity, Improvements do not include Licensed Patents.

"Indemnitees" shall mean the Board of Trustees of Mercer University, Inventors, LICENSOR, and its Affiliates, directors, officers, employees and students, and their heirs, executors, administrators, successors and legal representatives.

"Inventors" shall mean the named inventors of the Licensed Patents.

"Licensed Know-How" shall mean all formulations, designs, technical information, know-how, knowledge, data, specifications, test results and other information, whether or not patented or patentable ("Know-How"), which are known, learned, invented, or developed by the Inventors as of the Effective Date to the extent that (i) such Know-How is required for the manufacture, use, development, testing, marketing, export, import, offer for sale or sale of any Licensed Product, and (ii) LICENSOR possesses the right to license the use of such Know-How to COMPANY for commercial purposes.

"Licensed Patents" shall mean the patent applications identified in **APPENDIX B,** together with any and all derivative substitutions, extensions, divisionals, continuations, continuations-in-part (to the extent that the claimed subject matter of such continuations -in-part is disclosed in the parent Licensed Patent and rights to the continuations in part are not obligated to a third party\ foreign counterparts of such patent applications and any patents which issue thereon anywhere in the world, including reexamined and reissued patents.

"Licensed Product(s)" shall mean any process, service or product that but for the grant of a license herein infringes a Valid Claim of any Licensed Patent in the country of manufacturing or sale, as applicable.

"Licensed Technology" means Licensed Patents and Licensed Know-How.

"Licensed Territory" means the world.

"Net Selling Price" of Licensed Products shall mean the gross selling price paid by a purchaser of a Licensed Product to COMPANY, an Affiliate or Sublicensee of COMPANY, or a consignment distributor authorized by COMPANY to sell Licensed Products on behalf of the COMPANY ("'Consignment Distributor") less the following discounts:

a) customary trade, quantity and cash discounts actually allowed and taken, including rebates granted to managed health care or governmental organizations;

b) credits actually given for rejected or returned Licensed Products;

c) freight, postage, shipping, transportation and insurance costs, if actually paid and separately itemized on the invoice paid by the purchaser; and

d) sales value-add and excise taxes, and customs duties.

Where a Sale is deemed consummated by a gift, use, or other disposition of Licensed Products for other than a selling price stated in cash, the term "Net Selling Price" shall mean the average gross selling price billed by COMPANY in consideration of the Sale of comparable Licensed Products during the three (3) month period immediately preceding such Sale, without reduction of any kind. If no Sales of Licensed Products have occurred in the preceding three (3) months, then the parties shall, in good faith, negotiate the cash value of such Sale. In the event that the parties cannot agree on the Net Selling Price within thirty (30) days of beginning such negotiations, the Net Selling Price shall be determined by a mutually agreeable qualified appraiser.

Notwithstanding the foregoing: (a) amounts received by COMPANY, its Affiliates or Sublicensees of COMPANY or its Affiliates for the sale of Licensed Products among COMPANY, its Affiliates and Sublicensees for resale shall not be included in the computation of Net Selling Price hereunder, (b) Sales of the Licensed Product for clinical development purposes shall not be included in the Net Selling Price, (c) Sales to a Consignment Distributor of the Licensed Product shall not be included in the Net Selling Price, but resale by said Consignment Distributor shall be included in Net Selling Price with respect to the country in which the resale Product is purchased (d) Sales to any distributor (other than a Consignment Distributor) of the Licensed Product shall be included in the Net Selling Price with respect to the country in which the distributor makes such purchase, but resale by said distributor, and further resales, shall not be included in Net Selling Price and (d) no Licensed Product shall be included in the Net Selling Price more than once as the result of resale.

In the event that a Licensed Product is sold in a kit or combination form with one or more other medical devices, active ingredients or as a part of a device which are not the subject of the grant of this Agreement ("Combination Product"), then the "gross selling price for the Licensed Product" shall be calculated by multiplying the gross selling price paid by a purchaser of the Combination Product by A/(A+B), in which "A'' is the gross selling price of the Licensed Product when sold separately and "B" is the selling price of the other medical devices or active ingredients when sold separately. In the event that the other medical device or active ingredient is not sold separately, the gross selling price for the Combination Product can be multiplied by A/X, in which "A" is the gross selling price of the Licensed Product when sold separately and "X" is the gross selling price of the Combination Product. In the event that the Licensed Product is not sold separately, Net Sales for royalty determinations can be based on the gross selling price for a comparable product as shall be mutually agreed upon by the Parties in good faith. In the event that the Parties cannot agree on the gross selling price for the Licensed Product sold in a Combination Product within thirty (30) days of beginning such negotiations, the gross selling price for the Licensed Product shall be determined by a mutually agreeable qualified appraiser.

In the event that the parties still cannot agree on the gross selling price for the Licensed Product sold in a Combination Product, the parties shall proceed with a dispute resolution under Article 14.

"Sale," "Sell" or "Sold" shall mean the sale, transfer, exchange, or other disposition of Licensed Products whether by gift or otherwise by COMPANY, its Affiliates, Sublicensees or Consignment Distributors (as defined in the Net Selling Pricing definition). Sales of Licensed Products for use in a clinical trial shall not constitute Sale, Sell or Sold for calculation of Net Selling Price of Licensed Products. Sales of Licensed Products shall be deemed consummated upon the first to occur of: (a) receipt of payment from the purchaser; or (b) if otherwise transferred, exchanged, or disposed of whether by gift or otherwise, when such transfer, exchange, gift, or other consideration is received. Sales of Licensed Products for calculation of Net Selling Price shall be deemed to have occurred in the country in which the Product is purchased.

"Valid Claim" shall mean a claim in an unexpired patent or pending patent application so long as such claim shall not have been irrevocably abandoned or held invalid in an unappealable decision of a court or other authority of competent jurisdiction in the relevant country.

ARTICLE 2. GRANT OF LICENSE

2.1. License,

(a) LICENSOR hereby grants COMPANY an exclusive right and license, with the right of sublicense, to make, have made, develop , use, import, offer for sale and sell Licensed Products and practice Licensed Patents and the right to practice Licensed Technology in the Field of Use in the Licensed Territory during the term of this Agreement.

(b) With respect to Licensed Know-How, LICENSOR hereby grants to COMPANY, subject to the rights of third parties, an Exclusive license, with the right of sublicense, in and to Licensed Know-How to make, have made, sell, offer for sale, use, and import Licensed Products throughout the Licensed Territory in the Field of Use. For the purpose of this subsection only, "Exclusive" shall mean LICENSOR shall not grant any additional commercial licenses to any for profit third parties (except to the U.S. Government to the extent required by law) who are not current or future entities which enter into a research agreement with LICENSOR in which such Licensed Know-How is required in the performance of the contemplated research or in the practice of any resulting intellectual property; provided that subject to the caveats expressly specified in the last paragraph of Section 2. l(b) and under Section 2.3 LICENSOR shall not knowingly use, allow (to the extent such Licensed Know How is legally enforceable) and/or grant others the right the right to use, the Licensed Know-How for any technology that would infringe an issued claim of a Licensed Patent for the life of the Licensed Patent. It is expressly understood by the parties, that LICENSOR, as a matter of course actively educates students and publishes the results of research and, as such, Licensed Know-How is commonly transferred to third parties without restriction and without a formalized agreement.

Option. LICENSOR hereby grants COMPANY an exclusive option to an exclusive license, subject to any pre-existing rights of third party sponsors or the U.S. Government, under terms and conditions materially similar to the terms and conditions of this Agreement to Improvements for a period of * years from the Effective Date. LICENSOR agrees to disclose, within sixty (60) days of receiving a written notification thereof from an Inventor, any Improvements to COMPANY. COMPANY shall provide LICENSOR written notice of its intent to exercise its option within ninety (90) days of notification by LICENSOR and the parties shall negotiate in good faith for a period not to exceed ninety (90) days from COMPANY's notice unless a longer term is mutually agreed upon and which shall be consistent with terms granted to other companies in similar circumstances.

2.3. Retained License. The license granted in Section 2,1 above is further conditional upon and subject to a right and license retained by LICENSOR to make, use and transfer Licensed Products and practice Licensed Technology for research, educational and non -commercial purposes only (excluding however, any form of clinical development of Licensed Products), alone or with not for profit third parties.

2.4. Sublicenses. COMPANY may grant sublicenses to third parties **("Sublicensees")** through multiple tiers. Any sublicense shall be in compliance with this Agreement and COMPANY shall remain responsible to LICENSOR for any repo1iing and any payment of all fees and royalties due under this Agreement to LICENSOR.

2.4.1 COMPANY shall include in any sublicense granted pursuant to this Agreement, a provision requiring the Sublicensee to indemnify LICENSOR and maintain liability coverage to the same extent that COMPANY is so required pursuant to Section 10.3 of this Agreement.

2.4.2 COMPANY shall include in any sublicense granted pursuant to this Agreement, a provision that grants LICENSOR the right to audit the Sublicensee to the same extent that LICENSOR has the right to audit the COMPANY pursuant to Section 4.4 of this Agreement.

2.4.3 COMPANY shall provide LICENSOR with copies of all executed sublicense agreements within thirty (30) days of their execution date, provided that COMPANY may redact any confidential information of the Sublicensee contained therein except for information which is reasonably necessary for the determination of compliance with the financial requirements of this agreement.

2.5. No Implied License. The license and rights granted in this Agreement shall not be construed to confer any rights upon COMPANY by implication, estoppel, or otherwise as to any technology not specifically identified in this Agreement as Licensed Technology.

2.6. U.S. Manufacturing. COMPANY agrees that any Licensed Products used or sold in the United States will be manufactured substantially in the United States to the extent required by law unless any waivers required are obtained from the United States Government by COMPANY. LICENSOR agrees to reasonably assist COMPANY as necessary in requesting and obtaining such waivers at the expense of COMPANY.

ARTICLE 3. CONSIDERATION FOR LICENSE

3.1. License Fee. As partial consideration for the license granted to COMPANY under this Agreement, COMPANY shall pay LICENSOR a non-refundable total License Fee of * dollars ($*, payable as follows: * dollars ($*) due within fifteen (15) days of the Effective Date of this Agreement; and * dollars ($*) due one year from the Effective Date of this Agreement. If the Agreement is assigned or acquired, or COMPANY merges with a third party, all such outstanding amounts are payable upon such an event

3 Running Royalties. As partial consideration for the license granted to COMPANY under this Agreement, COMPANY shall pay LICENSOR a total royalty equal to the appropriate percentage set forth on **APPENDIX D** attached hereto times the Net Selling Price of all Licensed Products Sold in a country in which the Product is purchased during the term of this Agreement by COMPANY, its Affiliates, its Sublicensees or any non-consignment distributor authorized by COMPANY to Sell Licensed Products. Royalties shall be due and payable within sixty (60) days of June 30 and December 31.

3.2.1 Reduction of Royalties-Third Party Royalties. In the event it becomes necessary for COMPANY or its Sublicensee, in the reasonable opinion of its counsel, to obtain a license from a third party in order to make, have made, develop, import, export, use, sell, offer for sale, have sold or otherwise exploit any Licensed Product because, except for a license granted by the third party, sale of a Licensed Product in the relevant country would infringe an intellectual property right of a third party in that country, COMPANY or its Sublicensee may offset the royalty rate paid to LICENSOR on a Licensed Product-by-Licensed Product and country-by-country basis by up to * percent (*%) of the royalties paid to such third party in the corresponding royalty period. Notwithstanding the foregoing, however, in no event shall the royalties due to LICENSOR on Net Sales of such Licensed Products in any country be reduced due to royalties paid to third parties for an Active Pharmaceutical Ingredient (i.e., a drug or antigen) in the Licensed Product. Notwithstanding the foregoing, however, in no event shall the royalties due to LICENSOR on Net Sales of such Licensed Products in any country be reduced by more than *% of the Running Royalty Percent as identified in **APPENDIX D.**

3.3. Sublicense Payments. Within thirty (30) days of receipt by COMPANY, COMPANY shall pay LICENSOR the percentage as specified in **APPENDIX E** on any non -royalty based fees or payments paid to COMPANY by any Sublicensee ("Sublicense Percentage") as consideration for any sublicenses grant under this Agreement, including but not limited to any initial licensing fees, milestone fees, maintenance fees, but specifically excluding (a) royalties on the sale or distribution of Licensed Product, (b) consideration received for purchase of equity in COMPANY up to the fair market value of such equity (the Sublicense Percentage being due solely on "premium equity payments", as defined below) (c) payments for research and development services regarding Licensed Product and (d) reimbursement of patent prosecution costs regarding the Licensed Patents.

For purposes of this Agreement, premium equity payments shall mean the positive difference, if any, between the per share amount paid for equity in COMPANY by a Sublicensee and the per share fair market value of said equity, multiplied by the number of shares purchased by such Sublicense. The per share fair market value of COMPANY' s equity shall be the per share amount paid by an investor to COMPANY in the most recent round of financing within the twelve (12) month period immediately preceding an equity purchase by a Sublicensee. If no round of financing occurred in the immediately preceding twelve (12) month period, the per share fair market value of COMPANY's equity shall be agreed upon by the parties. In the event that COMPANY and LICENSOR cannot agree on a per share price within thirty (30) days of COMPANY' s receipt of such premium equity payments, said price shall be determined by a mutually agreeable qualified appraiser. In the event COMPANY owes LICENSOR a portion of such premium equity payment, COMPANY shall have the option of remitting payment to LICENSOR in the form of equity in COMPANY, with the per share market value of such equity determined as set forth in this Section 3.3. In the event that a portion or all of the premium equity payments are required to be reimbursed to Sublicensee under the terms of the sublicense agreement, then LICENSOR's pro rata share of such reimbursable premium equity payment shall be credited against any running royalties earned in the particular calendar year to which the reimbursable premium equity payment relate.

3.4. Milestone Payments. COMPANY shall pay LICENSOR a payment in the amount specified in **APPENDIX F** attached hereto ("Milestone Payment") no later than thirty (30) days after the first occurrence of the corresponding event designated in **APPENDIX F** attached hereto as a "Milestone Event" with respect to the first Licensed Product to achieve such Milestone Event. To the extent that a Milestone Payment is due to the COMPANY from a Sublicensee, the COMPANY shall pay LICENSOR the amount of the Milestone Payment due, as well as a Section 3.3 Sublicense Percentage of any additional amount paid to Company in excess of the Milestone Payment amount

3.5. Reimbursement for Patent Expenses.

(i) COMPANY shall reimburse LICENSOR for all reasonable fees, costs, and expenses incurred by LICENSOR after the Effective Date during the term of this Agreement related to filing, prosecuting, and maintaining the Licensed Patents in the Licensed Territory. COMPANY shall deliver such payment to LICENSOR within thirty (30) days after LICENSOR notifies COMPANY of the amount of such fees, costs, and expenses. To the extent that COMPANY does not remit payment of any uncontested patent payment amounts within sixty (60) days of notification, a late payment charge of one and one-half percent (1.5%) per month will be assessed against the COMPANY.

3.6. Tax Payments. All payments made to LICENSOR under this Article 3 of this Agreement shall be made free and clear of any tax, withholding or other governmental charge or levy (other than taxes imposed on the net income of LICENSOR), all such non-excluded amounts being "Taxes." Should the COMPANY be obligated by law to withhold any Taxes on such payments, the payment due hereunder shall be increased such that after the withholding of the appropriate amount LICENSOR receives the amount that -would have been paid but for the Taxes withheld. Should LICENSOR be obligated to pay such Taxes, and such Taxes were not satisfied by way of withholding, COMPANY shall promptly reimburse LICENSOR for such payment, in an amount such that after the payment of the Taxes, LICENSOR has received the same amount that it would have received had such Taxes not been payable.

ARTICLE 4. REPORTS AND ACCOUNTING

4.1. Progress Reports. Within thirty (30) days after December 31 of each calendar year, COMPANY shall provide LICENSOR with a written report detailing the activities of the

COMPANY relevant to the COMPANY's Development Plan and the development and/or commercialization of Licensed Products. For avoidance of doubt, non-receipt of such written report within the specified time period shall be considered a material breach of this Agreement under Section 12.2

4.2. Royalty Reports. During the term of this Agreement, COMPANY shall furnish, or cause to be furnished to LICENSOR. written reports governing each of COMPANY, COMPANY'S Affiliates and Sublicensees fiscal quarters pertaining to the Licensed Products showing:

(i) the occurrence of any event triggering a Milestone Payment obligation or any other payment in accordance with Article 3; and

(ii) the gross selling price and the number of units of all Licensed Products (identified by product number/name) Sold by COMPANY, its Affiliates and Sublicensees, in each country of the Licensed Territory during the reporting period, together with the calculations of Net Selling Price in accordance with Section 1.12; and

(iii) the royalties payable in Dollars, which shall have accrued hereunder in respect to such Sales: and

(iv) the exchange rates, if any, in determining the amount of Dollars of royalty due as provided in Section 5.3; and

(v) a summary of all reports provided to COMPANY by COMPANY'S

Sublicensees, including the names and addresses of alt Sublicensees and Distributors; and

(vi) the amount of any consideration received by COMPANY from Sublicensees and an explanation of the contractual obligation satisfied by such consideration

Royalty Reports shall be made semi-annually within sixty (60) days of the close of June 30 and December 31. COMPANY shall keep accurate records in sufficient detail to enable royalties and other payments payable hereunder to be determined. COMPANY shall be responsible for all royalties and late payments that are due to LICENSOR.

4.3. Records. During the term of this Agreement and for a period of three (3) years thereafter. COMPANY shall keep at its principal place of business true and accurate records of all Sales in accordance with generally accepted accounting principles in the respective country where such Sales occur and in such form and manner so that all royalties owed to LICENSOR may be readily and accurately determined. COMPANY shall furnish LICENSOR copies of such records upon LICENSOR' s request, which shall not be made more often than once in each COMPANY fiscal year.

4.4. Right to Audit. LICENSOR shall have the right, upon prior notice to COMPANY, not more than once in each COMPANY fiscal year and the calendar year immediately following termination of the Agreement, through an independent certified public accountant selected by LICENSOR, to have access during normal business hours of COMPANY as may be reasonably necessary to examine the records of COMPANY solely for the purpose of verifying the accuracy of the calculation of any payment due under this Agreement COMPANY shall include in any sublicenses granted pursuant to this Agreement, a provision requiring the Sublicensee to keep and maintain records of Sales made pursuant to such sublicense and to grant access to such records by COMPANY'S independent public accountant, the report of which shall be made available to LICENSOR'S independent public accountant for verifying the accuracy of the calculation of any payment due under this Agreement. If such independent public accountant's report shows any underpayment of royalties by COMPANY, its Affiliates or Sublicensees, within thirty (30) days after COMPANY'S receipt of such report, COMPANY shall remit or shall cause its Sublicensees to remit to LICENSOR:

(i) the amount of such underpayment; and

(ii) if such underpayment exceeds five (5%) percent of the total royalties owed for the fiscal year then being reviewed, the reasonably necessary fees and expenses of such independent public accountant performing the audit. Otherwise, LICENSOR's accountant's fees and expenses shall be borne by LICENSOR.

ARTICLE 5. PAYMENTS

5.1. Payment Due Dates. Royalties shall be due commencing upon the first Sale of a Licensed Product in the Licensed Field of Use in any country in the Licensed Territory. Royalties and sublicense fees payable to LICENSOR as a result of activities occurring during the period covered by each royalty report provided for under Article 4 of this Agreement shall be due and payable on the date such royalty report is due as detailed in Section 4.2. Payments of royalties in whole or in part may be made in advance of such due date. All other payments required under this Agreement, if not specified otherwise in this Agreement, shall be payable within sixty (60) days of the due date for each payment.

5.2. Payment Delivery. Except as hereinafter provided in this Section 5.2, and except as provided by LICENSOR such as in an invoice issued to COMPANY, all payments due to LICENSOR under this Agreement shall be made in person or via the United States mail or private carrier to the following address:

Mercer University
Attn: Director, Office of Technology Transfer
1400 Coleman Avenue
Macon, Georgia 31207

Any payment in excess of one hundred thousand ($100,000.00) dollars or originating outside of the United States shall be made by wire transfer to an account of MERCER designated by LICENSOR from time to time and royalty reports shall be sent by facsimile or express courier to the Director. Office of Technology Transfer on the same date.

5.3. Currency Conversion. Except as hereinafter provided in this Section 5.3, all royalties shall be paid in Dollars. If any Licensed Products are Sold for consideration other than Dollars, the Net Selling price of such Licensed Products shall first be determined in the foreign currency of the country in which such Licensed Products are Sold and then converted to Dollars at a ninety (90)-day trailing average published by the Wall Street Journal (U.S. editions) for conversion of the foreign currency into Dollars on the last day of the quarter for which such payment is due.

5.4. Interest. Royalties and other payments required to be paid by COMPANY pursuant to this Agreement shall, if overdue, bear interest until payment at a per annum rate one percent (1%) above the average of the prime rate as published in the Wall Street Journal during the ninety (90) days immediately preceding the due date of such overdue payment. The interest payment shall be due from the day the original payment was due until the day that the payment was received by LICENSOR. The payment of such interest shall not foreclose LICENSOR from exercising any other rights it may have because any payment is overdue.

ARTICLE 6. DILIGENCE AND COMMERCIALIZATION

6.1. Diligence. COMPANY shall use its commercially reasonable efforts, either directly or through Affiliates or Sublicensees, throughout the term of this Agreement to comply with COMPANY's Development Plan in **APPENDIX A-1,** as may be amended from time to time as described below, and to commercialize Licensed Products following receipt of marketing approval. In no instance shall COMPANY's commercially reasonable efforts be less than efforts customary for COMPANY's industry, size and state of development.

COMPANY shall use commercially reasonable efforts to adhere to the diligence milestones set forth in **APPENDIX A-2,** it being understood that each of such milestones only need to be met once (for example, if the first Licensed Product meets the first milestone, such milestone shall be deemed achieved for all Licensed Products). In the event that COMPANY fails to timely meet the milestones in **APPENDIX A-2,** COMPANY shall provide LICENSOR with a written report outlining the efforts undertaken thus far and the steps COMPANY will take to meet the unsatisfied milestone, which shall also include an adjustment in the time required to meet such milestone ("Time Adjustment Proposal"). For clarity, a non-limiting example of a reasonable request for a Time Adjusted Delay contemplated herein is regulatory review delay of the responsible agency. Such report shall be submitted LICENSOR for consideration within sixty (60) days after the failure to meet the milestone, and LICENSOR shall not unreasonably decline to accept the Time Adjustment Proposal. If COMPANY fails to provide the report, LICENSOR reasonably declines to accept the Time Adjustment Proposal, or if COMPANY fails to meet the new deadlines set in the Time Adjustment Proposal approved by LICENSOR, LICENSOR shall have the option in its sole discretion and following ninety (90) days written notice to COMPANY to terminate the license granted hereunder, to allow this Agreement to continue in full force and effect, or to convert the license granted hereunder to a nonexclusive license upon written notice to COMPANY.

6.2. Sublicensee Performance. LICENSOR agrees that a Sublicensee's performance of its diligence obligations regarding a Licensed Product as set forth in the sublicense agreement shall be deemed to be performance by COMPANY of its diligence obligations for such Licensed Product under this License Agreement, including, but not limited to, those set f01ih in Article 6 hereof.

ARTICLE 7. PATENT PROSECUTION

7.1. Licensed Patents. The Prosecution and Maintenance of the Licensed Patents shall be the primary responsibility of LICENSOR with selection of outside legal counsel mutually acceptable to COMPANY. For purposes of this Agreement, "Prosecution and Maintenance" or "Prosecute and Maintain," with respect to a particular patent application or patent, means the preparation, filing, prosecution and maintenance of such patent or patent application, as well as

re-examinations, reissues, applications for patent term extensions and the like with respect to such patent or patent application, together with the conduct of interferences, the defense of oppositions and other similar proceedings with respect to such patent or patent application. LICENSOR shall reasonably diligently Prosecute and Maintain Licensed Patents, except to the extent that LICENSOR has obtained written confirmation from COMPANY that a patent or patent application within the Licensed Patents shall be allowed to lapse. LICENSOR and COMPANY shall consult with each other regarding efficient representation by qualified counsel for any post-grant proceedings,. and shall agree in good faith on the choice of such counsel as well as the strategy for such proceedings before commencing such proceedings.

(i) **Comment.** LICENSOR shall provide COMPANY with copies of all filings and official correspondence pertaining to such Prosecution and Maintenance of the Licensed Patents so as to give COMPANY an opportunity to provide comments to LICENSOR in advance of filings (which comments shall be reasonably implemented by LICENSOR) and mutually cooperate in such Prosecution and Maintenance. In the event LICENSOR desires to transfer the prosecution of any of the Licensed Patents to new patent counsel, COMPANY's written consent shall be obtained prior to the commencement of such transfer, which consent shall not be unreasonably withheld or delayed.

(ii) **New Applications.** COMPANY shall notify LICENSOR in writing of the countries in which COMPANY wishes additional patent applications to be filed, including but not limited to national phase filings and regional registrations. LICENSOR shall, at COMPANY's expense, file such additional patent applications. LICENSOR may, at its own expense, file patent applications in any country in which COMPANY elects not to file and such applications shall not be subject to any license granted to or obligation of COMPANY hereunder, however, LICENSOR shall provide COMPANY a ninety (90) day period for COMPANY to elect to re-include in this Agreement such patent applications or patents upon notice to LICENSOR (subject to COMPANY reimbursing LICENSOR for any expenses incurred by LICENSOR to prosecute such patent applications or patents prior to such notice) prior to licensing any third party.

(iii) **Reimbursement.** If COMPANY should fail to timely make reimbursement for patent expenses as required in Article 3.5(i) of this Agreement, and subject to the provisions for late payment therein, LICENSOR, in addition to any other remedies under the Agreement, shall have no further obligation to Prosecute or Maintain such Licensed Patents for which COMPANY failed to make timely reimbursement. COMPANY, upon ninety (90) days advance written notice to LICENSOR, may advise LICENSOR that it no longer wishes to pay expenses for Prosecution or Maintenance of one or more Licensed Patents. LICENSOR may, at its option, elect to pay such expenses or permit such Licensed Patents to become abandoned or lapsed. If LICENSOR elects to pay such expenses, such patents or patent applications shall cease to be subject to any license granted to or obligation of COMPANY hereunder, however, LICENSOR shall provide COMPANY a ninety (90) day period for COMPANY to elect to re -include in this Agreement such patent applications or patents upon notice to LICENSOR (subject to COMPANY reimbursing LICENSOR for any expenses incurred by LICENSOR to prosecute such patent applications or patents prior to such notice) prior to licensing any third party.

7.2. Extension of Licensed Patents. COMPANY may request that LICENSOR have the normal term of any Licensed Patents extended or restored under a country's procedure of extending patent term for time lost in government regulatory approval processes, and the expense of the same shall be borne in accordance with the terms of Article 3.5. COMPANY shall reasonably assist LICENSOR to take whatever action is necessary to obtain such extension. In the case of such extension, royalties pursuant to Article 3 hereof shall be payable until the end of the extended term of the patent.

ARTICLE 8. INFRINGEMENT

8.1. COMPANY shall promptly notify LICENSOR, and LICENSOR shall promptly notify COMPANY, of any suspected infringement of any Licensed Patents. During the term of this Agreement, LICENSOR and COMPANY shall have the right to institute an action for infringement of the Licensed Patents against a third party in accordance with the following:

COMPANY shall have the first right to enforce any Licensed Patents against such infringer, including defending any declaratory judgment action brought against it alleging the

invalidity of a Licensed Patent, and shall bear the entire cost of such action. COMPANY agrees to defend LICENSOR against any counterclaim brought against it in such action. It is LICENSOR' s intention that COMPANY be able to prosecute an alleged infringement without including LICENSOR as a party to the litigation, should LICENSOR choose at its discretion not to be a party to the litigation, and as such herein grants COMPANY the rights in Licensed Patents to sue an infringer alone. Should LICENSOR choose not to join in such action, to the extent necessary for standing purposes, upon COMPANY's request, LICENSOR shall assign to LICENSEE only such rights to the applicable Licensed Patent that may be necessary to permit COMPANY to initiate or prosecute such action without LICENSOR, provided that COMPANY shall be responsible for all reasonable attorney's fees and costs associated with LICENSOR's participation in such suit. COMPANY shall reimburse LICENSOR for any costs incurred, including reasonable attorneys' fees, as part of any action brought by COMPANY.

COMPANY shall not enter into any settlement agreement, voluntary dismissal, consent judgment or other voluntary final disposition in any action regarding the Licensed Patents, including, without limitation, any settlement of a claim relating to the scope, validity or enforceability of any Licensed Patent, without the express written consent of LICENSOR, such consent not to be unreasonably withheld or delayed. Any recovery or settlement received for punitive or exemplary damages based on a claim where COMPANY has borne the entire cost of such action shall be retained by COMPANY. If LICENSOR has joined in such action: then any other recovery or settlement received, including compensatory damages or damages based on a loss of revenues which exceed the out-of-pocket costs and expenses incurred by COMPANY and LICENSOR (hereinafter "Net Recovery"), shall be deemed to be the proceeds of Sales of Licensed Products in the fiscal quarter received by COMPANY and COMPANY shall pay to LICENSOR an amount representing the royalty which would have been paid by COMPANY in accordance with the provisions of Article 4 had such Net Recovery been accrued by COMPANY as Sales.

If COMPANY does not institute an action against an infringer within ninety (90) days of receipt of notice of infringement, LICENSOR may, upon thirty (30) days written notice to COMPANY, institute such action, in which case COMPANY shall reasonably cooperate with LICENSOR in such effort including being joined as a party to such action if necessary. LICENSOR shall be entitled to retain all damages or costs awarded in such action. Should either

LICENSOR or COMPANY be a party to a suit under the provisions of this Article and thereafter elect to abandon such suit, the abandoning party shall give timely notice to the other party who may, if it so desires, continue prosecution of such suit, provided that the sharing of expenses and any recovery in such suit shall be as agreed upon between LICENSOR and COMPANY.

ARTICLE 9. LIMITED WARRANTIES AND DISCLAIMERS OF WARRANTIES

9.1. Limited Representations by LICENSOR. LICENSOR represents that it has the corporate power and authority to enter into this Agreement and that, to its best knowledge, neither the execution of this Agreement nor the performance of its obligations hereunder will constitute a breach of the terms and provisions of any other agreement to which LICENSOR is a party with respect to the Licensed Technology. LICENSOR represents that it has the right to issue the licenses issued under this Agreement and has not granted any license or other right to any third party prior to the execution of this Agreement. LICENSOR does not warrant the validity of the Licensed Patents licensed hereunder and makes no representation whatsoever with regard to the scope of the Licensed Technology or that such Licensed Technology may be exploited by COMPANY or its Affiliates or Sublicensees without infringing other patents.

9.2. Warranties by COMPANY. COMPANY represents and warrants that it has the right and authority to enter into this Agreement and that, to its knowledge, neither the execution of this Agreement nor the performance of its obligations hereunder will constitute a breach of the terms and provisions of any other agreement to which COMPANY is a party. COMPANY represents and warrants that any Licensed Products made or Sold pursuant to this Agreement shall comply in all material respects with all applicable laws and regulations, including but not limited to regulations of the Food and Drug Administration, the Environmental Protection Agency, and their foreign and state equivalents.

9.3. Disclaimer of Warranties. COMPANY possesses the necessary expe1iise and skill in the technical areas pertaining to the Licensed Products and Licensed Technology to make, and has made, its own evaluation of the capabilities, safety, utility and commercial application of the Licensed Products and Licensed Technology. ACCORDINGLY, LICENSOR DOES NOT MAKE ANY REPRESENTATION OR WARRANTY OF ANY KIND WITH RESPECT TO THE LICENSED TECHNOLOGY OR LICENSED PRODUCTS AND EXPRESSLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT AND ANY OTHER IMPLIED WARRANTIES WITH RESPECT TO THE CAPABILITIES, SAFETY, UTILITY, OR COMMERCIAL APPLICATION OF THE LICENSED TECHNOLOGY OR LICENSED PRODUCTS.

ARTICLE 10. DAMAGES, INDEMNIFICATION AND INSURANCE

10.1. No Liability. Except in case of breach of Section 9.1, LICENSOR shall not be liable to COMPANY or COMPANY'S Affiliates, or customers and/or Sublicensees of COMPANY or COMPANY'S Affiliates, for compensatory, special, incidental, indirect, consequential or exemplary damages relating to or in any way connected with this agreement or resulting from the use of any Licensed Technology and/or the manufacture, testing, development, design, labeling, use and/or Sale of Licensed Products by COMPANY, its Affiliates and/or Sublicensees.

10.2. Indemnification. COMPANY shall defend, indemnify, and hold harmless the Indemnitees, from and against any and all claims, demands, loss, liability, expense, or damage (including investigative costs, court costs and attorneys' fees) Indemnitees may suffer, pay, or incur as a result of claims, demands or actions against any of the Indemnitees caused or contributed to, in whole or in part, by COMPANY'S or COMPANY'S Affiliates, contractors, agents, or Sublicensees manufacture, testing, development, design, use, Sale, or labeling of any Licensed Products or the use of any Licensed Technology. COMPANY'S obligations under this Article shall survive the expiration or termination of this Agreement for any reason.

COMPANY agrees to provide attorneys reasonably acceptable to LICENSOR to defend against any claim for which it will provide indemnification. COMPANY shall have the right to control such defense to the extent it relates to its obligations under this Article 10. Indemnitee shall have the right, but not the obligation, to participate in its defense. LICENSOR shall cooperate with COMPANY in any defense of such claim. COMPANY shall not settle any such claims, demands or actions under this Section 10.2 except solely for monetary consideration, without the express, prior written consent of LICENSOR, which consent shall not be unreasonably withheld or delayed.

10.3. Insurance Without limiting COMPANY'S indemnity obligations under the preceding paragraph, COMPANY shall, prior to any clinical trial or Sale of any Licensed Product, cause to be in force, an "occurrence-based type" liability insurance policy or, if COMPANY is unable to obtain "occurrence-based type" liability insurance, a "claims made type" (with at least 5 years tail coverage) liability insurance policy which:

(i) ensures Indemnitees for all claims, damages, and actions mentioned in Section 10,2 of this Agreement; and

(ii) includes a contractual endorsement providing coverage for all liability which may be incurred by Indemnitees in connection with this Agreement; and

(iii) requires the insurance carrier to provide LICENSOR with no less than thirty (30) days' written notice of any change in the terms or coverage of the policy or its cancellation; and

(iv) provides Indemnitees product liability coverage in an amount no less than Two Million Dollars ($2,000,000.00) per occurrence for bodily injury, subject to a reasonable aggregate amount As detailed in Section 2.5, COMPANY agrees to require any Sublicensee under Section 2.5 of this Agreement to maintain liability coverage consistent with this Section I 0.3.

10.4. Notification. COMPANY shall notify LICENSOR prior to its first clinical trial or commercial Sale of any Licensed Product, of all insurance coverage and other assets available to COMPANY to meet COMPANY'S obligations under Article 10 of this Agreement.

10.5. Notice of Claims. COMPANY shall promptly notify LICENSOR of all claims involving the Indemnitees and shall advise LICENSOR of the amounts that might be needed to defend and pay any such claims. LICENSOR shall promptly notify COMPANY of any and all claims brought to its attention relating to COMPANY' s indemnity obligations under this Agreement.

ARTICLE 11. CONFIDENTIALITY

11.1. Treatment of Confidential Information. Except as otherwise provided hereunder, for a period of five (5) years from the date of initial disclosure:

(i) COMPANY and its Affiliates and Sublicensees shall use reasonable efforts to retain in confidence and use only for purposes of this Agreement, any written information and data supplied by LICENSOR to COMPANY under and related to this Agreement;

(ii) LICENSOR shall use reasonable efforts to retain in confidence and use only for purposes of this Agreement any written information and data supplied by COMPANY or on behalf of COMPANY to LICENSOR and marked as proprietary under and related to this Agreement.

For purposes of this Agreement, all such information and data which a party is obligated to retain in confidence shall be called "Confidential Information." Information shall only be considered Confidential Information if such information is clearly marked with an appropriate stamp or legend as "Proprietary" or "Confidential."

11.2. Right to Disclose. To the extent that it is reasonably necessary to fulfill its obligations or exercise its rights under this Agreement, or any rights which survive termination or expiration hereof, each party may disclose Confidential Information to its Affiliates, Sublicensees, consultants, outside contractors, manufacturers, governmental regulatory authorities and clinical investigators, on condition that such entities or persons agree:

(i) to keep the Confidential Information confidential for at least the same time periods and to the same extent as each party is required to keep it confidential;

(ii) to use the Confidential Information only for such purposes as such parties are authorized to use it.

11.3. Release from Restrictions. Each party or its Affiliates or Sublicensees may use or disclose Confidential Information to the government or other regulatory authorities to the extent that such disclosure is reasonably necessary for the prosecution and enforcement of patents, or to obtain or maintain any regulatory approval, including authorizations to conduct clinical trials, or commercially market or obtain pricing approval of any Licensed Products, provided that such party is otherwise entitled to engage in such activities under this Agreement.

The obligation not to disclose Confidential Information shall not apply to any part of such Confidential Information that:

(i) is or becomes patented, published or otherwise part of the public domain, other than by unauthorized acts of the party obligated not to disclose such Confidential Information (for purposes of this Article 11 the "receiving party", or its Affiliates or Sublicensees in contravention of this Agreement;

(ii) is disclosed to the receiving party or its Affiliates or Sublicensees by a third party provided that such Confidential Information was not obtained by such third party directly or indirectly from the other party under this Agreement; or

(iii) prior to disclosure under this Agreement, was already in the possession of the receiving party, its Affiliates or Sublicensees, provided that such Confidential Information was not obtained directly or indirectly from the other party under this Agreement; or

(iv) results from research and development by the receiving party or its Affiliates or Sublicensees, independent of disclosures from the other party of this Agreement, provided that the persons developing it have not had exposure to the Confidential Information from the disclosing party; or

(v) is required by law to be disclosed by the receiving party, provided that the receiving party uses its best efforts to notify the other party immediately upon learning of such requirement in order to give the other party reasonable opportunity to oppose such requirement; or

(vi) COMPANY and LICENSOR agree in writing may be disclosed.

ARTICLE 12. TERM AND TERMINATION

12.1. Unless sooner terminated as otherwise provided in this Agreement, the term of this Agreement shall commence on the effective date hereof and shall continue in full force and effect until the expiration of the last to expire of the Licensed Patents. Following the Term of this Agreement, COMPANY, its Affiliates and Sublicensees shall have a fully paid-up perpetual right and commercial license to the Licensed Patents and Licensed Know How to the extent it is in the public domain.

12.2. Termination. LICENSOR shall have the right to terminate this Agreement upon the occurrence of a material breach by COMPANY. LICENSOR shall provide COMPANY written notice describing the breach, which notice shall include LICENSOR's intention to terminate the Agreement. If COMPANY does not cure the breach within sixty (60) days after receipt of such notice, LICENSOR shall be entitled, in addition to any other rights it may have under this Agreement, to terminate this Agreement effective immediately. However, if COMPANY disputes in good faith such breach by written notice to LICENSOR within the sixty (60) day period, the matter will be submitted to arbitration as described under Article 14. LICENSOR's right to terminate shall be suspended until resolution of the dispute. For the avoidance of doubt, the procedures set forth in this Section 12.2 shall not prejudice LICENSOR' s right to receive royalties or other sums due hereunder and shall not prejudice any cause of action or claim due to any breach or default by the COMPANY. Without limitation, any one or more of the following shall each be deemed a material breach of this Agreement by COMPANY:

(i) failure of COMPANY to make any payment required pursuant to this Agreement when due; or

(ii) failure of COMPANY to provide Royalty Reports to LICENSOR as required under Section 4.2 of this Agreement; or lack of Diligence as set forth in Article 6 herein; or

(iv) failure of COMPANY to provide Progress Reports to LICENSOR as required under Section 4.1 of this Agreement; or

(v) the institution of any proceeding by COMPANY under any bankruptcy. insolvency: or moratorium law; or

(vi) any assignment by COMPANY of substantially all of its assets for the benefit of creditors; or

(vii) placement of COMPANY'S assets in the hands of a trustee or a receiver unless the receivership or trust is dissolved within thirty (30) days thereafter; or

(viii) official dissolution of the COMPANY that is the then current party to the Agreement, (excluding dissolution of prior party that has assigned the License Agreement pursuant to Article 13 or any form of internal re-organization); or

(ix) the COMPANY challenges, directly or indirectly, the validity, enforceability or scope of any claim within the Licensed Patents in a court or other governmental agency of competent jurisdiction, including, without limitation, in a reexamination or opposition proceeding and does not withdraw such challenge within thirty (30) days of receipt of written notice from LICENSOR; it being understood that if any such challenge is brought by a Sublicensee, and Sublicensee does not withdraw such challenge within thirty (30) days of receipt of written notice from COMPANY, COMPANY shall terminate the sublicense agreement with such Sublicensee; or

(x) the breach by COMPANY of any other material term of this Agreement.

12.3. Notice of Bankruptcy. COMPANY must inform LICENSOR of its intention to file a voluntary petition in bankruptcy or of another's intention to file an involuntary petition in bankruptcy to be received at least forty-five (45) days prior to filing such a petition. If COMPANY files a petition of bankruptcy without conforming to this requirement, this shall be deemed a material, pre-petition, incurable breach.

12.4. Failure to Enforce, The failure of LICENSOR at any time, or for any period of time, to enforce any of the provisions of this Agreement, shall not be construed as a waiver of such provisions or as a waiver of the right of LICENSOR thereafter to enforce each and every such provision of this Agreement.

12.5. Termination by COMPANY. COMPANY shall have the right to terminate this Agreement at its sole discretion upon sixty (60) days written notice to LICENSOR.

12.6. Regulatory Data. Upon te1mination of this Agreement for any reason, except for LICENSOR breach or expiration in the event LICENSOR provides notice to COMPANY of the existence of a third party with a bona fide interest in licensing any of the Licensed Products for which COMPANY possesses toxicology, pharmacokinetic, efficacy, clinical and other technical data and correspondence to and from regulatory agencies relating to approval of such Licensed Products generated by COMPANY and/or its Affiliates, contractors and agents in the course of COMPANY's efforts to develop such Licensed Products and/or obtain government approval for the Sale of such Licensed Products (hereinafter "Development Info1mation"), COMPANY shall make Development Information available to LICENSOR and such third party for review and for a reasonable time period under a confidentiality agreement. In the event LICENSOR enters into a license for such Licensed Products with a third party, COMPANY shall use commercially reasonable efforts to negotiate a license between COMP ANY and such third party to grant such third party the right to make use of Development Information.

12.7. Effect. If this Agreement is terminated for any reason whatsoever, except for LICENSOR breach or expiration, COMPANY shall return, or at LICENSOR's direction, destroy, all plans, drawings, papers, notes, data, writings and other documents, samples, organisms, biological materials, models and other tangible materials pertaining to the Licensed Technology supplied to COMPANY by LICENSOR, retaining one archival paper copy in its corporate legal department as required so that compliance with any continuing obligations may be determined. Upon termination of this Agreement, COMPANY shall cease use of the Licensed Patents, and Licensed Know How to the extent it is not in the public domain, and all manufacturing, developing, processing, producing, using, importing or Selling of Licensed Products; provided,

however, that COMPANY may continue to Sell in the ordinary course of business for a period of three (3) months reasonable quantities of Licensed Products which are fully manufactured and in COMPANY's inventory at the date of termination if(a) all monetary obligations of COMPANY to LICENSOR have been satisfied and (b) royalties on such sales are paid to LICENSOR in the amounts and in the manner provided in this Agreement. However, nothing herein shall be construed to release either party of any obligation which matured prior to the effective date of such termination. Upon termination of this Agreement for any reason whatsoever, except for LICENSOR breach or expiration, COMPANY shall provide LICENSOR with a detailed confidential summary of Development Information, to the extent that such Development Information is in the possession or control of COMPANY for the purpose of evaluation in furtherance of the objectives of Article 12.6.

ARTICLE 13. ASSIGNMENT

COMPANY may grant, transfer, convey, or otherwise assign any or all of its rights and obligations under this Agreement in conjunction with the transfer of all, or substantially all, of the business interests of COMPANY to which this Agreement relates, without the consent of LICENSOR. LICENSOR's written consent, which shall not be unreasonably withheld, shall be required prior to any other assignment of COMPANY'S rights or obligations under this Agreement. This Agreement may be assignable by LICENSOR.

ARTICLE 14. DISPUTE RESOLUTION

COMPANY and LICENSOR agree to attempt to settle any claim or controversy arising out of this Agreement through consultation and negotiation in good faith and spirit of mutual cooperation between executive management of the parties with authority to settle the dispute. If the matter has not been resolved within sixty (60) days of a pat1y' s request for negotiation, either party may initiate arbitration by a mutually acceptable arbitrator to be chosen by COMPANY and LICENSOR. Neither party may unreasonably withhold consent to the selection of an arbitrator, and the parties will share the costs of the arbitrator equally. Such arbitration shall take place in Macon, Georgia and shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules to the extent that such rules does not conflict with provisions of this article 14, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. If the parties cannot agree upon selection of an arbitrator within thi11y (30) days of the notice, then upon request of either party, the AAA shall appoint the arbitrator. All negotiations pursuant to this Section are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

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 obligations to make undisputed payments pursuant to Article 5 of this Agreement.

ARTICLE 15. MISCELLANEOUS

15.1. Export Controls. COMPANY acknowledges that Licensed Products and Licensed Technology may be subject to United States laws and regulations controlling the export of technical data, biological materials, chemical compositions, computer software, laboratory prototypes and other commodities and that LICENSOR's obligations under this Agreement are contingent upon compliance with applicable United States export laws and regulations. The transfer of technical data and commodities may require a license from the cognizant agency of the United States government or written assurances by COMPANY that COMPANY shall not export data or commodities to certain foreign countries without the prior approval of certain United States agencies. LICENSOR neither represents that an export license shall not be required nor that, if required, such export license shall issue.

15.2. Legal Compliance. COMPANY shall comply with all laws and regulations relating to its manufacture, processing, producing, using, importing, Selling, labeling or distribution of Licensed Products and Licensed Technology and shall not take any action which would cause LICENSOR or COMPANY to violate any laws or regulations

15.3. Independent Contractor. COMPANY'S relationship to LICENSOR shall be that of a licensee only. COMPANY shall not be the agent of LICENSOR and shall have no authority to act for, or on behalf of, LICENSOR in any matter. Persons retained by COMPANY as employees or agents shall not, by reason thereof, be deemed to be employees or agents of LICENSOR.

15.4. Patent Marking. COMPANY shall mark Licensed Products Sold in the United States with United States patent numbers. Licensed Products manufactured or Sold in other countries shall be marked in compliance with the intellectual property laws in force in such foreign countries.

15.5. Use of Names. COMPANY shall obtain the prior written approval of LICENSOR or the Inventors prior to making use of their names for any commercial purpose, except as required by law. As an exception to the foregoing, both COMPANY and LICENSOR shall have the right to publicize the existence of this Agreement; however, neither COMPANY nor LICENSOR shall disclose the terms and conditions of this Agreement without the other party's consent, except as and to the extent required by law.

15.6. Governing Law. This Agreement and all amendments, modifications, alterations, or supplements hereto, and the rights of the parties hereunder, shall be construed under and governed by the laws of the State of New York, without regards to its rules of conflicts of laws, and the applicable laws of the United States of America.

15.7. Entire Agreement. This Agreement and the appendices attached hereto constitute the entire agreement between LICENSOR and COMPANY with respect to the subject matter hereof, supersede all prior understandings, communications, or representations, either oral or written between the parties, and shall not be modified, amended or terminated, except as herein provided or except by another agreement in writing executed by the parties hereto.

15.8. Survival. Articles 1, 9, 10, 11, 12.6, 14, 15 and 16 shall survive termination of this Agreement for any reason. If not earlier terminated as provided herein, upon the expiration of this Agreement, COMPANY shall have a fully paid up license to use the Licensed Patents.

15.9. Severability. All rights and restrictions contained herein may be exercised and shall be applicable and binding only to the extent that they do not violate any applicable laws and are intended to be limited to the extent necessary so that they will not render this Agreement illegal invalid or unenforceable. If any provision or portion of any provision of this Agreement not essential to the commercial purpose of this Agreement, shall be held to be illegal, invalid or unenforceable by a court of competent jurisdiction, it is the intention of the parties that the remaining provisions or portions thereof shall constitute their agreement with respect to the subject matter hereof, and all such remaining provisions, or portions thereof, shall remain in full force and effect. To the extent legally permissible, any illegal, invalid or unenforceable provision of this Agreement shall be replaced by a valid provision which shall implement the commercial purpose of the illegal, invalid, or unenforceable provision. In the event that any provision essential to the commercial purpose of this Agreement is held to be illegal, invalid or unenforceable and cannot be replaced by a valid provision which will implement the commercial purpose of this Agreement, this Agreement and the rights granted herein shall terminate.

15.10. Force Majeure. Any delays in, or failure of performance of any party to this Agreement, shall not constitute a default hereunder, or give rise to any claim for damages, if and to the extent caused by occurrences beyond the control of the party affected, including, but not limited to, acts of God, strikes or other concerted acts of workmen, civil disturbances, fires, floods, explosions, riots, war, rebellion, sabotage, acts of governmental authority or failure of governmental authority to issue licenses or approvals which may be required.

15.11. Counterparts. This Agreement may be executed by facsimile and in counterparts, each of which is deemed an original, but all of which together shall constitute one and the same instrument

ARTICLE 16. NOTICES

All notices, statements, and reports required to be given by one party to the other shall be in writing and shall be hand delivered, sent by private overnight mail service, or sent by registered or certified U.S. mail, postage prepaid, return receipt requested and addressed as follows:

If to LICENSOR:

Mercer University
Attn: William G. Solomon, IV
Senior Vice President and General Counsel 1501 Mercer University Drive
Macon, Georgia 31207
(478) 301-2771 (office)
(478) 301-4120 (fax)

If to COMPANY:

Kiromic, Inc.
Attn: Maurizio Chiriva CEO
Corporate Office
7707 Fannin, Suite 140
Houston, TX 77054
Phone: (832) 968-4888

Kiromic, Inc.
Attn: Maurizio Chiriva CEO
Lubbock Office & Billing 6104 45th Street, Suite D Lubbock, TX 79407
Phone: (806) 368-6731
Fax: (806) 368-6756

Such notices or other communications shall be effective upon receipt by an employee, agent or representative of the receiving party authorized to receive notices or other communications sent or delivered in the manner set forth above. Either party hereto may change the address to which notices to such party are to be sent by giving notice to the other party at the address and in the manner provided above. Any notice may be given, in addition to the manner set forth above by facsimile provided that the party giving such notice obtains acknowledgement by facsimile that such notice has been received by the party to be notified. Notice made in this manner shall be deemed to have been given when such acknowledgement has been transmitted.

IN WITNESS WHEREOF, MERCER UNIVERSITY and KIROMIC, INC. have caused this Agreement to be signed by their duly authorized representatives as of the day and year indicated below.

MERCER UNIVERSITY	**KIROMIC, INC.**
By: /s/ James S. Netherton	By: /s/ Maurizio Chiriva-Internati
Name: James S. Netherton	Name: Maurizio Chiriva
Title: Executive Vice President for Administration and Finance	Title: CEO
Date: 12.06.2016	Date: 12.06.2016

APPENDIX A-1 and A-2 have been redacted

APPENDIX B

LICENSED PATENTS

1. *

APPENDIXC

U.S. GOVERNMENT LICENSE(S)

NONE

APPENDIXD

RUNNING ROYALTY PERCENTAGE

RUNNING ROYALTY PERCENTAGE:

APPENDIX E

SUBLICENSE PERCENTAGE

If Prior to	But After	Percentage
Phase I Clinical Trial	Effective Date	*%
Phase II Clinical Trial	Phase I Initiation	*%
Phase III Clinical Trial	Phase II Initiation	*%
BLA Approval	Phase III Initiation	*%
After BLA Approval		*%

APPENDIXF

MILESTONE PAYMENTS

	Milestone Event*	Milestone Payment
a)	Initiation of US FDA Phase II Clinical Trial	$*
b)	First Dosing in US FDA Phase III Clinical Trial	$*
c)	BLA Approval	$*

* in each case solely for the first Licensed Product to achieve such Milestone Event

[*] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

LICENSE AGREEMENT

Between

CGA 369 Intellectual Holdings, Inc.

AND

Kiromic, Inc.

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THIS LICENSE AGREEMENT is made and entered into as of September, 14, 2018, (hereinafter referred to as the "**Effective Date**") by and among CGA 369 INTELLECETUAL HOLDINGS, INC., a California COmpany corporation with offices located at 325 Sharon Park Dr., Menlo Park, CA 94025 (hereinafter referred to as "**INTELLECETUAL**" or "**LICENSOR**"), and Kiromic, Inc. (hereinafter referred to as "**COMPANY**" or "**LICENSEE**") a Delaware corporation having a principal place of business located at 7707 Fannin, Suite 140, Houston, Texas 77054.

WHEREAS, LICENSOR is the owner of all right, title, and interest in inventions and technology, developed by its employees and is responsible for their protection and commercial development; and

WHEREAS, LICENSOR has developed certain inventions and technology related to the use of engineered DNA binding proteins exhibiting genome specificity such as Cas9, TALE, and Zing finger proteins attached by a linker with viral integrases or a recombinase in older to deliver DNA sequence of interest (or gene of interest) to a targeted site in a genome of a cell or organism, as described in the patents listed in APPENDIX A; and

WHEREAS, LICENSOR wants to have such inventions and technology developed, commercialized, and made available in commerce for use by the public; and

WHEREAS, COMPANY wishes to obtain certain rights to pursue the development and commercialization of the inventions and technology; and

WHEREAS, LICENSOR wishes to grant COMPANY such rights in accordance with the terms and conditions of the Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and the promises herein contained, the parties, intending to be legally bound, hereby agree as follows.

ARTICLE 1. DEFINITIONS

The following terms as used herein shall have the following meaning: "**Affiliate**" shall mean any corporation or non-corporate business entity which controls, is controlled by, or is under common control with a party to this Agreement. A corporation or non-corporate business entity shall be regarded as in control of another corporation if it owns, or directly or indirectly controls, at least fifty (50%) percent of the voting stock of the other corporation, or (i) in the absence of the ownership of at least fifty (50%) percent of the voting stock of a corporation or (ii) in the case of a non-corporate business entity, or non-profit corporation, if it possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation or non-corporate business entity, as applicable.

"**Agreement**" or "**License Agreement**" shall mean this Agreement, including all APPENDICES attached to this Agreement.

"**Dollars**" shall mean United States dollars.

"**Field of Use**" shall mean diagnosis, treatment and prevention of medical conditions and diseases in humans, animals, and plants.

"Improvements" shall mean any patent applications that are developed by an Inventor which if practiced would infringe or be necessary or useful in the practice of any of the Licensed Patents.

For clarity, the improvements do not include the Licensed Patent, also do not include as "improvements" all patents that could be submitted by the COMPANY as a result of the effort of development of the Licensed technology, aimed to protect the new IP generated during R & D process and do not circumvent the licensed technology.

"**Indemnitees**" shall mean the Inventors, LICENSOR, and its Affiliates, directors, officers, employees, and their heirs, executors, administrators, successors and legal representatives.

"**Inventors**" shall mean the named inventors of the Licensed Patents.

"**Licensed Know-How**" shall mean all formulations, designs, technical information, know-how, knowledge, data, specifications, test results and other information, whether or not patented or patentable ("Know-How"), which are known, learned, invented, or developed by the Inventors as of the Effective Date to the extent that (i) such Know-How is required for the manufacture, use, development, testing, marketing, export, import, offer for sale or sale of any Licensed Product, and (ii) LICENSOR possesses the right to license the use of such Know-How to COMPANY for commercial purposes.

"**Licensed Patents**" shall mean the patents and patent applications identified in **APPENDIX A**, together with any and all derivative substitutions, extensions, divisionals, continuations, continuations-in-part (to the extent that the claimed subject matter of such continuations- in-part is disclosed in the parent Licensed Patent and rights to the continuations in part are not obligated to a third party), foreign counterparts of such patent applications and any patents which issue thereon anywhere in the world, including reexamined and reissued patents.

"**Licensed Technology**" means Licensed Patents and Licensed Know-How.

"**Licensed Territory**" means the world.

"**Net Selling Price**" of Licensed Products shall mean the gross selling price paid by a purchaser of a Licensed Product to COMPANY, an Affiliate or Sublicensee of COMPANY, or a consignment distributor authorized by COMPANY to sell Licensed Products on behalf of the COMPANY ("Consignment Distributor"). Net Sales shall be calculated in accordance with International Financial Reporting Standards and means the actual gross amounts invoiced by Licensee or its affiliates during the applicable time period on all sales of the Product in the Territory to third parties, less allowances for:

a) sales and excise taxes, value added taxes, and duties which fall due and are paid by the purchaser as a direct consequence of such sales and any other governmental charges imposed upon the importation, use or sale of such Product, but only to the extent that such taxes and duties are (i) actually included and itemized in the gross amounts invoiced to and specifically paid by the purchaser over and above the usual selling price of such Product, (ii) customarily included and itemized in the gross amounts invoiced to and specifically paid by the purchaser over and above the usual selling price of all comparable products in the relevant market and (iii) are not recovered or recoverable;

b) trade, quantity and cash discounts that are customary in the pharmaceutical industry in the Territory and that are actually allowed on such Product; Allowances or credits to customers on account of rejection, withdrawal, recall, or return of such Product or on account of retroactive price reductions or price protection charges or reprocurement/failure to supply charges affecting such Product, to the extent that such allowances, credits or charges are customary in the pharmaceutical industry in the Territory; discounts, rebates and chargebacks specifically related to such Product on an accrual basis, which shall be trued up and reconciled in the ordinary course of business, including, but not limited to, those granted to government agencies (i.e. payments made under the "Medicare Part D Coverage Gap Discount Program" and the "Annual Fee on Branded Prescription Pharmaceutical Manufacturers").

Notwithstanding the foregoing: (a) amounts received by COMPANY, its Affiliates or Sublicensees of COMPANY or its Affiliates for the sale of Licensed Products among COMPANY, its Affiliates and Sublicensees for resale shall not be included in the computation of Net Selling Price hereunder, (b) Sales of the Licensed Product for clinical development purposes shall not be included in the Net Selling Price, (c) Sales to a Consignment Distributor of the Licensed Product shall not be included in the Net Selling Price, but resale by said Consignment Distributor shall be included in Net Selling Price with respect to the country in which the resale Product is purchased (d) Sales to any distributor (other than a Consignment Distributor) of the Licensed Product shall be included in the Net Selling Price with respect to the country in which the distributor makes such purchase, but resale by said distributor, and further resales, shall not be included in Net Selling Price and (d) no Licensed Product shall be included in the Net Selling Price more than once as the result of resale.

In the event that a Licensed Product is sold in a kit or combination form with one or more other medical devices, active ingredients or as a part of a device which are not the subject of the grant of this Agreement ("Combination Product"), then the "gross selling price for the Licensed Product" shall be calculated by multiplying the gross selling price paid by a purchaser of the Combination Product by A/(A+B), in which "A" is the gross selling price of the Licensed Product when sold separately and "B" is the selling price of the other medical devices or active ingredients when sold separately. In the event that the other medical device or active ingredient is not sold separately, the gross selling price for the Combination Product can be multiplied by A/X, in which "A" is the gross selling price of the Licensed Product when sold separately and "X" is the gross selling price of the Combination Product. In the event that the Licensed Product is not sold separately, Net Sales for royalty determinations can be based on the gross selling price for a comparable product as shall be mutually agreed upon by the Parties in good faith. In the event that the Parties cannot agree on the gross selling price for the Licensed Product sold in a Combination Product within thirty (30) days of beginning such negotiations, the gross selling price for the Licensed Product shall be determined by a mutually agreeable qualified appraiser.

In the event that the parties still cannot agree on the gross selling price for the Licensed Product sold in a Combination Product, the parties shall proceed with a dispute resolution under Article 14.

"**Sale**," "**Sell**" or "**Sold**" shall mean the sale, transfer, exchange, or other disposition of Licensed Products by COMPANY, its Affiliates, Sublicensees or Consignment Distributors (as defined in the Net Selling Pricing definition). Sales of Licensed Products for use in a clinical trial shall not constitute Sale, Sell or Sold for calculation of Net Selling Price of Licensed Products. Sales of Licensed Products shall be deemed consummated upon the first to occur of: (a) receipt of payment from the purchaser; or (b) if otherwise transferred, exchanged, or disposed of, when such transfer, exchange, or other consideration is received. Sales of Licensed Products for calculation of Net Selling Price shall be deemed to have occurred upon receipt of transferred or exchanged property.

"**Valid Claim**" shall mean a claim in an unexpired patent or pending patent application so long as such claim shall not have been irrevocably abandoned or held invalid in an unappealable decision of a court or other authority of competent jurisdiction in the relevant country.

ARTICLE 2. GRANT OF LICENSE

2.1. License.

(a) LICENSOR hereby grants COMPANY an exclusive right and license, with the right of sublicense, to make, have made, develop , use, import, offer for sale and sell Licensed Products and practice Licensed Patents and the right to practice Licensed Technology in the Field of Use in the Licensed Territory during the term of this Agreement.

(b) With respect to Licensed Know-How, LICENSOR hereby grants to COMPANY, subject to the rights of third parties, an Exclusive license, with the right of sublicense, in and to Licensed Know-How to make, have made, sell, offer for sale, use, and import Licensed Products throughout the Licensed Territory in the Field of Use. For the purpose of this subsection only, "Exclusive" shall mean LICENSOR shall not grant any additional commercial licenses to any for profit third parties (except to the U.S. Government to the extent required by law) who are not current or future entities which enter into a research agreement with LICENSOR in which such Licensed Know-How is required in the performance of the contemplated research or in the practice of any resulting intellectual property; provided that subject to the caveats expressly specified in the last paragraph of Section 2.1(b) and under Section 2.3 LICENSOR shall not knowingly use, allow (to the extent such Licensed Know How is legally enforceable) and/or grant others the right the right to use, the Licensed Know-How for any technology that would infringe an issued claim of a Licensed Patent for the life of the Licensed Patent.

2.2. Option. LICENSOR hereby grants COMPANY an exclusive option to an exclusive license, subject to any pre-existing rights of third party sponsors or the U.S. Government, under terms and conditions materially similar to the terms and conditions of this Agreement to Improvements for a period up to the expiration of the last patent to expire. LICENSOR agrees to disclose, within sixty (60) days of receiving a written notification thereof from an Inventor, any Improvements to COMPANY. COMPANY shall provide LICENSOR written notice of its intent to exercise its option within ninety (90) days of notification by LICENSOR and the parties shall negotiate in good faith for a period not to exceed ninety (90) days from COMPANY's notice unless a longer term is mutually agreed upon and which shall be consistent with terms granted to other companies in similar circumstances.

2.3. Retained License. The license granted in Section 2.1 above is further conditioned upon and subject to a right and license retained by LICENSOR to make, use and transfer Licensed Products and practice Licensed Technology for research, educational and non- commercial purposes only (excluding however, any form of clinical development of Licensed Products), alone or with not for profit third parties. The Licensee shall have the option to license any intellectual property generated under this section on the terms and conditions stated in Section 2.2.

2.4. Sublicenses. COMPANY may grant sublicenses to third parties ("**Sublicensees**") through multiple tiers. Any sublicense shall be in compliance with this Agreement and COMPANY shall remain responsible to LICENSOR for any reporting and any payment of all fees and royalties due under this Agreement to LICENSOR.

2.4.1 COMPANY shall include in any sublicense granted pursuant to this Agreement, a provision requiring the Sublicensee to indemnify LICENSOR and maintain liability coverage to the same extent that COMPANY is so required pursuant to Section 10.3 of this Agreement.

2.4.2 COMPANY shall include in any sublicense granted pursuant to this Agreement, a provision that grants LICENSOR the right to audit the Sublicensee to the same extent that LICENSOR has the right to audit the COMPANY pursuant to Section 4.4 of this Agreement.

2.4.3 COMPANY shall provide LICENSOR with copies of all executed sublicense agreements within thirty (30) days of their execution date, provided that COMPANY may redact any confidential information of the Sublicensee contained therein except for information which is reasonably necessary for the determination of compliance with the financial requirements of this agreement.

2.5. No Implied License. The license and rights granted in this Agreement shall not be construed to confer any rights upon COMPANY by implication, estoppel, or otherwise as to any technology not specifically identified in this Agreement as Licensed Technology.

ARTICLE 3. CONSIDERATION FOR LICENSE

3.1. License Fee. Conditioned upon (i) an initial funding by private or public investors of COMPANY, of no less than *, or (ii) as a result of a sublicense with a third-party entity an upfront fee of no less than *, COMPANY shall pay LICENSOR a one-time payment of no less than * (collectively "Conditions for License Fee").

3.2. Royalties. COMPANY shall pay LICENSOR * percent (*%) royalty on Net Sales of Products obtained by COMPANY and its affiliates in the Territory. Royalties shall be due and payable within sixty (60) days of June 30 and December 31.

3.2.1 Reduction of Royalties-Third Party Royalties. In the event it becomes necessary for COMPANY or its Sublicensee, in the reasonable opinion of its counsel, to obtain a license from a third party in order to make, have made, develop, import, export, use, sell, offer for sale, have sold or otherwise exploit any Licensed Product because, except for a license granted by the third party, sale of a Licensed Product in the relevant country would infringe an intellectual property right of a third party in that country, COMPANY or its Sublicensee may offset the royalty rate paid to LICENSOR on a Licensed Product-by-Licensed Product and country-by-country basis by up to * percent (*) of the royalties paid to such third party in the corresponding royalty period.

Notwithstanding the foregoing, however, in no event shall the royalties due to LICENSOR on Net Sales of such Licensed Products in any country be reduced due to royalties paid to third parties for an Active Pharmaceutical Ingredient (i.e., a drug or antigen) in the Licensed Product. Notwithstanding the foregoing, however, in no event shall the royalties due to LICENSOR on Net Sales of such Licensed Products in any country be reduced by more than *% of the Royalty Percent.

3.3. Milestone Payments. COMPANY shall pay to the LICENSOR the following one- time milestone payments:

Regulatory Milestones Positive phase 3:

* Dollars ($*) US FDA Approval: * Dollars ($*)

A study is considered approved when the FDA issues a license.

Sales Milestones

Upon aggregate Net Sales of Licensed Products globally reaching One Hundred Million Dollars ($100,000,000) in a single calendar year: * Dollars ($*)

Upon aggregate Net Sales of Licensed Products globally reaching Two Hundred Fifty Million Dollars ($250,000,000) in a single calendar year: * Dollars ($*)

Upon aggregate Net Sales of Licensed Products globally reaching Five Hundred Million Dollars ($500,000,000) in a single calendar year: * Dollars ($*)

3.4. Reimbursement for Patent Expenses.

3.5. Licensee shall pay all patent prosecution costs incurred after the Effective Date of the execution of the definitive license agreement, including international patent costs, except in countries where Licensee has declined to file or maintain the Licensed Patent Rights. Licensor may act if Licensee declines. The Licensee is not under any obligation to pay for Patent Prosecution Costs if the Conditions for License Fee are not satisfied. Should Licensee be unable to secure Initial Funding, the Licensor has the option to request the return of the Licensed Product and all the Licensed Technology 12 months after the Effective Date.

ARTICLE 4. REPORTS AND ACCOUNTING

4.1. Progress Reports. Within ninety (90) days after December 31 of each calendar year, COMPANY shall provide LICENSOR with a written report detailing the activities of the COMPANY relevant to the development and/or commercialization of Licensed Products. For avoidance of doubt, non-receipt of such written report within the specified time period shall be considered a material breach of this Agreement under Section 12.2.

4.2. Royalty Reports. During the term of this Agreement, COMPANY shall furnish, or cause to be furnished to LICENSOR, written reports governing each of COMPANY, COMPANY'S Affiliates and Sublicensees fiscal quarters pertaining to the Licensed Products showing:

(i) the occurrence of any event triggering a Milestone Payment obligation or any other payment in accordance with Article 3; and

(ii) the gross selling price and the number of units of all Licensed Products (identified by product number/name) Sold by COMPANY, its Affiliates and Sublicensees, in each country of the Licensed Territory during the reporting period, together with the calculations of Net Selling Price.

(iii) the royalties payable in Dollars; and

(iv) the exchange rates, if any, in determining the amount of Dollars of royalty due as provided in Section 5.3; and

(v) a summary of all reports provided to COMPANY by COMPANY'S Sublicensees, including the names and addresses of all Sublicensees and Distributors; and

(vi) the amount of any consideration received by COMPANY from Sublicensees and an explanation of the contractual obligation satisfied by such consideration

Royalty Reports shall be made semi-annually within sixty (60) days of the close of June 30 and December 31. COMPANY shall keep accurate records in sufficient detail to enable royalties and other payments payable hereunder to be determined. COMPANY shall be responsible for all royalties and late payments that are due to LICENSOR.

4.3. Records. During the term of this Agreement and for a period of three (3) years thereafter, COMPANY shall keep at its principal place of business true and accurate records of all Sales in accordance with generally accepted accounting principles in the respective country where such Sales occur and in such form and manner so that all royalties owed to LICENSOR may be readily and accurately determined. COMPANY shall furnish LICENSOR copies of such records upon LICENSOR's request, which shall not be made more often than once in each COMPANY fiscal year.

4.4. Right to Audit. LICENSOR shall have the right, upon prior notice to COMPANY, not more than once in each COMPANY fiscal year and the calendar year immediately following termination of the Agreement, through an independent certified public accountant selected by LICENSOR, to have access during normal business hours of COMPANY as may be reasonably necessary to examine the records of COMPANY solely for the purpose of verifying the accuracy of the calculation of any payment due under this Agreement. COMPANY shall include in any sublicenses granted pursuant to this Agreement, a provision requiring the Sublicensee to keep and maintain records of Sales made pursuant to such sublicense and to grant access to such records by COMPANY'S independent public accountant, the report of which shall be made available to LICENSOR'S independent public accountant for verifying the accuracy of the calculation of any payment due under this Agreement. If such independent public accountant's report shows any underpayment of royalties by COMPANY, its Affiliates or Sublicensees, within thirty (30) days after COMPANY'S receipt of such report, COMPANY shall remit or shall cause its Sublicensees to remit to LICENSOR:

(i) the amount of such underpayment; and

(ii) if such underpayment exceeds ten (10%) percent of the total royalties owed for the fiscal year then being reviewed, the reasonably necessary fees and expenses of such independent public accountant performing the audit. Otherwise, LICENSOR's accountant's fees and expenses shall be borne by LICENSOR.

ARTICLE 5. PAYMENTS

5.1. Payment Due Dates. Royalties shall be due commencing upon the first Sale of a Licensed Product in the Licensed Field of Use in any country in the Licensed Territory. Royalties and sublicense fees payable to LICENSOR as a result of activities occurring during the period covered by each royalty report provided for under Article 4 of this Agreement shall be due and payable on the date such royalty report is due as detailed in Section 4.2. Payments of royalties in whole or in part may be made in advance of such due date. All other payments required under this Agreement, if not specified otherwise in this Agreement, shall be payable within sixty (60) days of the due date for each payment.

5.2. Payment Delivery. Except as hereinafter provided in this Section 5.2, and except as provided by LICENSOR such as in an invoice issued to COMPANY, all payments due to LICENSOR under this Agreement shall be made in person, via the United States mail, private carrier, or electronically to the following address:

CGA 369 Intellectual Holdings, Inc.
1001 Garnet Ave #200
San Diego, CA 92109

5.3. Currency Conversion. Except as hereinafter provided in this Section 5.3, all royalties shall be paid in Dollars. If any Licensed Products are Sold for consideration other than Dollars, the Net Selling price of such Licensed Products shall first be determined in the foreign currency of the country in which such Licensed Products are Sold and then converted to Dollars at a ninety (90)-day trailing average published by the Wall Street Journal (U.S. editions) for conversion of the foreign currency into Dollars on the last day of the quarter for which such payment is due.

5.4. Interest. Royalties and other payments required to be paid by COMPANY pursuant to this Agreement shall, if overdue, bear interest until payment at a per annum rate one percent (1%) above the average of the prime rate as published in the Wall Street Journal during the ninety (90) days immediately preceding the due date of such overdue payment. The interest payment shall be due from the day the original payment was due until the day that the payment was received by LICENSOR. The payment of such interest shall not foreclose LICENSOR from exercising any other rights it may have because any payment is overdue.

ARTICLE 6. DILIGENCE AND COMMERCIALIZATION

6.1. Diligence. COMPANY shall use its commercially reasonable efforts, either directly or through Affiliates or Sublicensees, throughout the term of this Agreement, and to commercialize Licensed Products following receipt of marketing approval. In no instance shall COMPANY's commercially reasonable efforts be less than efforts customary for COMPANY's industry, size and state of development. COMPANY shall use commercially reasonable efforts to adhere to the diligence milestones set forth in article 3.3.

ARTICLE 7. PATENT PROSECUTION

7.1. Licensed Patents. Prior to or on the Effective Date, prosecution of the Licensed Patent shall be transferred to the Licensee or Licensee's designated patent counsel. Licensee shall be responsible for such patent prosecution and any decision as to which countries in which to file applications. Any replacement patent counsel shall be chosen by Licensee. If Licensee declines to file or maintain the Licensed Patent in any country, Licensor may file or maintain the Licensed Patent Rights in such country and such Licensed Patent filed by Licensor shall not be included in the rights licensed to Licensee. Licensee shall provide reasonable advance notice of no less than thirty days of any decision to decline to file or maintain the Licensed Patent Rights in any country.

Licensor may request, progress and reports related to the licensed technology. These requests should be in writing.

Licensee shall pay all patent prosecution costs incurred after the Effective Date of the execution of the definitive license agreement, including international patent costs, except in countries where Licensee has declined to file or maintain the Licensed Patent. Licensor may act if Licensee declines. The Licensee is not under any obligation to pay for Patent Prosecution Costs if the Conditions for License Fee are not satisfied. Should Licensee be unable to secure Initial Funding, the Licensor has the option to request the return of the Licensed Product and all of the Licensed Technology 12 months after the Effective Date.

ARTICLE 8. INFRINGEMENT

8.1. [COMPANY shall promptly notify LICENSOR, and LICENSOR shall promptly notify COMPANY, of any suspected infringement of any Licensed Patents. During the term of this Agreement, LICENSOR and COMPANY shall have the right to institute an action for infringement of the Licensed Patents against a third party in accordance with the following:

COMPANY shall have the first right to enforce any Licensed Patents against such infringer, including defending any declaratory judgment action brought against it alleging the invalidity of a Licensed Patent, and shall bear the entire cost of such action. It is LICENSOR's intention that COMPANY be able to prosecute an alleged infringement without including

LICENSOR as a party to the litigation, should LICENSOR choose at its discretion not to be a party to the litigation, and as such herein grants COMPANY the rights in Licensed Patents to sue an infringer alone. Should LICENSOR choose not to join in such action, to the extent necessary for standing purposes, upon COMPANY's request, LICENSOR shall assign to LICENSEE only such rights to the applicable Licensed Patent that may be necessary to permit COMPANY to initiate or prosecute such action without LICENSOR, provided that COMPANY shall be responsible for all reasonable attorneys fees and costs associated with LICENSOR's participation in such suit. COMPANY shall reimburse LICENSOR for any costs incurred, including reasonable attorneys' fees, as part of any action brought by COMPANY.

COMPANY shall not enter into any settlement agreement, voluntary dismissal, consent judgment or other voluntary final disposition in any action regarding the Licensed Patents, including, without limitation, any settlement of a claim relating to the scope, validity or enforceability of any Licensed Patent, without the express written consent of LICENSOR, such consent not to be unreasonably withheld or delayed. Any recovery or settlement received for punitive or exemplary damages based on a claim where COMPANY has borne the entire cost of such action shall be retained by COMPANY. If LICENSOR has joined in such action, then any other recovery or settlement received, including compensatory damages or damages based on a loss of revenues which exceed the out-of-pocket costs and expenses incurred by COMPANY and LICENSOR (hereinafter "Net Recovery"), shall be deemed to be the proceeds of Sales of Licensed Products in the fiscal quarter received by COMPANY and COMPANY shall pay to LICENSOR an amount representing the royalty which would have been paid by COMPANY in accordance with the provisions of Article 4 had such Net Recovery been accrued by COMPANY as Sales.

If COMPANY does not institute an action against an infringer within ninety (90) days of receipt of notice of infringement, LICENSOR may, upon thirty (30) days written notice to COMPANY, institute such action, in which case COMPANY shall reasonably cooperate with

LICENSOR in such effort including being joined as a party to such action if necessary. LICENSOR shall be entitled to retain all damages or costs awarded in such action. Should either LICENSOR or COMPANY be a party to a suit under the provisions of this Article and thereafter elect to abandon such suit, the abandoning party shall give timely notice to the other party who may, if it so desires, continue prosecution of such suit, provided that the sharing of expenses and any recovery in such suit shall be as agreed upon between LICENSOR and COMPANY.

ARTICLE 9. LIMITED WARRANTIES AND DISCLAIMERS OF WARRANTIES

9.1. Limited Representations by LICENSOR. LICENSOR represents that it has the corporate power and authority to enter into this Agreement and that, to its best knowledge, neither the execution of this Agreement nor the performance of its obligations hereunder will constitute a breach of the terms and provisions of any other agreement to which LICENSOR is a party with respect to the Licensed Technology. LICENSOR represents that it has the right to issue the licenses issued under this Agreement and has not granted any license or other right to any third party prior to the execution of this Agreement. LICENSOR does not warrant the validity of the Licensed Patents licensed hereunder and makes no representation whatsoever with regard to the scope of the Licensed Technology or that such Licensed Technology may be exploited by COMPANY or its Affiliates or Sublicensees without infringing other patents.

9.2. Warranties by COMPANY. COMPANY represents and warrants that it has the right and authority to enter into this Agreement and that, to its knowledge, neither the execution of this Agreement nor the performance of its obligations hereunder will constitute a breach of the terms and provisions of any other agreement to which COMPANY is a party. COMPANY represents and warrants that any Licensed Products made or Sold pursuant to this Agreement shall comply in all material respects with all applicable laws and regulations, including but not limited to regulations of the Food and Drug Administration, the Environmental Protection Agency, and their foreign and state equivalents.

9.3. Disclaimer of Warranties. COMPANY possesses the necessary expertise and skill in the technical areas pertaining to the Licensed Products and Licensed Technology to make, and has made, its own evaluation of the capabilities, safety, utility and commercial application of the Licensed Products and Licensed Technology. ACCORDINGLY, LICENSOR DOES NOT MAKE ANY REPRESENTATION OR WARRANTY OF ANY KIND WITH RESPECT TO THE LICENSED TECHNOLOGY OR LICENSED PRODUCTS AND EXPRESSLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY OR FITNESS

FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT AND ANY OTHER IMPLIED WARRANTIES WITH RESPECT TO THE CAPABILITIES, SAFETY, UTILITY, OR COMMERCIAL APPLICATION OF THE LICENSED TECHNOLOGY OR LICENSED PRODUCTS.

ARTICLE 10. DAMAGES, INDEMNIFICATION AND INSURANCE

10.1. No Liability. Except in case of breach of Section 9.1, LICENSOR shall not be liable to COMPANY or COMPANY'S Affiliates, or customers and/or Sublicensees of COMPANY or COMPANY'S Affiliates, for compensatory, special, incidental, indirect, consequential or exemplary damages relating to or in any way connected with this Agreement or resulting from the use of any Licensed Technology and/or the manufacture, testing, development, design, labeling, use and/or Sale of Licensed Products by COMPANY, its Affiliates and/or Sublicensees.

10.2. Indemnification. COMPANY shall defend, indemnify, and hold harmless the Indemnitees, from and against any and all claims, demands, loss, liability, expense, or damage (including investigative costs, court costs and attorneys' fees) Indemnitees may suffer, pay, or incur as a result of claims, demands or actions against any of the Indemnitees caused or contributed to, in whole or in part, by COMPANY'S or COMPANY'S Affiliates, contractors, agents, or Sublicensees manufacture, testing, development, design, use, Sale, or labeling of any Licensed Products or the use of any Licensed Technology. COMPANY'S obligations under this Article shall survive the expiration or termination of this Agreement for any reason.

COMPANY agrees to provide attorneys reasonably acceptable to LICENSOR to defend against any claim for which it will provide indemnification. COMPANY shall have the right to control such defense to the extent it relates to its obligations under this Article 10. Indemnitee shall have the right, but not the obligation, to participate in its defense. LICENSOR shall cooperate with COMPANY in any defense of such claim. COMPANY shall not settle any such claims, demands or actions under this Section 10.2 except solely for monetary consideration, without the express, prior written consent of LICENSOR, which consent shall not be unreasonably withheld or delayed.

10.3. Insurance Without limiting COMPANY'S indemnity obligations under the preceding paragraph, COMPANY shall, prior to any clinical trial or Sale of any Licensed Product, cause to be in force, an "occurrence based type" liability insurance policy or, if COMPANY is unable to obtain "occurrence based type" liability insurance, a "claims made type" (with at least 5 years tail coverage) liability insurance policy which:

(i) insures Indemnitees for all claims, damages, and actions mentioned in Section 10.2 of this Agreement; and

(ii) includes a contractual endorsement providing coverage for all liability which may be incurred by Indemnitees in connection with this Agreement; and

(iii) requires the insurance carrier to provide LICENSOR with no less than thirty (30) days' written notice of any change in the terms or coverage of the policy or its cancellation; and

(iv) provides Indemnitees product liability coverage in an amount no less than Two Million Dollars ($2,000,000.00) per occurrence for bodily injury, subject to a reasonable aggregate amount. As detailed in Section 2.5, COMPANY agrees to require any Sublicensee under Section 2.5 of this Agreement to maintain liability coverage consistent with this Section 10.3.

10.4. Notification. COMPANY shall notify LICENSOR prior to its first clinical trial or commercial Sale of any Licensed Product, of all insurance coverage and other assets available to COMPANY to meet COMPANY'S obligations under Article 10 of this Agreement.

10.5. Notice of Claims. COMPANY shall promptly notify LICENSOR of all claims involving the Indemnitees and shall advise LICENSOR of the amounts that might be needed to defend and pay any such claims. LICENSOR shall promptly notify COMPANY of any and all claims brought to its attention relating to COMPANY's indemnity obligations under this Agreement.

ARTICLE 11. CONFIDENTIALITY

11.1. Treatment of Confidential Information. Except as otherwise provided hereunder, for a period of three (3) years from the date of initial disclosure:

(i) COMPANY and its Affiliates and Sublicensees shall use reasonable efforts to retain in confidence and use only for purposes of this Agreement, any written information and data supplied by LICENSOR to COMPANY and marked as proprietary under and related to this Agreement.

(ii) LICENSOR shall use reasonable efforts to retain in confidence and use only for purposes of this Agreement any written information and data supplied by COMPANY or on behalf of COMPANY to LICENSOR and marked as proprietary under and related to this Agreement.

For purposes of this Agreement, all such information and data which a party is obligated to retain in confidence shall be called "Confidential Information." Information shall only be considered Confidential Information if such information is clearly marked with an appropriate stamp or legend as "Proprietary" or "Confidential."

11.2. Right to Disclose. To the extent that it is reasonably necessary to fulfill its obligations or exercise its rights under this Agreement, or any rights which survive termination or expiration hereof, each party may disclose Confidential Information to its Affiliates, Sublicensees, consultants, outside contractors, manufacturers, governmental regulatory authorities and clinical investigators, on condition that such entities or persons agree:

(i) to keep the Confidential Information confidential for at least the same time periods and to the same extent as each party is required to keep it confidential;

(ii) to use the Confidential Information only for such purposes as such parties are authorized to use it.

11.3. Release from Restrictions. Each party or its Affiliates or Sublicensees may use or disclose Confidential Information to the government or other regulatory authorities to the extent that such disclosure is reasonably necessary for the prosecution and enforcement of patents, or to obtain or maintain any regulatory approval, including authorizations to conduct clinical trials, or commercially market or obtain pricing approval of any Licensed Products, provided that such party is otherwise entitled to engage in such activities under this Agreement.

The obligation not to disclose Confidential Information shall not apply to any part of such Confidential Information that:

(i) is or becomes patented, published or otherwise part of the public domain, other than by unauthorized acts of the party obligated not to disclose such Confidential Information (for purposes of this Article 11 the "receiving party") or its Affiliates or Sublicensees in contravention of this Agreement;

(ii) is disclosed to the receiving party or its Affiliates or Sublicensees by a third party provided that such Confidential Information was not obtained by such third party directly or indirectly from the other party under this Agreement; or

(iii) prior to disclosure under this Agreement, was already in the possession of the receiving party, its Affiliates or Sublicensees, provided that such Confidential Information was not obtained directly or indirectly from the other party under this Agreement; or

(iv) results from research and development by the receiving party or its Affiliates or Sublicensees, independent of disclosures from the other party of this Agreement, provided that the persons developing it have not had exposure to the Confidential Information from the disclosing party; or

(v) is required by law to be disclosed by the receiving party, provided that the receiving party uses its best efforts to notify the other party immediately upon learning of such requirement in order to give the other party reasonable opportunity to oppose such requirement; or

(vi) COMPANY and LICENSOR agree in writing may be disclosed.

ARTICLE 12. TERM AND TERMINATION

12.1. Term. Unless sooner terminated as otherwise provided in this Agreement, the term of this Agreement shall commence on the Effective Date hereof and shall continue in full force and effect until the expiration of the last to expire of the Licensed Patents. Following the Term of this Agreement, COMPANY, its Affiliates and Sublicensees shall have a fully paid-up perpetual right and commercial license to the Licensed Patents, and Licensed Know How to the extent it is in the public domain.

12.2. Termination. LICENSOR shall have the right to terminate this Agreement upon the occurrence of a material breach by COMPANY. LICENSOR shall provide COMPANY written notice describing the breach, which notice shall include LICENSOR's intention to terminate the Agreement. If COMPANY does not cure the breach within ninety (90) days after receipt of such notice, LICENSOR shall be entitled, in addition to any other rights it may have under this Agreement, to terminate this Agreement effective immediately. However, if COMPANY disputes in good faith such breach by written notice to LICENSOR within the ninety (90) day period, the matter will be submitted to arbitration as described under Article 14. LICENSOR's right to terminate shall be suspended until resolution of the dispute. For the avoidance of doubt, the procedures set forth in this Section 12.2 shall not prejudice LICENSOR's right to receive royalties or other sums due hereunder and shall not prejudice any cause of action or claim due to any breach or default by the COMPANY. Without limitation, any one or more of the following shall each be deemed a material breach of this Agreement by COMPANY:

(i) failure of COMPANY to make any payment required pursuant to this Agreement when due; or

(ii) failure of COMPANY to provide Royalty Reports to LICENSOR as required under Section 4.2 of this Agreement; or

(iii) lack of Diligence as set forth in Article 6 herein; or

(iv) failure of COMPANY to provide Progress Reports to LICENSOR as required under Section 4.1 of this Agreement; or

(v) the institution of any proceeding by COMPANY under any bankruptcy, insolvency, or moratorium law; or

(vi) any assignment by COMPANY of substantially all of its assets for the benefit of creditors; or

(vii) placement of COMPANY'S assets in the hands of a trustee or a receiver unless the receivership or trust is dissolved within thirty (30) days thereafter; or

(viii) official dissolution of the COMPANY that is the then current party to the Agreement, (excluding dissolution of prior party that has assigned the License Agreement pursuant to Article 13 or any form of internal re-organization) ; or

(ix) the breach by COMPANY of any other material term of this Agreement.

12.3. Notice of Bankruptcy. COMPANY must inform LICENSOR of its intention to file a voluntary petition in bankruptcy or of another's intention to file an involuntary petition in bankruptcy to be received at least forty five (45) days prior to filing such a petition. If COMPANY files a petition of bankruptcy without conforming to this requirement, this shall be deemed a material, pre-petition, incurable breach.

12.3.1 LICENSOR Notice of Bankruptcy. Licensor must inform COMPANY of its intention to file a voluntary petition in bankruptcy or of another's intention to file an involuntary petition in bankruptcy to be received at lease forty five (45) days prior to filing such a petition. If LICENSOR files a petition of bankruptcy without conforming to this requirement, this shall be deemed a material, pre-petition, incurable breach. In this case the COMPANY will acquire automatically the first right to refusal to acquire the Licensed Technology at a value discounted the expenses bared by the company to valorize the Licensed Technology.

12.4. Failure to Enforce. The failure of LICENSOR, at any time, or for any period of time, to enforce any of the provisions of this Agreement, shall not be construed as a waiver of such provisions or as a waiver of the right of LICENSOR thereafter to enforce each and every such provision of this Agreement.

12.5. Termination by COMPANY. COMPANY shall have the right to terminate this Agreement at its sole discretion upon sixty (60) days written notice to LICENSOR.

12.6. Effect. If this Agreement is terminated for any reason whatsoever, except for LICENSOR breach or expiration, COMPANY shall return, or at LICENSOR's direction, destroy, all plans, drawings, papers, notes, data, writings and other documents, samples, organisms, biological materials, models and other tangible materials pertaining to the Licensed Technology supplied to COMPANY by LICENSOR, retaining one archival paper copy in its corporate legal department as required so that compliance with any continuing obligations may be determined.

Upon termination of this Agreement, COMPANY shall cease use of the Licensed Patents, and Licensed Know How to the extent it is not in the public domain, and all manufacturing, developing, processing, producing, using, importing or Selling of Licensed Products; provided, however, that COMPANY may continue to Sell in the ordinary course of business for a period of six (6) months reasonable quantities of Licensed Products which are fully manufactured and in COMPANY's inventory at the date of termination if (a) all monetary obligations of COMPANY to LICENSOR have been satisfied and (b) royalties on such sales are paid to LICENSOR in the amounts and in the manner provided in this Agreement. However, nothing herein shall be construed to release either party of any obligation which matured prior to the effective date of such termination. Upon termination of this Agreement for any reason whatsoever, except for LICENSOR breach or expiration, COMPANY shall provide LICENSOR with a detailed confidential summary of Development Information, to the extent that such Development Information is in the possession or control of COMPANY for the purpose of evaluation in furtherance of the objectives of Article 12.6.

ARTICLE 13. ASSIGNMENT

COMPANY may grant, transfer, convey, or otherwise assign any or all of its rights and obligations under this Agreement in conjunction with the transfer of all, or substantially all, of the business interests of COMPANY to which this Agreement relates, without the consent of LICENSOR. LICENSOR's written consent, which shall not be unreasonably withheld, shall be required prior to any other assignment of COMPANY'S rights or obligations under this Agreement. This Agreement may be assignable by LICENSOR, with the Licensee's written consent, which shall not be unreasonably withheld, shall be required prior to any other assignment of Licensor's rights or obligations under this Agreement.

ARTICLE 14. DISPUTE RESOLUTION

COMPANY and LICENSOR agree to attempt to settle any claim or controversy arising out

of this Agreement through consultation and negotiation in good faith and spirit of mutual cooperation between executive management of the parties with authority to settle the dispute. If the matter has not been resolved within sixty (60) days of a party's request for negotiation, either party may initiate arbitration by a mutually acceptable arbitrator to be chosen by COMPANY and LICENSOR. Neither party may unreasonably withhold consent to the selection of an arbitrator, and the parties will share the costs of the arbitrator equally. Such arbitration shall take place in Houston, Texas and shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules to the extent that such rules does not conflict with provisions of this article 14, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. If the parties cannot agree upon selection of an arbitrator within thirty (30) days of the notice, then upon request of either party, the AAA shall appoint the arbitrator. All negotiations pursuant to this Section are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

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 obligations to make undisputed payments pursuant to Article 5 of this Agreement.

ARTICLE 15. MISCELLANEOUS

15.1. Export Controls. COMPANY acknowledges that Licensed Products and Licensed Technology may be subject to United States laws and regulations controlling the export of technical data, biological materials, chemical compositions, computer software, laboratory prototypes and other commodities and that LICENSOR's obligations under this Agreement are contingent upon compliance with applicable United States export laws and regulations. The transfer of technical data and commodities may require a license from the cognizant agency of the United States government or written assurances by COMPANY that COMPANY shall not export data or commodities to certain foreign countries without the prior approval of certain United States agencies. LICENSOR neither represents that an export license shall not be required nor that, if required, such export license shall issue.

15.2. Legal Compliance. COMPANY shall comply with all laws and regulations relating to its manufacture, processing, producing, using, importing, Selling, labeling or distribution of Licensed Products and Licensed Technology and shall not take any action which would cause LICENSOR or COMPANY to violate any laws or regulations

15.3. Independent Contractor. COMPANY'S relationship to LICENSOR shall be that of a licensee only. COMPANY shall not be the agent of LICENSOR and shall have no authority to act for, or on behalf of, LICENSOR in any matter. Persons retained by COMPANY as employees or agents shall not, by reason thereof, be deemed to be employees or agents of LICENSOR.

15.4. Patent Marking. COMPANY shall mark Licensed Products Sold in the United States with United States patent numbers. Licensed Products manufactured or Sold in other countries shall be marked in compliance with the intellectual property laws in force in such foreign countries.

15.5. Use of Names. COMPANY shall obtain the prior written approval of LICENSOR or the Inventors prior to making use of their names for any commercial purpose, except as required by law. As an exception to the foregoing, both COMPANY and LICENSOR shall have the right to publicize the existence of this Agreement; however, neither COMPANY nor LICENSOR shall disclose the terms and conditions of this Agreement without the other party's consent, except as and to the extent required by law.

15.6. Governing Law. This Agreement and all amendments, modifications, alterations, or supplements hereto, and the rights of the parties hereunder, shall be construed under and governed by the laws of the State of Texas, without regards to its rules of conflicts of laws, and the applicable laws of the United States of America.

15.7. Entire Agreement. This Agreement and the appendices attached hereto constitute the entire agreement between LICENSOR and COMPANY with respect to the subject matter hereof, supersede all prior understandings, communications, or representations, either oral or written, between the parties, and shall not be modified, amended or terminated, except as herein provided or except by another agreement in writing executed by the parties hereto.

15.8. Survival. Articles 1, 9, 10, 11, 14, 15 and 16 shall survive termination of this Agreement for any reason. If not earlier terminated as provided herein, upon the expiration of this Agreement, COMPANY shall have a fully paid up license to use the Licensed Patents.

15.9. Severability. All rights and restrictions contained herein may be exercised and shall be applicable and binding only to the extent that they do not violate any applicable laws and

are intended to be limited to the extent necessary so that they will not render this Agreement illegal, invalid or unenforceable. If any provision or portion of any provision of this Agreement, not essential to the commercial purpose of this Agreement, shall be held to be illegal, invalid or unenforceable by a court of competent jurisdiction, it is the intention of the parties that the remaining provisions or portions thereof shall constitute their agreement with respect to the subject matter hereof, and all such remaining provisions, or portions thereof, shall remain in full force and effect. To the extent legally permissible, any illegal, invalid or unenforceable provision of this Agreement shall be replaced by a valid provision which shall implement the commercial purpose of the illegal, invalid, or unenforceable provision. In the event that any provision essential to the commercial purpose of this Agreement is held to be illegal, invalid or unenforceable and cannot be replaced by a valid provision which will implement the commercial purpose of this Agreement, this Agreement and the rights granted herein shall terminate.

15.10. Force Majeure. Any delays in, or failure of performance of any party to this Agreement, shall not constitute a default hereunder, or give rise to any claim for damages, if and to the extent caused by occurrences beyond the control of the party affected, including, but not limited to, acts of God, strikes or other concerted acts of workmen, civil disturbances, fires, floods, explosions, riots, war, rebellion, sabotage, acts of governmental authority or failure of governmental authority to issue licenses or approvals which may be required.

15.11. Counterparts. This Agreement may be executed by facsimile and in counterparts, each of which is deemed an original, but all of which together shall constitute one and the same instrument

ARTICLE 16. NOTICES

All notices, statements, and reports required to be given by one party to the other shall be in writing and shall be hand delivered, sent by private overnight mail service, or sent by registered or certified U.S. mail, postage prepaid, return receipt requested, fax, or email and addressed as follows:

If to LICENSOR:

CGA 369 Intellectual Holdings, Inc.
1001 Garnet Ave #200
San Diego, CA 92109

If to COMPANY:

Kiromic, Inc.
Attn: Maurizio Chiriva CEO Corporate Office
7707 Fannin, Suite 140
Houston, TX 77054
Phone: (832) 968-4888

Such notices or other communications shall be effective upon receipt by an employee, agent or representative of the receiving party authorized to receive notices or other communications sent or delivered in the manner set forth above. Either party hereto may change the address to which notices to such party are to be sent by giving notice to the other party at the address and in the manner provided above. Any notice may be given, in addition to the manner set forth above by facsimile provided that the party giving such notice obtains acknowledgement by facsimile that such notice has been received by the party to be notified. Notice made in this manner shall be deemed to have been given when such acknowledgement has been transmitted.

IN WITNESS WHEREOF, CGA 369 INTELLECETUAL HOLDINGS INC. and KIROMIC, INC. have made a preliminary agreement to draft and negotiate in good faith, within a time period expected to last no more than three (3) months, a final definitive Agreement(s) for consideration by each Party to execute and be bound thereby, the foregoing being witnessed by the undersigned who by their signatures below represent and warrant having the power and authority to act for and on behalf of the respective indicated party:

CGA 369 INTELLECTUAL HOLDINGS INC

By: /s/ David Aguilar

Name: David Aguilar

Title: President/CEO

KIROMIC

By: /s/ Maurizio Chiriva-Internati

Name: Maurizio Chiriva-Internati, PhD

Title: CEO

APPENDIX A

CGA 369 Intellectual Holdings, Inc. Patent Portfolio

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Exhibit 10.12

[*] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

Amendment to License Agreement between CGA 369 Intellectual Holdings, Inc and Kiromic, Inc

Date: October 16, 2019

“Improvements” shall mean any patent application that are developed by an inventor which if practiced would infringe or be necessary or useful in the practice of any of the Licensed Patents. For clarity, Improvements are included as a Licensed Patents, if any new IP or know-how is either developed, discovered, or applied as a result of utilizing, implementing, or incorporating the licensed technology of which the new IP will **be** the sole property of the Licensee.

3.1. License Fee.

*Conditioned upon the result of a sublicense with a third-party entity an upfront fee of no less than *. COMPANY shall pay LICENSOR a one-time payment of no less than * (collectively “Conditions for License Fee”).*

CGA 369 INTELLECTUAL HOLDINGS INC

By: /s/ David Aguilar

Name: David Aguilar

Title: President/CEO

Kiromic

By: /s/ Maurizio Chiriva-Internati

Name: Maurizio Chiriva-Internati

Title: CEO

[*] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXCLUSIVE LICENSE AGREEMENT

March 25, 2020

THIS AGREEMENT ("Agreement") is effective as of March 25, 2020 ("Effective Date"), by and between **Longwood University** ("Longwood") and **Kiromic Biopharma, Inc,** a (DELAWARE) corporation, with its principal place of business located at 7707 Fannin St Suite 140, Houston, TX 77054 ("Company").

RECITALS

Under research programs funded by Longwood through research conducted by Dr. Amorette Barber, who has developed an invention pertaining to * which is described and claimed in * and International publication number * as noted in Appendix A. Company desires to enter into an exclusive licensing agreement in the License Field to commercially develop and use the technology covered by Patent Rights. Longwood is willing to grant such an Agreement subject to the terms and conditions below.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. EXCLUSIVE LICENSE AGREEMENT GRANT

1.1 Longwood hereby grants to Company the exclusive right to negotiate a worldwide, royalty-bearing license under Longwood's Patent Rights ("License Field") and is binding and confidential at time of signature.

2. PATENT COSTS

2.1 Company shall pay Longwood a non-refundable Agreement Fee of fifteen thousand dollars ($15,000).

2.2 In addition to the Agreement Fee due to Longwood in accordance with Section 2.1, Company shall reimburse Longwood, within thirty (30) days of receiving an invoice from Longwood, for all reasonable fees and expenses Longwood incurs for the preparation, filing, prosecution and maintenance of Patent Rights (collectively, "Patent Costs"). This Section 2.2 shall survive any termination or expiration of this Agreement. Upfront filing fees will also be paid by Company to Longwood for the initial international filing fees requested by Company, and as estimated by Longwood, before the international filing deadline of March 26, 2020.

2.3 Payment of the Agreement Fee and Patent Costs made hereunder shall be made by wire transfer of immediately available funds in United States dollars as follows:

Account Owner:	**Whitham & Cook, P.C.** **Operating Account** 11491 Sunset Hills Road. Suite 340 Reston, VA 20190
Beneficiary Bank:	Atlantic Union Bank 240IO Partnership Blvd Ruther Glen, VA 22546 ABA Number: 051403164
Bene Account Number:	**2674240**
FFC to:	**Whitham & Cook, P.C.** **n, ____1: - .. -**

2.4 Longwood shall be responsible for preparing, filing, prosecuting and maintaining Patent Rights and making any decisions pertaining thereto.

2.5 Longwood shall instruct the patent counsel prosecuting such Patent Rights to copy Company on patent prosecution documents that are received from or filed with the United States Patent and Trademark Office.

3. CONTEMPLATED LICENSE TERMS

3.1 Company acknowledges that the exclusive license contemplated in Section 1.1 would include license terms typical of agreements between academic institutions and industry, including but not limited to: (i) provisions for the payment of reasonable royalties and other compensation to Longwood; (ii) payment by Company of on-going patent costs in all countries covered by the license; (iii) specific time-limited due diligence obligations for the development and commercialization of a product; (iv) product liability indemnification and insurance provisions acceptable to Longwood's liability insurance carriers; and (v) Longwood's affiliates' and inventors' right to make and use the subject matter described and/or in Patent Rights and to permit others at academic and/or not-for-profit institutions to use the subject matter described and/or claimed in Patent Rights for research and educational purposes.

3.2 In addition to Section 3.1, Longwood's grant of any license contemplated in Section 1.1 is further contingent upon the ability of the parties to reach agreement on license language that is consistent with Longwood's policies, including but not limited to its Conflict of Interest policies.

3.3 If the technology covered by Patent Rights was invented at least in part with federal funding, Company's license would also be subject to the rights, conditions and limitations imposed by U.S. law including without limitation the royalty-free non-exclusive license granted to the U.S. government (see 35 U.S.C. § 202 et seq. and regulations pertaining thereto) and any relevant regulations and guidelines, including the NIH Policy and Guidelines for Research Tools (64 Fed. Reg. 28205).

3.4 If the covered technology is improved by Longwood University, such “Improvements” shall mean any IP or know-how that is either developed, discovered, or applied as a result of utilizing, implementing, or incorporating the licensed technology of which the new IP will be included in the Agreement under the same terms and conditions as PCT/US2018/052799 with no additional charges to the Licensee. If the covered technology is improved by Kiromic Biopharma, the technology remains and is owned by Kiromic Biopharma, however, if the funding for the improvement is done at Longwood and is funded by Kiromic Biopharma, such “Improvements” shall be co-owners of the technology (these shall mean any IP or know-how that is either developed, discovered, or applied as a result of utilizing, implementing, or incorporating the licensed technology of which the new IP will be included in the Agreement under the same terms and conditions as PCT/US2018/052799 with no additional charges to the Licensee).

3.5 If the Company terminates seeks to terminate this Agreement on any grounds, then all the rights and Longwood’s obligations hereunder will cease and Longwood shall be free to license Patent Rights within or outside of the License Field to any other party.

4. NOTICES

4.1 Any notice or other communication required under or pertaining to this Agreement shall be given by prepaid, first class, registered or certified mail (return receipt requested) or by an express/overnight delivery service provided by a commercial carrier, properly addressed to the other party, as follows:

In the case of Longwood:

Roger A. Byrne, Ph.D.
Professor of Biology
Dean, Cook-Cole College of Arts and Sciences
Longwood University
201 High Street, Farmville, VA 23909
434-395-2054

In the case of Company:

Maurizio Chiriva-Internati, DBSc, PhD
Kiromic Biopharma, Inc.
7707 Fannin St Suite 140
Houston, TX 77054

Notices and payments shall be considered timely if such notices are received on or before the established deadline date or sent on or before the deadline date as verifiable by legibly dated U.S. Postal Service postmark or dated receipt from a commercial carrier. Either party may change its address under this Section by providing notice as set forth herein.

5. PROMOTIONAL ACTIVITIES

5.1 Neither party shall use the name of the other party or of any trustee, director, officer, staff member, employee, student or agent of the other party or any adaptation thereof in any advertising, promotional or sales literature, publicity or in any document employed to obtain funds or financing without the prior written approval of the party or individual whose name is to be used. For Longwood, such approval shall be obtained from Longwood's Chief Public Affairs Officer.

6. TERMINATION

6.1 Company shall have the right to terminate this Agreement upon thirty (30) days advance written notice of termination to Longwood.

6.2 If Company shall fail to faithfully perform any of its obligations under this Agreement, including but not limited to payment of Patent Costs as provided in Section 2.2 and Diligence Requirements as described in Article 4, Longwood may give written notice of default to Company. If Company fails to cure such breach within 180 calendar days of default notice from Longwood, the ELA granted to Company under this Agreement will automatically terminate and Longwood shall have no further obligations hereunder.

6.3 Upon expiration, or termination if applicable, of this Agreement, (i) all unreimbursed Patent Costs incurred as of the termination or expiration date, as applicable, shall become immediately due and payable to Longwood, and (ii) all obligations of the parties shall cease, except those that expressly survive termination or expiration of this Agreement.

7. DISCLAIMER

7.1 LONGWOOD MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND CONCERNING THE PATENT RIGHTS AND THE RIGHTS GRANTED HEREUNDER, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT, VALIDITY OF PATENT RIGHTS, OR THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, AND HEREBY DISCLAIMS THE SAME. SPECIFICALLY, AND NOT TO LIMIT THE FOREGOING, LONGWOOD MAKES NO WARRANTY OR REPRESENTATION (i) REGARDING THE VALIDITY OR SCOPE OF ANY OF THE CLAIM(S), WHETHER ISSUED OR PENDING, OF ANY OF THE PATENT RIGHTS, AND (ii) THAT THE EXPLOITATION OF THE PATENT RIGHTS OR ANY PRODUCT WILL NOT INFRINGE ANY PATENTS OR OTHER INTELLECTUAL PROPERTY RIGHTS OF LONGWOOD OR OF ANY THIRD PARTY.

8. MISCELLANEOUS

8.1 This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof, superseding and merging any prior oral or written understandings between the parties. This Agreement may be modified or amended only in a writing signed by duly authorized representatives of both parties hereto. Company shall not assign this Agreement without the prior written consent of Longwood. If any part of this Agreement is adjudged to be invalid or unenforceable, the parties intend that such invalidity shall not affect any other provision hereof. Any waiver or failure of either party to assert a right hereunder shall not constitute a waiver or excuse a similar failure in any other circumstance. This Agreement shall be governed by and construed in accordance with the laws of Virginia and each party consents to the exclusive jurisdiction and venue of courts in Richmond, VA, U.S.A. in all disputes relating to this Agreement. Headings in this Agreement are for convenience only and are not intended to be used to interpret or construe this Agreement.

The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized representatives as of the Effective Date hereof:

LONGWOOD UNIVERSITY		Kiromic BioPharma, Inc	
By:	/s/ Larissa M. Smith	By:	/s/ Maurizio Chiriva-Internati
Title:	Provost & Vice President of Academic Affairs	Title:	CEO
Name:	Larissa M. Smith	Name:	Maurizio Chiriva, DBSc, PhD
Date:	March 25, 2020	Date:	March 25, 2020

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APPENDIX A

PATENT RIGHTS

*

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[*] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

Corporate Address
Fannin South Professional
Building, Suite 140
7707 Fannin Street
Houston, Texas 77054
t: 832.968.4888

Office of Sponsored Programs

University of Texas MD Anderson Cancer Center
1515 Holcombe Boulevard
Houston, Texas 77030
(713) 792 3220
("MD Anderson")

Financial Department

Kiromic Biopharma
Fannin South Professional Building, Suite 140
Houston, Texas 77054
(832) 968-4888
("Kiromic")

Title of the Grant Isoforms target validation in animal models

We are providing this contract which is awarded to

Professor Robert S. Bresalier M.D.,
Department of Gastroenterology, Hepatology and Nutrition (Principal Investigator of subcontract)
the University of Texas MD Anderson Cancer Center for the conduct of the above research grant

MD Anderson is a member institution of The University of Texas System, and as such, is a government agency of the State of Texas, which under the Constitution and the laws of the State of Texas possesses certain rights and privileges, is subject to certain limitations and restrictions, and only has such authority as is granted to it under the Constitution and laws of the State of Texas. Notwithstanding any provision hereof, nothing in this grant agreement is intended to be, nor will it be construed to be, a waiver of the sovereign immunity of the State of Texas or a prospective waiver or restriction of any of the rights, remedies, claims, and privileges of the State of Texas.

Start and End Dates of Grant Extension:

April 1, 2020	Start Date
March 31, 2021	End Date

Invoicing Schedule every first of the month. Kiromic will pay MD Anderson monthly for the grant work performed in the prior month within thirty (30) days of receipt of invoice. All payments for the grant will be made to MD Anderson and Kiromic will send payments to:

For check payments:
The University of Texas
M.D. Anderson Cancer Center
Attn: Grants and Contracts (RCTS #57823)
P.O. Box 4266
Houston, Texas 77210-4266

For electronic payments:
FOR ACH DELIVERY
Bank Routing Number: 111000614
Account Number: 522292058
Account Name: Univ. of Texas MD Anderson Cancer Center-Office of Grants and Contracts

FOR WIRE TRANSFERS
Bank Routing Number: 021000021
SWIFT Code: CHASUS33
General Bank Reference Address: JPMorgan Chase New York, NY 10004
Account Number: 522292058
Account Name: Univ. of Texas MD Anderson Cancer Center-Office of Grants and Contracts

Reviewed and Approved by UTMDACC

To minimize any delays in receiving and applying payments, Kirmoic will use reasonable efforts provide the following information via email transmission to GC_Payments@mdanderson.org at the time electronic payment is issued to MD Anderson: (a) name of bank submitting payment, (b) amount of payment, (c) RCTS #57823, (d) MD Anderson investigator Dr. Robert Bresalier, and (e) Kiromic contact name or email regarding the payment.

Progress reporting in accordance with the following schedule

July 2020	First reporting date
Oct 2020	Second reporting date
Jan 2021	Third reporting date
Mar 2021	Fourth and Last reporting date

$*	Direct Costs
$*	Indirect Costs
$*	Total

The budget for this project as outlined in the LOI is
Invoicing contact person: Trish Faulkner – Financial Department
7707 Fannin Street, Suite 140, Houston, TX 77054; 832-968-4888

1. BUDGET JUSTIFICATION

3.1 MD Anderson Cancer Center Personnel - **Total: $96,531**

Robert S. Bresalier MD, Principal investigator

Dr. Bresalier is Professor, Gastroenterology, Hepatology & Nutrition, Division of Internal Medicine,
University of Texas MD Anderson Cancer Center, Houston, TX.

Dr. Bresalier is a leading researcher in solid tumor biology, tumor progression and metastasis, and in
tumor-specific markers. He also directs several longstanding National Institutes of Health (NIH) funded research programs in cancer screening, early detection, and prevention.

He has led several pivotal national and international chemoprevention trials for prevention of colorectal
neoplasia. He is member of the National Steering Committee of the Prostate, Lung, Colon, and Ovarian
Cancer Screening Project, and an investigator of the Early Detection Research Network.

Dr. Bresalier will oversee the progression of the project, and will provide scientific guidance for experimental design, data interpretation, preparation of manuscripts

Time Allocation

He will commit a *% effort the Grant Project.

He will receive a total of $12,307 for the entire Grant Project.

Salary	Fringe Costs
$*	$*
*%	*%
$*	$*
Salary	$*
Fringes	$*2
TOTAL	**$***

Senior Scientist (TBN)

He/She should be an expert in immunotherapy, and immunodiagnostic product development, especially
related to the development of novel solutions to treat cancer and an expert in animal models.

He/She will direct and oversee all aspects of the in vivo studies described in the proposal, including conceptualization and experimental design, troubleshooting, and analysis of results.

Time Allocation

He will commit a *% of his time to the Grant Project.

The Senior Scientist will receive a total of $* for the Grant Project.

Salary	Fringe Costs
$*	$*
*%	*%
$*	$*
Salary	$*
Fringes	$*
TOTAL	**$***

Technician (TBD)

This individual will assist the senior scientist with bench work; animal work and with laboratory management tasks.

Time Allocation

He will commit a total of *% of his time to the Grant Project.

He will receive a total of $* for the entire Grant Project.

Salary	Fringe Costs
$*	$*
*%	*%
$*	$*
Salary	$*
Fringes	$*
TOTAL	**$***

3.2 Reagents and supplies - **Total $***

$*	Plasticware, disposables, and general laboratory supplies
$*	A Multiplex Luminex® Assay will be performed to measure the levels of the following human cytokines, which are key in the etiology of the cytokine release syndrome (CRS): IFN-y, TNF- a, IL-6, and IL10:
$*	The Xenogen IVIS 200 *in vivo* imaging system will be used to measure tumor burden and CAR T cells expansion in living mice. Fee for service:
$*	**TOTAL**

3.3 Animals - **Total $***

3.3.1 Procurement of 125 NOD.*Cg-Rag1*^{tm1MomIl2rg}^{tm1Wjl}/SzJ mice (70 mice for CD19 studies + 55 mice for the MSLN studies) from The Jackson Laboratory

$*	$*/mouse x* mice - $*
$*	The current per diem pricing is approximately $* per cage. * = $*
$*	**TOTAL**

3.3.2 Housing care and experimental procedure: the animals will be housed 5 per cage

3.4 Travel: Domestic - **Total $***

Summary of Costs

$*	Dr. Bresalier
$*	Scientist
$*	Technician
$*	Total Personnel
$*	Reagents and supplies
$*	Mice
$*	Travel domestic
$*	**Total Direct Costs**
*%	MDAA's Indirect costing rate
$*	**Total Indirect Costs**
$*	**TOTAL GRANT to MDAA**

Dr. Bresalier's laboratory will test the efficacy:

1.1 CD19 isoform targeting

(and/or other isoforms for hematological diseases)

One of the most innovative approaches for relapsed B-ALL and for refractory DLBCL involves the use of adoptive T cells expressing chimeric antigen receptors (CAR-T) against CD19. About 30%-50% of CD19 CAR T-cell resistant cases are characterized by the loss of detectable CD19.

Epitope loss has been suggested making leukemia cells invisible to the modified T cells. This causes resistance to approve anti-CD19 CAR T cell therapies, namely Kymriah® and Yescarta®.

Our CAR-NKT/T/NK cell therapy is directed against a CD19 epitope located in exon 3 and therefore retained in the CD19L'Exon2 variant.

Therefore, the CAR-T CD19L'Exon2 therapy we propose to evaluate in this pre- clinical study could be potentially indicated for B-ALL and DLBCL subjects who failed to respond to approved anti-CD19 CAR T cell therapies, and whose leukemic cells express the CD19L'Exon2 variant and/or alternative targets for non- solid tumor

1.2 Mesothelin isoform targeting

(and/or other isoforms for solid tumors)

Mesothelin is an attractive immunotherapeutic target for ovarian cancer and malignant pleural mesothelioma. although tumor cells sensitivity to anti- Mesothelin CAR T cells is higher than that of normal tissues due to the increased target density on the surface of tumor cells, potential on-target/off-tumor effects are still possible, which may cause dose-limiting toxicities particularly to the pericardium.

In the effort to increase the safety profile of Mesothelin-directed immunotherapies, by analyzing the splice-level data in the TCGA and GTEx repositories, we have found an alternative-spliced transcript of the human Mesothelin gene, which is only expressed by cancer cells.

The anti-mesothelin isoform CAR we plan to test in these pre-clinical studies could be therefore potentially developed for more effective and safer therapies for mesothelin-expressing solid malignancies and/or alternative targets for solid tumor.

SCOPE OF WORK

Aim 1	to study the *in vivo* efficacy, i.e. the anti-tumor potency, of new anti-isoform CAR NKTL or NK and T cells with or without anti-PDL1 and; IL2/15 armor; mSTAT5A; Anti-CD47, and the rapamycin-inducible suicide gene iCas9
Aim 2	to study the bio-distribution, the in vivo expansion, and the tolerability (toxicity) of new anti-isoform CAR NKTL /or NK and T cells with or without anti-PDL1; IL2/15 armor; mSTAT5A; Anti-CD47, and the rapamycin-inducible suicide gene iCas9
Aim 3	to study the efficacy of in vivo depletion of engineered CAR cells using rapamycin- induced chimeric caspase 9 (iCas9).

The University of Texas M. D. Anderson Cancer Center Name of the Institution	Kiromic Biopharma Name of the institution
/s/ Jaime Faias Signature of Authorized Official	/s/ Tony Tontat Signature of Authorized Official
2/6/2020 Date	3/5/2020 Date
Jaime Farias Assistant Director, OSP Name and Title of Authorized Official	Tony Tontat (CFO) Name and Title of Authorized Official
Read and Understood:	Kiromic Biopharma Name of the Institution
/s/Robert Bresalier Robert Bresalier, MD Principal Investigator	/s/ Scott Dahlbeck Signature of Authorized Official
1/20/2020 Date	05 March 2020 Date
	Dr. Scott Dalhbeck (Chief Medical Officer) Name and Title of Authorized Official

Exhibit 10.15

LEASE AGREEMENT

FANNIN SOUTH PROFESSIONAL BUILDING

BY AND BETWEEN

TIMOTHY L. SHARMA D/B/A
CAMBRIDGE PROPERTIES

(“LESSOR”)

AND

KIROMIC, LLC

(“LESSEE”)

TABLE OF CONTENTS

EXHIBITS:

LEASE AGREEMENT

Office Building

This Lease Agreement (this **"Lease Agreement")** is made and entered into as of the Effective Date set forth on the signature page between TIMOTHY L. SHARMA D/B/A CAMBRIDGE PROPERTIES, **("Lessor"),** and KIROMIC, LLC, a Texas limited liability company **("Lessee").**

WITNESSETH:

SEC. 1 LEASED PREMISES: In consideration of the mutual covenants as set forth herein, Lessor and Lessee hereby agree as follows:

A. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor for the rental and on the terms and conditions hereinafter set forth approximately Nine Thousand Three Hundred Fifty-Two (9,352) square feet of Net Rentable Area in the Fannin South Professional Building, Suite 140, located at 7707 Fannin, Harris County, Texas, 77054, as indicated on the floor plan attached hereto as Exhibit "A" (the **"Leased Premises")** in an office building (the **"Building")** located on that certain tract or parcel of land more particularly described by metes and bounds on Exhibit "B" attached hereto and made a part hereof for all purposes (the **"Land").** Facilities and areas of the Building that are intended and designated by Lessor from time to time for the common, general and non-exclusive use of all tenants of the Building are called **'·Common Areas."** Lessee, its employees, agents, contractors and invitees shall have, at all times while this Lease Agreement is effective, non-exclusive use of such Common Areas. Lessor has the exclusive control over and right to manage the Common Areas. In addition, Lessor shall have the exclusive use and control over all other areas of the Building not designated as Common Areas nor leased exclusively to tenants of the Building, which include, but are not limited to, all risers, horizontal and vertical shafts and telephone closets in the Building. Lessee hereby agrees and acknowledges that Lessor is making no representation, warranty or covenant, and no such representation, warranty or covenant is to be implied, with respect to any information provided to Lessee by Lessor or any other party concerning the Building, including, without limitation, any information provided in this Lease Agreement or in the exhibits attached hereto (including, without limitation, any information as to the design of the Building, its location on the Land, tenants or prospective tenants, etc.) and such information is subject to change at any time and without notice. Lessor shall have the right, in Lessor's sole discretion, to change the design of the Building and/or the location of the Building on the Land as well as the dimensions, identities, locations and types of any other improvements on the Land, including, without limitation, any parking areas on the Land or otherwise intended to be for the benefit of the Building; provided that such changes do not have a material adverse impact on Lessee's use of, and access to, the Leased Premises.

B. The tem1 **"Net Rentable Area"** shall mean the net rentable area measured according to standards similar to the standards published by the Building Owners and Managers Association International, Publication ANSI Z 65.1-1996, as amended from time to time. The foregoing definition of Net Rentable Area will be used in calculating the Net Rentable Area of

the Building and the Leased Premises; provided that Lessee hereby agrees that Lessor's calculation of Net Rentable Area shall be deemed correct, subject to manifest error, notwithstanding any minor variations in measurement or other minor variations that may have been incurred in the calculation thereof. If the Building is ever demolished, altered, remodeled, renovated, expanded or otherwise changed in such a manner as to alter the amount of space contained therein, then the Net Rentable Area of the Building shall be adjusted and recalculated by using the foregoing method of determining Net Rentable Area.

C. Lessor shall have sole control over the parking of automobiles and other vehicles and the entrances, exits, and traffic lanes of the parking areas and Building service areas. Subject to Exhibit "I" of this Lease Agreement, Lessee and Lessee's employees and invitees shall have the right to use the paved parking area adjacent to the Building on the Land on a non-exclusive or general basis with other tenants of the Building and their employees and invitees. Lessor shall have the right to establish and alter, from time to time, reasonable rules and regulations relating to the use of such parking facility, which may include designating certain areas of said parking facility for use by Lessee and Lessee's employees and invitees.

D. The Leased Premises shall be delivered to Lessee and Lessee shall accept same, in its current "AS IS, WHERE IS" condition subject to the construction of leasehold Improvements, if any, set forth and described on Exhibit "F" attached hereto and made a part hereof for all purposes. Lessee acknowledges that no representations as to the repair of the Leased Premises or the Building, nor promises to alter, remodel or improve the Leased Premises or the Building, have been made by Lessor, except as are expressly set forth in this Lease Agreement.

SEC. 2 TERM:

A. The term of this Lease Agreement shall commence on the earliest to occur of (i) Substantial Completion of the leasehold Improvements, as defined in Exhibit "F" hereto; and (ii) one hundred twenty (120) days, subject to an extension as a result of causes beyond the reasonable control of Lessor or Lessee, but no more than thi1ty (30) additional days (such earlier date being herein referred to as the **"Commencement Date"**) and, unless sooner terminated or renewed and extended in accordance with the terms and conditions set forth herein, shall expire at 11:59 p.m. on the day preceding the third (3rd) yearly anniversary of the Commencement Date (the **"Term"**).

B. This Lease Agreement shall be effective as of the Effective Date and in the event Lessee or its agents, employees or contractors enter the Leased Premises prior to the Commencement Date, such entry shall be subject to the terms and conditions of this Lease Agreement, except that the Rent (as hereinafter defined) shall not commence to accrue as a result of such entry until the date specified in Section 5 below.

C. Lessee shall have two (2) options (each a **"Renewal Option")** to renew and extend the term of this Lease Agreement, each for and additional period of two (2) years (each, an **"Extended Term"),** commencing on the day following the Expiration Date (or on the day following the expiration of the first Extended Term, as applicable) and expiring two (2) years thereafter, unless the applicable Extended Term shall sooner terminate pursuant to any of the terms of this Lease Agreement or otherwise.

(1) The Renewal Option may only be exercised by Lessee g1vmg written notice thereof no less than nine (9) months prior to the Expiration Date (or the expiration of the first Extended Term, as applicable). If Lessee fails to give notice of exercise of the Renewal Option within such specified time period, the Renewal Option shall be deemed waived and of no further force and effect, and this Lease Agreement shall expire on the Expiration Date (or on the expiration of the first Extended Term, as applicable).

(2) Lessee's right to extend this Lease Agreement as provided for herein can be exercised only if, at the time of such exercise and upon the commencement of the applicable Extended Term, no Event of Default then exists under this Lease Agreement. If such condition is not satisfied or waived by Lessor, the Renewal Option shall be terminated and of no further force and effect, any purported exercise thereof shall be null and void, and this Lease Agreement shall terminate on the Expiration Date.

(3) If Lessee shall exercise the Renewal Option (in accordance with and subject to the provisions of this Section 2.C), all of the terms, covenants and conditions provided in this Lease Agreement shall continue to apply during the Extended Term, except that (i) with regards to the second Extended Te1m, if applicable, the Base Rent (including, without limitation, the component, if any, of the Base Rent attributable to Lessee's pro rata share of Operating Expenses) payable by Lessee during the second Extended Term shall be. determined based on the then Prevailing Market Rate (as defined herein) for the Leased Premises (as determined in (3) below), and (ii) any terms, covenants and conditions that are expressly or by their nature inapplicable to the Extended Term (including, without limitation, this Section 2.C) shall be deemed void and of no further force and effect. No assignee of this Lease Agreement (other than a Permitted Transferee) or subtenant of any portion of the Leased Premises shall have any rights hereunder whatsoever.

(4) Within thirty (30) days following Lessee's exercise of the second Renewal Option, Lessor shall provide Lessee written notice of its good faith determination of the Prevailing Market Rate for the second Extended Term. Within fifteen (15) days after receipt of Lessor's determination, Lessee shall notify Lessor in writing that Lessee (i) accepts Lessor's determination of the Prevailing Market Rate for the second Extended Term, (ii) revokes its exercise of the Renewal Option in which event this Lease Agreement shall te1minate upon the applicable Expiration Date, or (iii) rejects Lessor's determination of the Prevailing Market Rate for the second Extended Te1m. If Lessee fails to give timely written notice to Lessor of its decision, then Lessee shall conclusively be deemed to have elected to renew for the second Extended Term at the Prevailing Market Rate proposed by Lessor. If Lessee timely accepts or is deemed to have accepted to renew the term at the Prevailing Market Rate proposed by Lessor, then Lessee shall not thereafter be entitled to revoke its exercise of the second Renewal Option. If Lessee so rejects Lessor's determination, Lessor and Lessee shall endeavor to reach agreement upon the Prevailing Market Rate for the second Extended Term within thirty (30) days from the date of Lessee's notice to Lessor. In the event that Lessor and Lessee are unable

to agree on the Prevailing Market Rate, Lessee may submit the matter to arbitration within ten() 0) days of Lessee's receipt of the Prevailing Market Rate from the Lessor by delivering written notice of its objection to the Lessor and, thereafter, the Lessor and the Lessee shall discuss the amount of the Prevailing Market Rate for a period of thirty (30) days from the date of Lessee's w1itten notice of its objection. The Lessor and the Lessee acknowledge and agree that each party may act in its sole discretion during any such discussions. If the Lessor and Lessee are unable to mutually agree on the Prevailing Market Rate within said 30-day period, then the Lessor and the Lessee each shall appoint an arbitrator certified by the American Arbitration Association **("AAA")** in Houston, Texas, with at least seven (7) years' experience in the valuation of commercial real estate comparable to the Building and Leased Premises (each an **"Appraiser"** and collectively the **"Appraisers").** The Lessor and the Lessee shall deliver to the Appraisers their respective determination of the Prevailing Market Rate (each a **"Proposed Prevailing Market Rate")** and each of the Appraisers shall within thirty (30) days of their appointment determine which of the Proposed Prevailing Market Rates is closest to the actual aggregate fair market value of rent for the Leased Premise s. In the instance that both Appraisers select the same Proposed Prevailing Market Rate, then the Lessor and the Lessee agree to accept such Proposed Prevailing Market Rate as the final Prevailing Market Rate. If the Appraisers are unable to agree on the Proposed Prevailing Market Rates delivered by Lessor and Lessee, then these initial two Appraisers shall pick a third Appraiser (the **"Third Appraiser")** certified by the AAA and shall notify the Lessor and the Lessee of their appointment. Within thirty (30) days of his or her appointment, the Third Appraiser shall deliver to the Lessor and the Lessee his or her determination of which of the Proposed Prevailing Market Rates proposed by the prior two Appraisers is closest to the fair market value of rent for the Leased Premises and the Lessor and the Lessee agree to accept such Proposed Prevailing Market Rate as the final Prevailing Market Rate. The Lessor and the Lessee shall solely pay the costs for the respective Appraiser selected by each and shall share equally the cost and expenses for the Third Appraiser.

(5) The **"Prevailing Market Rate"** shall be determined based on the rates charged to tenants for renewals and extensions of leases of space of comparable size, location and conditions in the Building and comparable buildings and fm1her taking into consideration the following: (i) the location, quality and age of the building, (ii) the use, location, size and floor level(s) of the space in question, (iii) the extent of leasehold Improvements (to be provided) if any, (iv) leasehold improvement allowances if any, (v) abatements (including with respect to base rental, operating expenses and real estate taxes and parking charges), (vi) extent of services provided or to be provided, (vii) base year or dollar amount for escalation purposes (both operating expenses and ad valorem/real estate taxes), (viii) term or length of lease, (ix) the payment of a leasing commission and/or fees/bonuses in lieu thereof, whether to Lessor, any person or entity affiliated with Lessor, or otherwise, (x) any other concession or inducement or condition in making the Prevailing Market Rate determination, (xi) the financial condition and general creditworthiness of the tenant and (xii) all other relevant factors.

SEC. 3 USE: Lessee may use the Leased Premises for office purposes and laboratory purposes, and related research, pre-clinical and clinical studies, development, commercialization

and manufacturing activities. Lessor acknowledges that Lessee is a biotechnology company and Lessee shall be permitted to conduct certain research and development activities on the Leased Premises, including working with biological substances, including substances requiring biosafety level 2 containment, and developing and implementing small scale manufacturing processes. The types of activities may include, but not be limited to, the production of biological products using a variety of expression technologies, and downstream purification. Any use of the Leased Premises for these activities will comply with all application laws and regulations. Additionally, Lessee may also conduct certain testing on small animals (e.g., mice, rats, rabbits) for research and development purposes involving materials or products produced or used by Lessee. The Leased Premises shall not be used for any purpose which would tend to lower the character of the Building, or create unreasonable elevator loads or otherwise interfere with standard Building operations and Lessee shall not engage in any activity which does not comply with the standards of the Building. Lessee agrees specifically that no food, soft drink or other vending machine will be installed within the Leased Premises without the prior written consent of Lessor, which collectively may be withheld in Lessor's sole discretion.

SEC. 4 SECURITY DEPOSIT: In conjunction with the execution of this Lease Agreement, Lessee shall deliver a security deposit in the amount of Twenty Nine Thousand Six Hundred Fourteen and 66/100 Dollars ($29,614.66); provided, however, Lessor shall credit Lessee Fourteen Thousand Eight Hundred Seven and 33/100 Dollars ($14,807.33) against the Base Rent for the thirteenth (13th) month following the Commencement Date. Upon the occurrence of any Event of Default (as hereinafter defined) by Lessee, Lessor may, from time to time, without prejudice to any other remedy, use the security deposit paid to Lessor by Lessee as herein provided to the extent necessary to make good any arrears of Rent (as hereinafter defined) and any other actual damage, injury, expense or liability caused to Lessor by such Event of Default. Following any such application of the security deposit, Lessee shall pay to Lessor on demand the amount so applied in order to restore the security deposit to the amount thereof existing prior to such application. Any remaining balance of the security deposit shall be returned by Lessor to Lessee within thirty (30) days after the termination of this Lease Agreement provided, however, Lessor shall have the right to retain and expend such remaining balance (a) to reimburse Lessor for any and all rentals or other sums due hereunder that have not been paid in full by Lessee and/or (b) for cleaning and repairing the Leased Premises if Lessee shall fail to deliver same at the termination of this Lease Agreement in a neat and clean condition and in as good a condition as existed at the date of possession of same by Lessee, ordinary wear and tear only excepted. Lessee shall not be entitled to any interest on the security deposit. Such security deposit shall not be considered an advance payment of rental or a measure of Lessor's damages in case of an Event of Default by Lessee.

SEC. 5 BASE RENT:

A. As part of the consideration for the execution of this Lease Agreement, Lessee covenants and agrees and promises to pay as base rent an annual sum of Nineteen and 00/100 Dollars ($19.00) per square foot of Net Rentable Area in the Leased Premises (the **"Base Rent")** payable to Lessor at the address specified in Section 31 below (or such other address as may be designated by Lessor in writing from time to time upon at least thirty (30) days' prior notice) in monthly installments of Fourteen Thousand Eight Hundred Seven and 33/100 Dollars

($14,807.33) in legal tender of the United States of America, in advance, without demand, set-off or counterclaim. on the first day of each calendar month during the term hereof and any extensions or renewals hereof; provided, however, the first monthly payment of Base Rent shall be made on the Commencement Date.

B. In addition to the foregoing Base Rent, Lessee agrees to pay to Lessor as additional rent all charges for any services, goods or materials furnished by Lessor at Lessee's request which are not required to be furnished by Lessor under this Lease Agreement, as well as other sums payable by Lessee here under, within ten (10) days after Lessor renders a statement therefor to Lessee. All Rent (as hereinafter defined) shall bear interest from the date due until paid at the greater of (i) two percent (2%) above the "prime rate" per annum of JPMorgan Chase Bank, a New York banking corporation or its successor **("JPMorgan Chase"),** in effect on said due date (or if the "prime rate" be discontinued, the base reference rate then being used by JPMorgan Chase to define the rate of interest charged to commercial borrowers) or (ii) twelve percent (12%) per annum; provided , however , in no event shall the rate of interest hereunder exceed the maximum non-usurious rate of interest (hereinafter called the **"Maximum Rate")** permitted by the applicable laws of the State of Texas or the United States of America, and to the extent that the Maximum Rate is determined by reference to the laws of the State of Texas, the Maximum Rate shall be the weekly ceiling (as defined and described in Chapter 303 of the Texas Finance Code, as amended) at the applicable time in effect.

SEC. 6 ADDITIONAL RENT:

A. As part of the consideration for the execution of this Lease Agreement, and in addition to the Base Rent specified above, Lessee covenants and agrees to pay, for each calendar year after the calendar year 2016 (the **"Base Year"**), as additional rent (the **"Additional Rent"**), Lessee's pro rata share of the Operating Expenses (as hereinafter defined) for that year which exceed the Operating Expenses for the Base Year. Lessee's pro rata share is thirteen percent (13%), calculated by dividing the Net Rentable Area in the Leased Premises (9,352) by the Net Rentable Area in the Building (70,345). The Base Rent, Additional Rent and all other sums of money that become due and payable under this Lease Agreement shall collectively be referred to as **"Rent"**.

B. All Operating Expenses shall be determined in accordance with generally accepted accounting principles, consistently applied and shall be computed on the accrual basis. The term **"Operating Expenses"** as used herein shall mean all expenses, costs and disbursements in connection with the ownership, operation, maintenance and repair of the Building, the Land, related pedestrian walkways, landscaping, fountains, roadways and parking facilities, and such additional facilities to service any of the foregoing in subsequent years as may be necessary or desirable in Lessor's discretion, including but not limited to the following:

(1) Wages and salaries of the dedicated on-site personnel of any management company engaged to manage the Building and of all employees engaged in the operation, security, cleaning and maintenance of the Building, including customary taxes, insurance and benefits relating thereto.

(2) All supplies, tools, equipment and materials used m operation and maintenance of the Building.

(3) Cost of all utilities for the Building, including but not limited to the costs of water and power, heating, lighting, air conditioning and ventilation.

(4) Cost of all janitorial service, maintenance and service agreements for the Building and the equipment therein, including alarm service, security service, window cleaning, janitorial service and elevator maintenance.

(5) Cost of all insurance relating to the Building which Lessor may elect to obtain, including but not limited to casualty and liability insurance applicable to the Building and Lessor's personal property used in connection therewith.

(6) All taxes and assessments and other governmental charges whether federal, state, county or municipal and whether they be by taxing districts or authorities presently taxing the Leased Premises or by others subsequently created or otherwise, and any other taxes and improvement assessments attributable to the Building or its operation excluding, however, federal and state taxes on income; provided, however, that if at any time during the Term, the present method of taxation or assessment shall be so changed that the whole or any part of the taxes, assessments, levies, impositions or charges now levied, assessed or imposed on real estate and the improvements thereof shall be discontinued and as a substitute therefor, or in lieu of an addition thereto, taxes, assessments, levies, impositions or charges shall be levied, assessed and/or imposed wholly or partially as a capital levy or otherwise on the rents received from the Building or the rents reserved herein or any part thereof, then such substitute or additional taxes, assessments, levies, impositions or charges, to the extent so levied, assessed or imposed, shall be deemed to be included within Operating Expenses to the extent that such substitute or additional tax would be payable if the Building were the only property of the Lessor subject to such tax. It is agreed that Lessee will be responsible for ad valorem taxes on its personal property and on the value of leasehold improvements to the extent that the same exceed standard building allowance.

(7) Amortization of the cost of installation of capital investment items that have been or are hereafter installed for the purpose of reducing Operating Expenses or which may be required by any laws, ordinances, orders, rules, regulations and requirements which impose any duty with respect to or otherwise relate to the use, condition, occupancy, maintenance or alteration of the Building, whether now in force or hereafter enacted. All such costs which relate to the installation of such capital investment items shall be amortized over the reasonable life of the capital investment item,

with the reasonable life and amortization schedule being determined in accordance with generally accepted accounting principles as reasonably determined by Lessor.

(8) The property management fees incurred by Lessor.

(9) Cost of repairs and general maintenance (excluding repairs and general maintenance paid by proceeds of insurance or by Lessee or other third parties) for the Building.

(10) A reasonable allocation, as determined by Lessor, of costs and expenses of operating any facilities, including, without limitation, parking, common area and central plant facilities, which service the Building and other buildings owned by Lessor or any affiliate of Lessor or which are for the shared use of the tenants of the Building and tenants of other buildings owned by Lessor or any affiliate of Lessor.

Notwithstanding the foregoing, Operating Expenses shall not include any of the following:

(1) Costs for which Lessor is reimbursed by any lessee (other than as a reimbursement of Operating Expenses) or Lessee, or by Lessor' s insurance carrier or any lessee's carrier or by anyone else.

(2) Interest, principal, points and fees on debt or amortization payment on any mortgages, deeds of trust or other debt instruments.

(3) Depreciation and amortization except as permitted pursuant to Section 6.B.

(4) Leasing commissions of any kind and attorneys' fees incurred in connection with (i) negotiations or disputes with lessees or other occupants, or prospective lessees or other occupants, or (ii) the enforcement of any leases, or (iii) the defense of Lessor's title to or interest in the Building or Land or any part thereof or Common Areas or any part thereof.

(5) Costs included in renovating or otherwise improving space for lessees or other occupants, or vacant space in the Building.

C. If the Term of this Lease Agreement as described above commences on other than the first day of a calendar month or terminates on other than the last day of a calendar month, then the installments of Base Rent for such month or months shall be prorated and the installment or installments so prorated shall be paid in advance. The payment for such prorated month shall be calculated by multiplying the monthly installment by a fraction, the numerator of which shall be the number of days of the Term occurring during said commencement or termination month, as the case may be, and the denominator of which shall be the total number

of days occurring in said commencement or termination month. Also, if the Term of this Lease Agreement commences or terminates on a day other than the first day of a calendar year, Lessee's Additional Rent shall be prorated for such commencement or termination year, as the case may be, by multiplying each by a fraction, the numerator of which shall be the number of days of the Term during the commencement or termination year, as the case may be, and the denominator of which shall be 365, and the calculation described in Section 6.E below shall be made as soon as reasonably possible after the termination of this Lease Agreement, Lessor and Lessee hereby agreeing that the provisions relating to said calculation shall survive the termination of this Lease Agreement.

D. On or about January 1 of each calendar year after the Base Year during the Term, Lessor shall deliver to Lessee Lessor's good faith estimate (the **"Estimated Additional Rent")** of Lessee's Additional Rent for such year. The Estimated Additional Rent shall be paid in equal installments in advance on the first day of each month. If Lessor does not deliver an estimate to Lessee for any year by January 1 of that year, Lessee shall continue to pay Estimated Additional Rent based on the prior year's estimate. From time to time during any calendar year or upon at least thirty (30) days ' prior written notice to Lessee, Lessor may revise its estimate of the Additional Rent for that year based on either actual or reasonably anticipated increases in Operating Expenses, and the monthly installments of Estimated Additional Rent shall be appropriately adjusted for the remainder of that year in accordance with the revised estimate so that by the end of the year, the total payments of Estimated Additional Rent paid by Lessee shall equal the amount of the revised estimate.

E. Within one hundred fifty (150) days after the end of each calendar year during the Term, or as soon as reasonably practicable thereafter, Lessor shall provide Lessee a statement, (the **"Year End Statement")** showing the Operating Expenses for said calendar year, prepared in accordance with generally accepted accounting practices, and a statement prepared by Lessor comparing Estimated Additional Rent paid by Lessee with actual Additional Rent. If the Estimated Additional Rent paid by Lessee, if any, exceeds the actual Additional Rent for said calendar year, Lessor shall pay Lessee an amount equal to such excess at Lessee's option, by either giving a credit against rentals next due, if any, or by direct payment to Lessee within thirty (30) days of the date of such statement. If the actual Additional Rent exceeds Estimated Additional Rent for said calendar year, Lessee shall pay the difference to Lessor within thirty (30) days of receipt of the statement. The provisions of this paragraph shall survive the expiration or termination of this Lease Agreement.

F. Lessee Audit Right. After receiving an annual Operating Expenses statement and giving Lessor ten (10) days' prior written notice thereof, Lessee may audit Lessor's records relating to Operating Expenses for the period of time covered by such statement in accordance with the following provisions. If Lessee fails to object to the calculation of Operating Expenses on the Year End Statement within forty-five (45) days after the statement has been delivered to Lessee, then Lessee shall have waived its right to object to the calculation of Operating Expenses for the year in question and the calculation of Operating Expenses set forth on such statement shall be final. Lessee's audit shall be conducted where Lessor maintains its books and records, shall not unreasonably interfere with the conduct of Lessor's business, and shall be conducted only during business hours reasonably designated by Lessor. Lessee shall pay the cost of such

audit incurred by Lessee unless the total Operating Expenses for the period in question is determined to be in error by more than four percent (4%), in the aggregate, more than the actual Operating Expenses due for such period, in which case Lessor shall pay the audit cost. Lessee may not have an audit performed more than once during any calendar year. Lessee or the accounting firm conducting such audit shall, at no charge to Lessor, submit its audit report in draft form to Lessor. If such audit reveals that an error was made in the Operating Expenses previously charged to Lessee, then Lessor shall refund to Lessee any overpayment of any such Expenses, or Lessee shall pay to Lessor any underpayment of any such Expenses, as the case may be, within 30 days after notification thereof. Lessee shall maintain the results of each such audit confidential and shall not be permitted to use any third party to perform such audit, other than an independent firm of certified public accountants (1) reasonably acceptable to Lessor, (2) which is not compensated on a contingency fee basis or in any other manner which is dependent upon the results of such audit or inspection (and Lessee shall deliver the fee agreement or other similar evidence of such fee arrangement to Lessor upon request), and (3) which agrees with Lessor in writing to maintain the results of such audit confidential.

G. Notwithstanding any other provision herein to the contrary, it is agreed that if less than ninety-five percent (95%) of the Net Rentable Area of the Building is occupied during any calendar year or if less than ninety-five percent (95%) of the Net Rentable Area of the Building is not provided with Building standard services during any calendar year, an adjustment shall be made in computing each component of the Operating Expenses for that year which varies with the rate of occupancy of the Building (such as, but not limited to, utility costs, management fees and janitorial costs) so that the total Operating Expenses shall be computed for such year as though the Building had been ninety-five percent (95%) occupied during such year and as though ninety-five percent (95%) of the Building had been provided with Building standard services during that year.

H. All Additional Rent shall be paid by Lessee to Lessor contemporaneously with the required payment of Base Rent on the first day of each calendar month, monthly in advance, for each month of the Term, in lawful money of the United States at the address specified in Section 31 below (or such other address as may be designated by Lessor in writing from time to time). No payment by Lessee or receipt by Lessor of an amount less than the amount of Rent herein stipulated to be paid shall be deemed to be other than on account of the stipulated Rent, nor shall any endorsement on any check or any letter accompanying such payment of Rent be deemed an accord and satisfaction, but Lessor may accept such payment without prejudice to his rights to collect the balance of such Rent.

I. Notwithstanding anything to the contrary contained herein, Lessor shall cap all Controllable Expenses at five percent (5%), cumulative. Lessor shall use reasonable efforts to provide such services and to pay such expenses in a cost-effective manner, which when practical, shall include competitive bidding for maintenance, insurance and other costs and the protesting of taxes.

J. For purposes hereof, the following terms shall have the following meanings:

“Uncontrollable Expenses” shall mean Taxes, insurance premiums, utility costs, costs incurred in complying with any law enacted after the Commencement Date, wages and

salaries affected by the minimum wage and other costs beyond the reasonable control of Landlord to the extent generally recognized by landlords of comparable buildings as operating expenses the amount of which is not within the reasonable control of landlords.

"Controllable Expenses" shall mean all Operating Expenses other than Uncontrollable Expenses.

"Base Amount" shall mean the amount of the Controllable Expenses for calendar year 2016.

"Cap Amount" shall mean, for calendar year 2017, 105% of the Base Amount and, for any calendar year after 2018, 105% of the Controllable Expenses for the immediately preceding calendar year.

SEC. 7 SERVICE AND UTILITIES:

A. Provided no Event of Default (as hereinafter defined) has occurred and is continuing hereunder, and subject to the provisions of Sections 7.B and 7.C below, Lessor shall furnish the following services and amenities (collectively, the **"Required Services")** to Lessee (and its assignees and subleases permitted hereunder) while occupying the Leased Premises:

(1) Domestic water at those points of supply provided for general use of the tenants of the Building;

(2) Central heat, ventilation and air conditioning in season, at such times, at such temperatures and in such amounts as are considered by Lessor to be standard, all as more particularly described on Exhibit "G" attached hereto and made a part hereof for all purposes;

(3) Electric lighting service for all public areas and special service areas of the Building in the manner and to the extent deemed by Lessor to be standard;

(4) Janitor service on a five (5) day week basis, in the manner and to the extent deemed standard by Lessor during the periods and hours as such services are normally furnished to all tenants in the Building;

(5) On-site security personnel and equipment for the Building; provided, however, that Lessee agrees that Lessor shall not be responsible for the adequacy or effectiveness of such security;

(6) Electrical facilities to furnish during normal operating hours (i) power to operate typewriters, personal computers, calculating machines , photocopying machines and other equipment that operates on 120/208 volts (collectively, the **"Low Power Equipment");** provided, however, total rated connected load by the Low Power Equipment shall not exceed an average of five (5) watts per square foot of Net Rentable Area of the Leased Premises and (ii) power to operate Lessee's lighting and Lessee's

equipment that operates on 277/480 volts (collectively, the **"High Power Equipment");** provided, however, total rated connected load by the High Power Equipment shall not exceed an average of two (2) watts per square foot of Net Rentable Area of the Leased Premises. In the event that the Lessee's connected loads for low electrical consumption (120/208 volts) and high electrical consumption (277/480 volts) are in excess of those loads stated above, and Lessor agrees to provide such additional load capacities to Lessee (such determination to be made by Lessor in its sole discretion), then Lessor may install and maintain, at Lessee's expense, electrical submeters, wiring, risers, transformers, and electrical panels, and other items required by Lessor, in Lessor's discretion, to accommodate Lessee's design loads and capacities that exceed those loads stated above, including, without limitation, the installation and maintenance thereof. If Lessee shall consume electrical current in excess of 0.75 kilowatt hours per square foot of Net Rentable Area in the Leased Premises per month, Lessee shall pay to Lessor the actual costs to Lessor to provide such additional consumption as Additional Rent. Lessor may determine the amount of such additional consumption and potential consumption by either or both: (1) a survey of standard or average tenant usage of electricity or other utilities in the Building performed by a reputable consultant selected by Lessor and paid for by Lessee; or (2) a separate meter in the Leased Premises installed, maintained, and read by Lessor at Lessee's expense. If any supplemental heating, ventilation and air-conditioning unit is installed in the Leased Premises or serves the Leased Premises (the **"Supplemental HVAC Equipment"),** Lessor shall install and maintain electrical submeters, at Lessee's expense, to monitor Lessee's actual aggregate consumption of electrical power by the Supplemental HVAC Equipment. Lessee shall reimburse Lessor for such consumption as billed as Additional Rent, based on average kilowatt hour or other unit charge over the applicable billing period within thirty (30) days after such billing. Lessee shall further have the right to install a generator, subject to Lessor's approval such approval not to be unreasonably withheld, conditioned or delayed.

(7) All Building standard fluorescent bulb replacement in all areas and all incandescent bulb replacement in public areas outside of the Leased Premises, rest rooms and stairwells; and

(8) Non-exclusive passenger elevator service to the Leased Premises twenty-four (24) hours per day and non-exclusive freight elevator service during normal business hours.

B. The obligation of Lessor to provide the Required Services shall be subject to governmental regulation thereof (i.e., rationing, temperature control, etc.) and any such regulation that impairs Lessor' s ability to provide the Required Services as herein stipulated shall not constitute an Event of Default hereunder but rather providing the applicable Required Services to the extent allowed pursuant to such regulations shall be deemed to be full compliance with the obligations and agreements of Lessor hereunder.

C. To the extent any of the Required Services require electricity, gas and water supplied by public utilities or others, Lessor's covenants hereunder shall only impose on Lessor the obligation to use its good faith efforts to cause the applicable public utilities or other providers to furnish the same. Failure by Lessor to furnish any of the Required Services to any extent, or any cessation thereof, due to failure of any public utility or other provider to furnish service to the Building, or any other cause beyond the reasonable control of Lessor, shall not render Lessor liable in any respect for damages to either person or property, nor be construed as an eviction of Lessee, nor work an abatement of Rent, nor relieve Lessee from fulfillment of any covenant or agreement hereof. As used herein, the phrase "causes beyond the reasonable control of Lessor" shall include, without limitation, acts of the public enemy, restraining of government, unavailability of materials, strikes, civil riots, floods, hurricanes, tornadoes, earthquakes and other severe weather conditions or acts of God. In the event of any failure by Lessor to furnish any of the Required Services to any extent, or any cessation thereof, due to malfunction of any equipment or machinery, or any other cause within the reasonable control of Lessor arising as a result of Lessor's negligence or willful misconduct, and such cessation continues for five (5) consecutive business days or longer, Rent payable by Lessee shall abate effective as of the date of such interruption of any Required Service with respect to the affected portion of the Leased Premises , irrespective of whether or not Lessee continues to use all or a portion of the affected areas. In the event the Required Services are interrupted for ninety (90) or more consecutive days through no fault of Lessee, then Lessee will have the right to terminate the lease upon written notice to Lessor.

D. Lessee hereby acknowledges and agrees that Lessor is obligated to provide only the Required Services under this Lease Agreement, and that Lessor, its agents and representatives, have made no representations whatsoever of any additional services or amenities to be provided by Lessor now or in the future under this Lease Agreement. Notwithstanding the foregoing, Lessee recognizes that Lessor may, at Lessor's sole option, elect to provide additional services or amenities for the tenants of the Building from time to time, and hereby agrees that Lessor's discontinuance of any provision of any such additional services or amenities shall not constitute a default of Lessor under this Lease Agreement nor entitle Lessee to any abatement of or reduction in Rent.

SEC. 8 MAINTENANCE, REPAIRS AND USE:

A. Lessor shall provide for the cleaning and maintenance of the public portions of the Building including painting and landscaping surrounding the Building. Unless otherwise expressly stipulated herein, Lessor shall not be required to make any improvements or repairs of any kind or character on the Leased Premises during the Term, except such repairs as may be required by normal maintenance operations which shall include repairs to the exterior walls, corridors, windows, roof and other structural elements and equipment of the Building, and such additional maintenance as may be necessary because of damages by persons other than Lessee, its agents, employee s, invitees, visitors or licensees. Lessee shall provide Lessor with access codes to the alarm for Lessor's engineer staff and janitorial staff to access the Building after hours.

B. Lessor, its officers, agents and representatives, subject to any security regulations imposed by any governmental authority, shall have the right to enter parts of the Leased Premises upon twenty-four (24) hours prior written notice (except in cases of emergency for which no such prior written notice shall be required) at all reasonable hours to inspect, clean, make repairs, alterations and additions to the Building or Leased Premises which it may reasonably deem necessary or desirable, or to provide any service which it is obligated to furnish to Lessee, and Lessee shall not be entitled to any abatement or reduction of Rent by reason thereof. Lessor acknowledges and agrees that certain internal areas of the Leased Premises will be subject to secured access, at Lessee's sole discretion, and during any entry by Lessor into such secured areas, Lessor shall be at all times accompanied by a representative of Lessee.

C. Lessor may, at its option and at the cost and expense of Lessee, repair or replace any damage or injury done to the Building or any part thereof, caused by Lessee, Lessee' s agents, employees, licensees, invitees or visitors; Lessee shall pay the cost thereof to Lessor within ten (10) days of written demand thereof, together with reasonable supporting evidence of such costs. Lessee further agrees to maintain and keep the interior of the Leased Premises in good repair and condition at Lessee's expense. Lessee agrees not to commit or allow any waste or damage to be committed on any portion of the Leased Premises, and at the termination of this Lease Agreement, by lapse of time or otherwise, to deliver up the Leased Premises to Lessor in as good condition as on date of possession by Lessee, ordinary wear and tear alone excepted, and upon such termination of this Lease Agreement, Lessor shall have the right to re-enter and resume possession of the Leased Premises.

D. Lessee will not use, occupy or permit the use or occupancy of the Leased Premises for any purpose which is directly or indirectly forbidden by law, ordinance or governmental or municipal regulation or order, or which may be dangerous to life, limb or property; or permit the maintenance of any public or private nuisance; or do or permit any other thing which may unreasonably interfere with, annoy or disturb the quiet enjoyment of any other tenant of the Building; or keep any substance or carry on or permit any operation which might emit offensive odors or conditions into other portions of the Building; or use any apparatus which might make undue noise or set up vibrations in the Building; or permit anything to be done which would increase the fire and extended coverage insurance rate on the Building or contents and if there is any increase in such rates by reason of acts of Lessee, then Lessee agrees to pay such increase promptly upon demand therefor by Lessor. In the event Lessee fails to correct, cure or discontinue such prohibited or dangerous use following notice within the applicable cure period set forth herein, such failure shall constitute an Event of Default by Lessee hereunder and Lessor shall have all of its remedies as set forth in this Lease Agreement.

SEC. 9 QUIET ENJOYMENT:

A. Lessee, on paying the said Rent and performing the covenants herein agreed to be by it performed, shall and may peaceably and quietly have, hold and enjoy the Leased Premises for the said Term.

B. Notwithstanding anything herein to the contrary, Lessor hereby expressly reserves the right in its sole discretion to (i) temporarily or permanently change the location of, close, block or otherwise alter any streets, driveways, entrances, corridors, doorways or walkways leading to or providing access to the Building or any part thereof or otherwise restrict the use of same provided such activities do not unreasonably impair Lessee's access to and use of the Leased Premises, (ii) improve, remodel, add additional floors to or otherwise alter the Building, provided the same do not unreasonably impair Lessee' s access to, and use of, the Leased Premises, (iii) construct, alter, remodel or repair one or more parking facilities (including garages) on the Land, provided the same do not unreasonably impair Lessee's access to, and use of, the Leased Premises, (iv) convey, transfer or dedicate portions of the Land. In addition, Lessor shall have the right, in its sole discretion, at any time during the Term to attach to any or all of the Building windows a glazing, coating or film or to install storm windows for the purpose of improving the Building's energy efficiency. Lessee shall not remove, alter or disturb any such glazing, coating or film. The addition of such glazing, coating or film, or the installation of storm windows or the exercise of any of Lessor's rights pursuant to this Section 9, shall in no way reduce Lessee's obligations under this Lease Agreement or impose any liability on Lessor and it is agreed that Lessor shall not incur any liability whatsoever to Lessee as a consequence thereof and such activities shall not be deemed to be a breach of any of Lessor' s obligations hereunder. Lessor agrees to exercise good faith in notifying Lessee within a reasonable time in advance of any alterations, modifications or other actions of Lessor under this Section 9 if such alterations, modifications or other actions could reasonably interfere with Lessee' s conduct of business from the Leased Premises. Any diminution or shutting off of light, air or view by any structure which is now or may hereafter be effected on lands adjacent to the Building shall in no way affect this Lease Agreement or impose any liability on Lessor. Noise, dust or vibration or other incidents to new construction of improvements on lands adjacent to the Building, whether or not owned by Lessor, or on the Land shall in no way affect this Lease Agreement or impose any liability on Lessor. Lessee agrees to reasonably cooperate with Lessor, at no additional cost to Lessee, in furtherance of Lessor's exercise of any of the rights specified in this Section 9.

SEC. 10 ALTERATIONS:

A. Lessee shall not make or allow to be made (except as otherwise provided in this Lease Agreement) any alterations or physical additions (including fixtures) in or *to* the Leased Premises, or place safes, vaults or other heavy furniture or equipment within the Leased Premises, without first obtaining the written consent of Lessor. Lessee shall submit requests for consent to make alterations or physical additions together with copies of the plans and specifications for such alterations. Subsequent to obtaining Lessor's consent and prior to commencement of construction of the alterations, Lessee shall deliver to Lessor the building permit, a copy of the executed construction contract covering the alterations and evidence of contractor's and subcontractor's insurance, such insurance being with such companies, for such periods and in such amounts as Lessor may 'reasonably require, naming the Lessor Parties (as defined on Exhibit "H") as additional insureds. Lessee shall pay to Lessor upon demand a review fee in the amount of Lessor's actual costs incurred to compensate Lessor for the cost of review and approval of the plans and specifications and for additional administrative costs incurred in monitoring the construction of the alterations, not to exceed Five Hundred and

00/100 Dollars ($500.00). Lessee shall deliver to Lessor a copy of the " as-built" plans and specifications for all alterations or physical additions so made in or to the Leased Premises, and shall reimburse Lessor for the actual out of pocket cost incurred by Lessor to update its current architectural plans for the Building.

B. Lessee shall indemnify, defend (with counsel reasonably acceptable to Lessor) and hold harmless the Lessor Parties from and against all costs (including reasonable attorneys' fees and costs of suit), losses, liabilities, or causes of action arising out of or relating to any alterations, additions or improvements made by Lessee to the Leased Premises, including but not limited to any mechanics' or materialmen's liens asserted in connection therewith.

C. Lessee shall not be deemed to be the agent or representative of Lessor in making any such alterations, physical additions or improvements to the Leased Premises, and shall have no right, power or authority to encumber any interest in the Land in connection therewith other than Lessee's leasehold estate under this Lease Agreement. However, should any mechanics' or other liens be filed against any portion of the Land or any interest therein (other than Lessee' s leasehold estate hereunder) by reason of Lessee's acts or omissions or because of a claim against Lessee or its contractors, Lessee shall cause the same to be canceled or discharged of record by bond or otherwise within ten (10) days after written notice by Lessor. If Lessee shall fail to cancel or discharge said lien or liens, within said ten (10) day period, which failure shall be deemed to be a default hereunder, Lessor may, at its sole option and in addition to any other remedy of Lessor hereunder, cancel or discharge the same and upon Lessor's demand, Lessee shall promptly reimburse Lessor for all actual costs incurred in canceling or discharging such lien or liens.

D. Lessee shall cause all alterations, physical additions, and improvements (including fixtures), constructed or installed in the Leased Premises by or on behalf of Lessee to comply with all applicable governmental codes, ordinances, rules, regulations and laws. Lessee acknowledges and agrees that neither Lessor's review and approval of Lessee' s plans and specifications nor its observation or supervision of the construction or installation thereof shall constitute any warranty or agreement by Lessor that same comply with such codes, ordinances, rules, regulations and laws.

E. Lessor represents and warrants that the Building and Premises are in compliance with applicable governmental codes, ordinances, rules, regulations and laws to accommodate disabled employees and customers of Lessee, including, without limitation, compliance with the Americans with Disabilities Act (42 U.S.C. *§§* 12101 et seq.) and the Texas Architectural Barriers Act (Tex.Rev.Civ.Stat. Art 9201) (collectively, the **"Accommodation Laws").** Lessor shall be responsible for making all accommodations and alterations to the Common Areas of the Building necessary to comply with the Accommodation Laws. Lessor may perform, at Lessee's sole cost and expense, any accommodations or alterations that are required by the Accommodation Laws to any area outside of the Leased Premises which are triggered by any alterations or additions to the Leased Premises or Lessee' s use of the Leased Premises.

SEC. 11 FURNITURE, FIXTURES AND PERSONAL PROPERTY:

Lessee may remove its trade fixtures, office supplies and movable office furniture and equipment not

attached to the Building provided: (a) such removal is made prior to the termination of this Lease Agreement; (b) Lessee is not in default of any obligation or covenant under this Lease Agreement at the time of such removal; and (c) Lessee promptly repairs all damage caused by such removal. All other property at the Leased Premises and any alterations or additions to the Leased Premises (including wall-to-wall carpeting, paneling or other wall covering) and any other article attached or affixed to the floor, wall or ceiling of the Leased Premises shall become the property of Lessor and shall remain upon and be surrendered with the Leased Premises as a part thereof at the termination of the Lease Agreement by lapse of time or otherwise, Lessee hereby waiving all rights to any payment or compensation therefor. If , however, Lessor so requests in writing prior to the termination of this Lease Agreement, Lessee will, prior to termination of this Lease Agreement, remove any and all alterations, additions, fixtures, equipment and property placed or installed by Lessee in the Leased Premises and will repair any damage caused by such removal. In addition, Lessee shall be required prior to the termination of this Lease Agreement to remove all of its telecommunications equipment, including, but not limited to, all switches, cabling, wiring, conduit, racks and boards, whether located in the Leased Premises or in the Common Areas. If Lessee does not complete all removals prior to the termination of this Lease Agreement, Lessor may remove such items (or contract for the removal of such items) and Lessee shall reimburse Lessor within ten (10) days of written demand thereof, together with reasonable evidence, for the actual costs incurred by Lessor in connection therewith.

SEC. 12 SUBLETTING AND ASSIGNMENT:

A. Lessee shall have the right, without Lessor’s approval, to assign or sublease all or any part of the Premises to any company or entity into which it is merged, or to license or sublease a portion of the Premises to a customer or vendor when such agreement shall be for the purpose of facilitating business with the customer or vendor. Notwithstanding the forgoing, in the event Lessee should desire to assign this Lease Agreement or sublet the Leased Premises to a third-party (which shall specify the duration of said desired sublease or assignment, the date same is to occur, the exact location of the space affected thereby, the proposed rentals on a square foot basis chargeable thereunder and sufficient information of the proposed sublessee or assignee regarding its financial condition and business operations) of such desire at least forty-five (45) days in advance of the date on which Lessee desires to make such assignment or sublease or allow such a use or occupancy. Lessor shall then have a period of thirty (30) days following receipt of such notice within which to notify Lessee in writing that Lessor elects:

(1) in the event such assignee or sublessee fails to meet the conditions set forth in subparagraph (3) below, to refuse to permit Lessee to assign this Lease Agreement or sublet such space, and in such case this Lease Agreement shall continue in full force and effect in accordance with the terms and conditions hereof; or

(2) Intentionally Deleted; or

(3) to pen-nit Lessee to assign this Lease Agreement or sublet such space for the duration specified in such notice, subject to Lessor’s subsequent

written approval of the proposed assignee or sublessee, which approval shall not be unreasonably withheld if (a) the nature and character of the proposed assignee or sublessee, its business and activities and intended use of the Leased Premises are in Lessor's reasonable judgment consistent with the current standards of the Building and the floor or floors on which the Leased Premises are located, (b) neither the proposed assignee or sublessee (nor any patty which, directly or indirectly, controls or is controlled by or is under common control with the proposed assignee or sublessee) is a department, representative or agency of any governmental body or then an occupant of any part of the Building or a party with whom Lessor is then negotiating to lease space in the Building or in any adjacent Building owned by Lessor or an affiliate of Lessor, (c) the form and substance of the proposed sublease or instrument of assignment is reasonably acceptable to Lessor and is expressly subject to all of the terms and provisions of this Lease Agreement and to any matters to which this Lease Agreement is subject, (d) the proposed occupancy would not (1) increase the office cleaning requirements, (2) impose an extra burden upon the services to be supplied by Lessor to Lessee hereunder, (3) violate the current rules and regulations of the Building, (4) violate the provisions of any other leases of tenants in the Building or (5) cause alterations or additions to be made to the Building (excluding the Leased Premises), (e) Lessee enters into a written agreement with Lessor whereby it is agreed that any rent realized by Lessee as a result of said sublease or assignment in excess of the Base Rent and Additional Rent payable to Lessor by Lessee under this Lease Agreement and any and all sums and other considerations of whatsoever nature paid to Lessee by the assignee or sublessee for or by reason of such assignment or sublease, including, but not limited to, sums paid for the sale of Lessee's fixtures, leasehold Improvements, equipment , furniture, furnishings or other personal property in excess of the fair market value thereof (that is, after deducting and giving Lessee credit for Lessee's reasonable costs directly associated therewith, including reasonable brokerage fees and the reasonable cost of remodeling or otherwise improving the Leased Premises for said assignee or sublessee but excluding any free rentals or the like offered to any such sublessee or assignee) shall be payable to Lessor as it accrues as additional rent hereunder, provided, however, that Lessee shall have the right to retain fifty percent (50%) of any net profits generated thereby, (t) the granting of such consent will not constitute a default under any other agreement to which Lessor is a party or by which Lessor is bound and (g) the creditworthiness of the proposed assignee or sublessee is acceptable to Lessor, in Lessor' s sole discretion.

B. No assignment or subletting by Lessee shall be effective unless Lessee shall execute, have acknowledged and deliver to Lessor, and cause each sublessee or assignee to execute, have acknowledged and deliver to Lessor, an instrument in form and substance acceptable to Lessor in which (i) such sublessee or assignee adopts this Lease Agreement and

assumes and agrees to perform jointly and severally with Lessee, all of the obligations of Lessee under this Lease Agreement, as to the space transferred to it, (ii) Lessee and such sublessee or assignee agree to provide to Lessor, at their expense, direct access from a public corridor in the Building to the transferred space, (iii) such sublessee or assignee agrees to use and occupy the transferred space solely for the purpose specified in Section 3 and otherwise in strict accordance with this Lease Agreement and (iv) Lessee acknowledges and agrees that, notwithstanding such subletting or assignment, Lessee remains directly and primarily liable for the performance of all the obligations of Lessee hereunder (including, without limitation, the obligation to pay Rent), and Lessor shall be permitted to enforce this Lease Agreement against Lessee or such sublessee or assignee, or both, without prior demand upon or proceeding in any way against any other persons. Lessee shall, upon ten (10) days written notice, reimburse Lessor for all reasonable expenses actually incurred by Lessor in connection with a request made by Lessee pursuant to this Section 12, including, without limitation, any investigations as to the acceptability of the proposed assignee or sublessee and all legal costs reasonably incurred in connection with the granting of any requested consent.

C. Any consent by Lessor to a particular assignment or sublease shall not constitute Lessor's consent to any other or subsequent assignment or sublease, and any proposed sublease or assignment by any assignee or sublessee shall be subject to the provisions of this Section 12 as if it were a proposed sublease or assignment by Lessee. The prohibition against an assignment or sublease described in this Section 12 shall be deemed to include a prohibition against (i) Lessee's mortgaging or otherwise encumbering its leasehold estate, (ii) an assignment or sublease which may occur by merger or operation of law and (iii) permitting the use or occupancy of the Leased Premises, or any part thereof, by anyone other than Lessee, each of which shall be ineffective and void and shall constitute an event of default under this Lease Agreement unless consented to by Lessor in writing in advance. For purposes hereof, the transfer of the ownership or voting rights in a controlling interest of the voting stock of Lessee (if Lessee is a corporation) or the transfer of a general partnership interest or a majority of the limited partnership interest in Lessee (if Lessee is a partnership), at any time throughout the Term, shall be deemed to be an assignment of this Lease Agreement.

SEC. 13 FIRE AND CASUALTY:

A. In the event of a fire or other casualty in the Leased Premises, Lessee shall immediately give notice thereof to Lessor. If the Leased Premises shall be partially destroyed by fire or other casualty so as to render the Leased Premises untenantable in whole or in part, Rent shall abate thereafter as to the portion of the Leased Premises rendered untenantable until such time as the Leased Premises are made tenantable as reasonably determined by Lessor and Lessor agrees to commence and prosecute such repair work promptly and with all due diligence; provided, however, in the event such destruction (i) results in total or substantial damages to or destruction of the Building and Lessor shall decide not to rebuild or (ii) results in the Leased Premises being untenantable in whole or in substantial part and the reasonable estimation of a responsible contractor selected by Lessor as to the amount of time necessary to rebuild or restore such destruction to the Leased Premises and all other portions of the Building exceeds six (6) months from the time such work is commenced, then in either event, Lessor shall have a right to terminate this Lease Agreement effective as of the date of casualty or destruction, and upon such termination, all Rent owed up to the time of such destruction or termination shall be paid by

Lessee. If, in Lessor's reasonable estimation, restoration or rebuilding of the Leased Premises shall take more than twelve (12) months from the date of the fire or casualty, Lessee shall be entitled to terminate this Lease Agreement effective as of the date of casualty or destruction, and upon such termination, all Rent owed up to the time of such destruction or termination and any unamortized Broker commission and unamortized Lessee Allowance shall be paid by Lessee. Subject to reasonable delays for insurance adjustments, Lessor shall give Lessee written notice of its decisions, estimates or elections under this Section 13 within sixty (60) days after any such damage or destruction. If any portion of Rent is abated under this Section 13, Lessor may elect to extend the expiration date of the Term of this Lease Agreement for the period of the abatement.

B. Notwithstanding anything in this Lease Agreement to the contrary, if the Leased Premises are damaged by fire or other casualty resulting from the fault or negligence of Lessee , or the agents, employees, licensees or invitees of Lessee, such damage shall be repaired by and at the expense of Lessee under the direction and supervision of Lessor, and Rent shall continue without abatement.

C. Notwithstanding anything contained in this Section 13, in no event shall Lessor be required to expend more to reconstruct, restore and repair the Building than the amount actually received by Lessor from the proceeds of the property insurance carried by Lessor and Lessor shall have no duty to repair or restore any portion of any alterations, additions, installation or improvements made by Lessee in the Leased Premise s or the decorations thereto except to the extent that the proceeds of the insurance carried by Lessee are timely received by Lessor. If Lessee desires any other additional repairs or restoration, and if Lessor consents thereto, it shall be done at Lessee's sole cost and expense subject to all of the applicable provisions of this Lease Agreement. Lessee acknowledges that Lessor shall be entitled to the full proceeds of any insurance coverage whether carried by Lessor or Lessee, for damage to any alterations, addition, installation, improvements or decorations which would become the Lessor's property upon the termination of this Lease Agreement.

SEC. 14 CONDEMNATION: If all of the Building or Land is taken or condemned , or acquired under threat of condemnation, by or at the direction of any governmental authority (a **"Taking" or "Taken",** as the context requires), or *if* so much of the Building or Land is Taken that, in Lessor's opinion, the remainder cannot be restored to an economically viable, quality office building, or if the awards payable to Lessor as a result of any Taking are, in Lessor's opinion, inadequate to restore the remainder to an economically viable, quality office building, Lessor may, at its election, exercisable by the giving of written notice to Lessee within sixty (60) days after the date of the Taking, terminate this Lease Agreement as of the date of the Taking or the date Lessee is deprived of possession of the Leased Premises (whichever is later). If any portion of the Leased Premises is Taken such that use of the Leased Premises is not viable in the manner that existed immediately prior to such Taking, as reasonably determined by Lessee, Lessee shall have the right to terminate this Lease by providing written notice thereof to Lessor. If this Lease Agreement is not terminated as a result of a Taking, Lessor shall restore the Leased Premises remaining after the Taking to a Building standard condition. During the period of restoration, Base Rent shall be abated to the extent the Leased Premises are rendered untenantable and, after the period of restoration, Base Rent and Lessee's pro rata share shall be

reduced in the proportion that the area of the Leased Premises Taken or otherwise rendered untenantable bears to the area of the Leased Premises just prior to the Taking. If any portion of Base Rent is abated under this Section 14, Lessor may elect to extend the expiration date of the Term for the period of the abatement. All awards, proceeds, compensation or other payments from or with respect to any Taking of the Building or Land or any portion thereof shall belong to Lessor, Lessee hereby assigning to Lessor all of its right, title, interest and claim to same.

SEC. 15 DEFAULT BY LESSEE: The occurrence of any one or more of the following shall constitute an **"Event of Default"** under this Lease Agreement:

A. The failure of Lessee to pay any Rent as and when due under this Lease Agreement and such failure continues for five (5) days;

B. The failure of Lessee to perform, comply with or observe any of the other covenants or conditions and the continuance of such failure for a period of twenty (20) days after written notice to Lessee; or, if such failure cannot reasonably be cured within said twenty (20) day period despite Lessee's diligent good faith efforts, the failure of Lessee to promptly commence and continue its diligent good faith efforts to cure such failure within said twenty (20) day period and/or continuance of such failure for a period of forty-five (45) days notwithstanding Lessee's efforts to cure;

C. The failure of Lessee to occupy the Leased Premises during the entire Term, subject, however, to any circumstances that prevent Lessee's occupancy beyond Lessee's control. "Beyond Lessee's reasonable control" shall have the same corresponding meaning as ''causes beyond Lessor' s reasonable control" as set forth in Section 7.C;

D. The filing of a petition by or against Lessee or any guarantor of Lessee' s obligations under this Lease Agreement (i) naming Lessee as debtor in any bankruptcy or other insolvency proceeding, (ii) for the appointment of a liquidator or receiver for all or substantially all of Lessee's property or for Lessee's interest in this Lease Agreement, or (iii) to reorganize or modify Lessee's capital structure; and provided that in any filing against Lessee, such proceeding is not dismissed within ninety (90) days.

E. The admission by Lessee in writing of its inability to meet its obligations as they become due or the making by Lessee of an assignment for the benefit of its creditors; or

F. The attempt by Lessee to assign this Lease Agreement or to sublet all or any part of the Leased Premises without the prior written consent of Lessor in accordance with Section 12.

SEC. 16 REMEDIES OF LESSOR: Upon any Event of Default, Lessor may exercise any one or more of the following described remedies, in addition to all other rights and remedies provided at law or in equity:

A. Terminate this Lease Agreement by written notice to Lessee and forthwith repossess the Leased Premises and be entitled to recover forthwith as damages a sum of money

equal to the total of (i) the actual cost of recovering the Leased Premises (including reasonable attorneys' fees and costs of suit), (ii) the cost of removing and storing any personal property of Lessee, (iii) the unpaid Rent earned at the time of termination, plus interest thereon at the rate described in Section 5, (iv) the present value (discounted at the rate of eight percent (8%) per annum) of the balance of the Rent for the remainder of the Term less the present value (discounted at the same rate) of the fair market rental value of the Leased Premises for said period, taking into account the period of time the Leased Premises will remain vacant until a new tenant is obtained, and the reasonable cost to prepare the Leased Premises for occupancy and the other reasonable costs (such as leasing commissions, tenant improvement allowances and attorneys' fees) to be incurred by Lessor in connection therewith, and (v) any other sum of money and damages actually owed by Lessee to Lessor under this Lease Agreement.

B. Terminate Lessee's right of possession (but not this Lease Agreement) and may repossess the Leased Premises by forcible detainer suit or otherwise, without thereby releasing Lessee from any liability hereunder and without demand or notice of any kind to Lessee and without terminating this Lease Agreement. Lessor shall use reasonable efforts under the circumstances to relet the Leased Premises on such terms and conditions as Lessor in its sole discretion may determine (including a term different than the Term, rental concessions, alterations and repair of the Leased Premises); provided, however, Lessor hereby reserves the right (i) to lease any other comparable space available in the Building or in any adjacent building owned by Lessor prior to offering the Leased Premises for lease, and (ii) to refuse to lease the Leased Premises to any potential tenant which does not meet Lessor's standards and criteria for leasing other comparable space in the Building. Lessor shall not be liable, nor shall Lessee's obligations hereunder be diminished because of, Lessor's failure or refusal to relet the Leased Premises or collect rent due in respect of such reletting. For the purpose of such reletting Lessor shall have the right to decorate or to make any repairs, changes, alterations or additions in or to the Leased Premises as may be reasonably necessary or desirable. In the event that (i) Lessor shall fail or refuse to relet the Leased Premises , or (ii) the Leased Premises are relet and a sufficient sum shall not be realized from such reletting (after first deducting therefrom, for retention by Lessor, the unpaid Rent due hereunder earned but unpaid at the time of reletting plus interest thereon at the rate specified in Section 5, reasonable the cost of recovering possession (including attorneys' fees and costs of suit), all of the actual, reasonable costs and expenses of such decorations, repairs, changes, alterations and additions, the expense of such reletting and the cost of collection of the rent accruing therefrom) to satisfy the Rent, then Lessee shall pay to Lessor as damages a sum equal to the amount of such deficiency. Any such payments due Lessor shall be made upon written demand therefor from time to time and Lessee agrees that Lessor may file suit to recover any sums falling due under the terms of this Section 16 from time to time. No delivery to or recovery by Lessor of any *portion* due Lessor hereunder shall be any defense in any action to recover any amount not theretofore reduced to judgment in favor of Lessor, nor shall such reletting be construed as an election on the part of Lessor to terminate this Lease Agreement unless a written notice of such intention be given to Lessee by Lessor. Notwithstanding any such termination of Lessee's right of possession of the Leased Premises, Lessor may at any time thereafter elect to terminate this Lease Agreement. In any proceedings to enforce this Lease Agreement under this Section 16, Lessor shall be presumed to have used its reasonable efforts to relet the Leased Premises, and Lessee shall bear the burden of proof to establish that such reasonable efforts were not used.

C. Alter any and all locks and other security devices at the Leased Premises, and if Lessor does so, Lessor shall not be required to provide a new key or other access right to Lessee unless Lessee has cured all Events of Default; provided, however , that in any such instance. during Lessor's normal business hours and at the convenience of Lessor, and upon the written request of Lessee accompanied by such written waivers and releases as Lessor may require, Lessor will escort Lessee or its authorized personnel to the Leased Premises to retrieve any personal belongings or other property of Lessee not subject to the Lessor' s lien or security interest described in Section 17. The provisions of this Section 16.C are intended to override and control any conflicting provision s of the Texas Property Code.

D. All agreements and provisions to be performed by Lessee under any of the terms of this Lease Agreement shall be at Lessee's sole cost and expense and without any abatement of Rent. If Lessee shall fail to pay any sum of money, other than Base Rent, required to be paid by it hereunder or shall fail to cure any default and such failure shall continue for ten (10) days after notice thereof by Lessor, then Lessor may, but shall not be obligated so to do, and without waiving or releasing Lessee from any obligations, make any such payment or perform any such act on Lessee's part. All sums so paid by Lessor and all costs incurred by Lessor in taking such action shall be deemed Additional Rent hereunder and shall be paid to Lessor on demand, and Lessor shall have (in addition to all other rights and remedies of Lessor) the same rights and remedies in the event of the non-payment thereof by Lessee as in the case of default by Lessee in the payment of Rent.

SEC. 17 LIEN FOR RENT:: To secure payment of all rent due and to become due hereunder, and the faithful performance of all the other covenants of the Lease Agreement required to be performed by Lessee, Lessee hereby gives to Lessor an express contractual lien on and security interest in and to all property, chattels or merchandise which may be placed in the Leased Premises and also upon all proceeds of any insurance which may accrue to Lessee by reason of damage to or destruction of such property; any such lien shall be subordinate to any vendor's lien or lien for any third party financing for such property, chattel s, merchandise or proceeds related to the same. All exemption laws are hereby waived by Lessee. This lien and security interest are given in addition to Lessor's statutory lien(s) and shall be cumulative thereto. This lien and security interest may be foreclosed with or without Court proceedings, by public or private sale, with or without notice and Lessor shall have the right to become purchaser, upon being the highest bidder at such sale. Upon request of Lessor, Lessee agrees to execute Uniform Commercial Code financing statements relating to the aforesaid security interest.

SEC. 18 NON-WAIVER: Neither acceptance of Rent by Lessor nor failure by Lessor to exercise available rights and remedies, whether singular or repetitive, shall constitute a waiver of any of Lessor's rights hereunder. Waiver by Lessor of any right for any Event of Default of Lessee shall not constitute a waiver of any right for either a subsequent Event of Default of the same obligation or any other Event of Default. No act or thing done by Lessor or its agent shall be deemed to be an acceptance or surrender of the Leased Premises and no agreement to accept a surrender of the Leased Premises shall be valid unless it is in writing and signed by a duly authorized officer or agent of Lessor.

SEC. 19 LAWS AND REGULATIONS; RULES AND REGULATIONS: Lessee shall comply with, and Lessee shall cause its visitors, employees, contractors, agents, invitees and licensees to comply with, all laws, ordinances, orders, rules and regulations (state, federal municipal and other agencies or bodies having any jurisdiction thereof) relating to the use, condition or occupancy of the Leased Premises. Such reasonable rules and regulations applying to all tenants in the Building as may be hereafter adopted by Lessor for the safety, care and cleanliness of the premises and the preservation of good order thereon, are hereby made a part hereof and Lessee agrees to comply with all such rules and regulations. Lessor shall have the right at all times to change such rules and regulations or to amend them in any reasonable manner as may be deemed advisable by Lessor, all of which changes and amendments will be sent by Lessor to Lessee in writing and shall be thereafter carried out and observed by Lessee. The current rules and regulations of the Building are set forth in Exhibit “C” attached hereto and made a part hereof for all purposes.

SEC. 20 ASSIGNMENT BY LESSOR; LIMITATION OF LESSOR’S LIABILITY! Either entity comprising Lessor shall have the right to transfer and assign, in whole or in part, all its rights and obligations hereunder and in the Building and Land, and in such event and upon such transfer no further liability or obligation shall thereafter accrue against such entity comprising Lessor hereunder from and after the date of such transfer. Lessee specifically agrees that each entity comprising Lessor shall not be jointly and severally liable for the obligations of Lessor hereunder. Furthermore, Lessee specifically agrees to look solely to each Lessor’s respective interest in the Building and Land for the recovery of any judgment from such Lessor, it being agreed that Lessor and their officers, directors, shareholders, partners, agents and employees shall never be personally liable for any such judgment.

SEC. 21 SEVERABILITY: This Lease Agreement shall be construed in accordance with the laws of the State of Texas. If any clause or provision of this Lease Agreement is illegal, invalid or unenforceable, under present or future laws effective during the Term hereof, then it is the intention of the parties hereto that the remainder of this Lease Agreement shall not be affected thereby, and it is also the intention of both parties that in lieu of each clause or provision that is illegal, invalid or unenforceable, there be added as part of this Lease Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

SEC. 22 SIGNS: No signs of any kind or nature, symbol or identifying mark shall be put on the Building, in the halls, elevators, staircases, entrances, parking areas or upon the doors or walls, whether plate glass or otherwise, of the Leased Premises or within the Leased Premises so as to be visible from the public areas or exterior of the Building without prior written approval of Lessor, such approval not to be unreasonably withheld, conditioned or delayed. Lessor acknowledges and agrees that, in the event Lessee desires to sell naming rights to the Leased Premises at any time during the Term to an investor or donor, Lessee shall notify Lessor and thereafter Lessor and Lessee agree to negotiate, in good faith, the terms of such sale. All signs or lettering shall conform in all respects to the sign and/or lettering criteria established by Lessor. Lessee shall have exclusive use of the ground monument sign previously used by MD Anderson. Any modifications, including increasing the size, will be at the sole cost of Lessee, requires Lessor approval, such approval shall not be withheld, and are subject to the City of Houston sign ordinance. Lessee may also install their own sign above the dedicated exterior entrance to the Leased Premises.

SEC. 23 SUCCESSORS AND ASSIGNS: Lessor and Lessee agree that all provisions hereof are to be construed as covenants and agreements as though the words imparting such covenants were used in each separate paragraph hereof, and that, except as restricted by the provisions of Section 12, this Lease Agreement and all the covenants herein contained shall be binding upon the parties hereto, their respective heirs, legal representatives, successors and assigns.

SEC. 24 SUBORDINATION:

A. Lessee covenants and agrees with Lessor that this Lease Agreement is subject and subordinate to any mortgage, deed of trust, ground lease and/or security agreement which may now or hereafter encumber the Building or any interest of Lessor therein and/or the contents of the Building, and to any advances made on the security thereof and to any and all increases, renewals, modifications, consolidations, replacements and extensions thereof; provided that such subordination is subject to non-disturbance of Lessee's leasehold interest hereunder by successors-in-interest to Lessor under any such mortgage, deed of trust, ground lease or security interest. This clause shall be self-operative and no further instrument of subordination and non-disturbance need be required by any owner or holder of any such ground lease, mortgage, deed of trust or security agreement. In confirmation of such subordination and non-disturbance however, at Lessor's request Lessee shall execute promptly any certificate or instrument that Lessor may reasonably request. In the event of the enforcement by the ground lessor, the trustee, the beneficiary or the secured party under any such ground lease , mortgage, deed of trust or security agreement of the remedies provided for by law or by such ground lease, mortgage, deed of trust or security agreement, Lessee will automatically become the Lessee of such ground lessor or successor in interest without any change in the terms or other provisions of this Lease Agreement; provided, however, that such ground lessor or successor in interest shall not be (a) bound by any payment of Rent for more than one month in advance except prepayments in the nature of security for the performance by Lessee of its obligations under this Lease Agreement, (b) liable for any previous act or omission of the Lessor, (c) subject to any credit, demand, claim, counterclaim, offset or defense which theretofore accrued to Lessee against the Lessor, (d) required to account for any security deposit of Lessee other than any security deposit actually delivered to lender by Lessor and (e) responsible for any monies owing by Lessor to Lessee. Upon request by such ground lessor or successor in interest, whether before or after the enforcement of its remedies, Lessee shall execute and deliver an instrument or instruments confirming and evidencing the attornment and non-disturbance herein set forth. Notwithstanding anything contained in this Lease Agreement to the contrary, in the event of any default by Lessor in performing its covenants or obligations hereunder which would give Lessee the right to terminate this Lease Agreement, Lessee shall not exercise such right unless and until (a) Lessee gives written notice of such default (which notice shall specify the exact nature of said default and how the same may be cured) to the lessor under any such land or ground lease and the holder(s) of any such mortgage or deed of trust or security agreement who has theretofore notified Lessee in writing of its interest and the address to which notices are to be sent, and (b)

said lessor and holder(s) fail to cure or cause to be cured said default within thirty (30) days from the receipt of such notice from Lessee. This Lease Agreement is further subject to and subordinate to all matters of record in Harris County, Texas effective as of the Commencement Date of this Lease Agreement.

B. Notwithstanding anything to the contrary set forth above, any beneficiary under any deed of trust may at any time subordinate its deed of trust to this Lease Agreement in whole or in part, without any need to obtain Lessee's consent, by execution of a written document subordinating such deed of trust to the Lease Agreement to the extent set forth in such document and thereupon the Lease Agreement shall be deemed prior to such deed of trust to the extent set forth in such document without regard to their respective dates of execution, delivery and/or recording. In that event, to the extent set forth in such document, such deed of trust shall have the same rights with respect to this Lease Agreement as would have existed if this Lease Agreement had been executed, and a memorandum thereof, recorded prior to the execution, delivery and recording of the deed of trust.

SEC. 25 TAX PROTEST: Lessee waives all rights under the Texas Property Tax Code, now or hereafter in effect, including all rights under Section 41.413 thereof, granting to tenants of real property or lessees of tangible personal property the right to protest the appraised value, or receive notice of reappraisal, of all or any part of the Building, irrespective of whether Lessor has elected to protest such appraised value. To the extent such waiver *is* prohibited, Lessee appoints Lessor as its attorney-in-fact, coupled with an interest, to appear and take all actions on behalf of Lessee which Lessee may take under the Texas Property Tax Code.

SEC. 26 HOLDING OVER: In the event of holding over by Lessee after the expiration or termination of the Lease Agreement, such holding over shall constitute a tenancy at sufferance relationship between Lessor and Lessee and all of the terms and provisions of this Lease Agreement shall be applicable during such period, except that as monthly rental, Lessee shall pay to Lessor for each month (or any portion thereof) during the period of such hold over an amount equal to twice the rent payable by Lessee for the month immediately preceding the holdover period. The rental payable during such hold over period shall be payable to Lessor on demand. No holding over by Lessee, whether with or without consent of Lessor, shall operate to extend this Lease Agreement except as herein provided. In the event of any unauthorized holding over, Lessee shall also be responsible to Lessor for, and shall indemnify, defend (with counsel reasonably acceptable to Lessor) and hold harmless Lessor against, all actual damages against Lessor as a result of Lessee's possession of the Leased Premises, including, without limitation, claims for damages by any other tenant to which Lessor may have leased all or any part of the Leased Premises effective upon the termination of this Lease.

SEC. 27 INDEPENDENT OBLIGATION TO PAY RENT:

A. It is the intention of the parties hereto that the obligations of Lessor and Lessee hereunder shall be separate and independent covenants and agreements, that the Rent and all other sums payable by Lessee hereunder shall continue to be payable in all events and that the obligations of Lessee hereunder shall continue unaffected, unless the requirement to pay or perform the same shall have been terminated pursuant to an express provision of this Lease Agreement.

B. Except as otherwise expressly provided herein, Lessee waives the right (a) to quit, terminate or surrender this Lease Agreement or the Leased Premises or any pm1 thereof. or (b) to any abatement, suspension, deferment or reduction of the rent or any other sums payable under this Lease Agreement.

SEC. 28 INDEMNITY; RELEASE AND WAIYER:

A. Subject to Section 28.C. below, Lessee hereby agrees to indemnify, protect , defend and hold the Lessor parties harmless from and against any and all claims or causes of action brought against Lessor parties by third parties, and any resulting liabilities, fines, damages, suits and expenses, including attorneys' fees and necessary litigation expenses (collectively, the **"Claims"),** arising from or in connection with (i) bodily injury, death or damage to person or properly occurring in the Leased Premises, **INCLUDING ANY CLAIMS RESULTING IN PART FROM THE NEGLIGENCE OF THE LESSOR PARTIES, BUT NOT THE SOLE NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE LESSOR PARTIES** and/or (ii) the negligence or willful misconduct of Lessee, its employees, agents, licensees or contractors of Lessee or its sublessees. In case any action or proceeding shall be brought against the Lessor parties by reason of any such Claim, Lessee, upon notice from lessor, shall provide a separate defense to same at Lessee's sole cost and expense by counsel reasonably satisfactory to Lessor. The indemnity obligations of Lessee under this Section 28.A shall survive the expiration or earlier termination of this Lease Agreement.

B. Subject to Section 28.C. below, Lessor hereby agrees to indemnify, protect, defend and hold Lessee harmless from and against any and all Claims arising out of or in connection with (i) bodily injury, death or damage to person or property to the extent that such injury or damage is attributable to the sole negligence, gross negligence or willful misconduct of Lessor, its agents, employees, licensees or contractors, and/or (ii) except to the extent that such injury or damage is attributable to the negligence or willful misconduct of Lessee, its employees, agents, licensees or contractors of Lessee or it sublessees, or subject to clause (i) above, claims for the liability for any bodily injury, death or damage to person or property occurring in any area of the Building or Land other than the Leased Premises; provided, however, the liability of Lessor under the indemnity contained in this clause (ii) shall be limited to the amount of the insurance required to be carried by Lessor in respect of such Claim as provided in Section 28 hereof. The indemnity obligations of Lessor under this Section 28.B shall survive the expiration or earlier termination of this Lease Agreement.

C. Lessor and Lessee each waive and release the other party (and their respective shareholders, members, partner, affiliates and subsidiaries, successors and assigns) from any and all claims or causes of action whatsoever which such party might otherwise now and hereafter possess resulting in or from or in any way associated with any loss covered or which should have been covered by the fire or property insurance carried by such party

(or which such party is required to carry hereunder), **REGARDLESS OF CAUSE OF ORIGIN OF SUCH LOSS OR DAMAGE, INCLUDING, WITHOUT LIMITATION, SOLE, JOINT, OR CONCURRENT NEGLIGENCE OF THE OTHER PARTY,** including the deductible portion thereof.

SEC. 29 INSURANCE: Lessor and Lessee shall satisfy the insurance requirements as more particularly described on Exhibit **"I"** attached hereto and made a part hereof for all purposes.

SEC. 30 ENTIRE AGREEMENT: This instrument and any attached addenda or exhibits signed by the parties constitute the entire agreement between Lessor and Lessee; no prior written or prior or contemporaneous oral promises or representations shall be binding. This Lease Agreement shall not be amended, changed or extended except by written instrument signed by both parties hereto. Section captions herein are for Lessor's and Lessee's convenience only, and neither limit nor amplify the provisions of this instrument. Lessee agrees, at Lessor's request, to execute a recordable memorandum of this Lease Agreement.

SEC. 31 NOTICES: Whenever in this Lease Agreement it shall be required or permitted that notice or demand be given or served by either party to this Lease Agreement to or on the other, such notice or demand shall be given or served and shall not be deemed to have been given or served unless in writing and delivered personally or forwarded by facsimile (with a confirmation copy being sent by Certified or Registered Mail or overnight delivery) or by Certified or Registered Mail, postage prepaid or other reputable common carrier guaranteeing next-day delivery, addressed as follows:

To the Lessor:	Timothy L. Sharma d/b/a Cambridge Properties 7505 Fannin Street, Suite 304 Houston, Texas 77054 Attention: Manager
To the Lessee:	At the Address noted for Lessee on the signature page hereof until the Commencement Date, at which time it shall become the Address of the Leased Premises.

Such addresses may be changed from time to time by either party by serving notice as above provided. Any such notice or demand shall be deemed to have been given on the date of receipted delivery, refusal to accept delivery or when delivery is first attempted but cannot be made due to a change of address for which no notice is given or three (3) business days after it shall have been mailed as provided in this Section 31, whichever is earlier.

SEC. 32 COMMENCEMENT DATE: Lessee shall, if requested by Lessor, execute and deliver to Lessor an Acceptance of Premises Memorandum of the Leased Premises, the form of which is attached as Exhibit **"D"** attached hereto and made a part hereof for all purposes.

SEC. 33 Intentionally Deleted.

SEC. 34 BROKERS: Lessee wan ants that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease Agreement. excepting only Colliers International **("Broker")** and that it knows of no other real estate broker(s) or agent(s) who is(are) or might be entitled to a commission in connection with this Lease Agreement. Lessor shall agree to pay all real estate commissions due in connection with this Lease Agreement only to the broker(s) named herein, provided Lessor and such broker have entered into a separate commission agreement. Lessee agrees to indemnify, defend (with counsel reasonably acceptable to Lessor) and hold harmless the Lessor from and against any liability from all other claims for commissions arising from the negotiation of this Lease Agreement. Lessee shall not be liable for commissions arising from the negotiation of this Lease Agreement.

SEC. 35 ESTOPPEL CERTIFICATES:

A. From time to time after Lessee accepts the Leased Premises, within ten (10) days after request in writing therefor from Lessor, Lessee agrees to execute and deliver to Lessor, or to such other addressee or addresses as Lessor may designate (and Lessor and any such addressee may rely thereon), a statement in writing in the form of Exhibit "E" or in such other form and substance reasonably satisfactory to Lessor (herein called **"Lessee's Estoppel Certificate"),** certifying to all or any part of the information provided for in Exhibit "E" as is requested by Lessor and any other information reasonably requested by Lessor.

B. In the event that Lessee fails to provide Lessee's Estoppel Certificate within ten (10) days after Lessor' s written request therefor, Lessee shall be prohibited from challenging any factual statement contained in such estoppel as being untrue.

SEC. 36 NAME CHANGE: Lessor and Lessee mutually covenant and agree that Lessor hereby reserves and shall have the right at any time and from time to time to change the name of the Building or the address of the Building as Lessor may deem advisable, and Lessor shall not incur any liability whatsoever to Lessee as a consequence thereof.

SEC. 37 BANKRUPTCY: If a petition is filed by or against Lessee for relief under Title 11 of the United States Code, as amended (the **"Bankruptcy Code"),** and Lessee (including for purposes of this Section 37 Lessee' s successor in bankruptcy, whether a trustee or Lessee as debtor in possession) assumes and proposes to assign, or proposes to assU111e and assign, this Lease Agreement pursuant to the provisions of the Bankruptcy Code to any person or entity who has made or accepted a bona fide offer to accept an assignment of this Lease Agreement on terms acceptable to Lessee, then written notice of the proposed assignment setting forth (a) the name and address of the proposed assignee, (b) all of the terms and conditions of the offer and proposed assignment, and (c) the adequate assurance to be furnished by the proposed assignee of its future performance under the Lease Agreement, shall be given to Lessor by Lessee no later than twenty (20) days after Lessee has made or received such offer, but in no event later than ten (I 0) days prior to the date on which Lessee applies to a court of competent jurisdiction for authority and approval to enter into the proposed assignment. Lessor shall have the prior right and option, to be exercised by notice to Lessee given at any time prior to the date on which the court order authorizing such assignment becomes final and non-appealable, to receive an assignment of this Lease Agreement upon the same terms and conditions, and for the same

consideration, if any, as the proposed assignee, less any brokerage commissions which may otherwise be payable out of the consideration to be paid by the proposed assignee for the assignment of this Lease Agreement. If this Lease Agreement is assigned pursuant to the provisions of the Bankruptcy Code, Lessor: (i) may require from the assignee a deposit or other security for the performance of its obligations under the Lease Agreement in an amount substantially the same as would have been required by Lessor upon the initial leasing to a Lessee similar to the assignee; and (ii) shall receive, as additional rent, the sums and economic consideration described in Section 12.B. Any person or entity to which this Lease Agreement is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed, without further act or documentation, to have assumed all of the Lessee's obligations arising under this Lease Agreement on and after the date of such assignment. Any such assignee shall, upon demand, execute and deliver to Lessor an instrument conforming such assumption. No provision of this Lease Agreement shall be deemed a waiver of Lessor' s rights or remedies under the Bankruptcy Code to oppose any assumption and/or assignment of this Lease Agreement, to require a timely performance of Lessee's obligations under this Lease Agreement, or to regain possession of the Leased Premises if this Lease Agreement has neither been assumed on or rejected within sixty (60) days after the date of the order for relief or within such additional time as a court of competent jurisdiction may have fixed. Notwithstanding anything in this Lease Agreement to the contrary, all amounts payable by Lessee to or on behalf of Lessor under this Lease Agreement, whether or not expressly denominated as rent, shall constitute rent for the purposes of Section 502(b)(6) of the Bankruptcy Code.

SEC. 38 TELECOMMUNICATIONS PROVIDERS: In the event Lessee wishes to use, at anytime during the Term of this Lease Agreement, the services of a telecommunications provider whose equipment or service is not then in the Building, no such provider shall be entitled to enter the Building or commence providing such service without first obtaining the prior written consent of Lessor. Lessor may condition its consent on such matters as Lessor deems appropriate including, without limitation, (i) such provider agreeing to an easement or license agreement in form and substance satisfactory to Lessor, (ii) Lessor having been provided and approved the plans and specifications for the equipment to be installed in the Building, (iii) Lessor has received, prior to the commencement of such work, such indemnities, bonds or other financial assurances as Lessor may require, (iv) the provider agreeing to abide by all Building rules and regulations, and agreeing to provide Lessor an "as built" set of plans and specifications, (v) the provider agreeing to pay Lessor such compensation as Lessor determines to be reasonable, and (vi) Lessor having determined that there is adequate space in the Building for the placement of all of such provider's lines and equipment. Lessor shall not charge Lessee for any reasonable conduit space required in order to connect Lessee's voice/data cabling servicing the Leased Premises between floors in the Building, the roof, or to any permitted service provider. Lessor shall grant Lessee's provider of communications/internet services with free Building access during reasonable times.

SEC. 39 HAZARDOUS SUBSTANCES:

A. Except as permitted under Section 3 of this Lease Agreement, Lessee shall not cause or permit any Hazardous Substance (as hereinafter defined) to be used, stored, generated or disposed of on or in the Building by Lessee, Lessee's agents, employees, contractors or invitees.

Any waste materials produced by these Lessee and development activities will be properly treated or disposed by qualified vendors. If the Building becomes contaminated in any manner due to the actions or omissions of Lessee or its agents, employees, contractors or invitees, Lessee shall indemnify, defend (with counsel reasonably acceptable to Lessor) and hold the Lessor Parties harmless from any and all claims, damages, fines, judgments, penalties, costs, liabilities and losses (including, without limitation, a decrease in value of the Building, damages caused by loss or restriction of rentable or usable space or any damages caused by adverse impact on marketing of the space and any and all sums paid for settlement of claims, attorneys' fees, consultant and expert fees) arising during or after the Term and as a result of such use, storage, generation, disposal or contamination. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the site or any cleanup, removal or restoration mandated by a federal, state or local agency or political subdivision. Without limitation of the foregoing, if Lessee causes or permits the presence of any Hazardous Substance on the Building that results in contamination, Lessee shall promptly, at its sole expense, take any and all necessary actions to return the Building to the condition existing prior to the presence of any such Hazardous Substance on the Building; provided, however, Lessee must obtain Lessor's prior written approval for any such remedial action, such approval not to be unreasonably withheld, conditioned or delayed. The indemnity obligations of Lessee under this Section 39 shall survive the expiration or earlier termination of this Lease Agreement.

B. As used herein, "Hazardous Substance" means any substance that is toxic, ignitable, reactive or corrosive or that is regulated by any local, state or federal law, and includes any and all material or substances that are defined as "hazardous waste", "extremely hazardous waste", "hazardous substance" or a "hazardous material" pursuant to any such laws and includes, but is not limited to, asbestos, polychlorobiphenyls and petroleum and any fractions thereof. Notwithstanding anything in this Section 39 to the contrary, "Hazardous Substances" shall not include materials commonly used in the ordinary operations of a general office building, provided that (1) such materials are used and stored in the Leased Premises in quantities ordinarily used and stored in comparable general office space, (2) such materials are not introduced into the Building's plumbing systems or are not otherwise released or discharged in the Leased Premises or the Building and (3) and such materials are in strict compliance with local, state or federal law.

SEC. 40 NO MONEY DAMAGES FOR FAILURE TO CONSENT: Wherever in this Lease Agreement Lessor's consent or approval is required, if Lessor refuses to grant such consent or approval whether or not Lessor expressly agreed that such consent or approval would not be unreasonably withheld, Lessee shall not make, and Lessee hereby waives, any claim for money damages (including any claim by way of set-oft: counterclaim or defense) based upon Lessee's claim or assertion that Lessor unreasonably withheld or delayed its consent or approval. Lessee's sole remedy shall be an action or proceeding to enforce such provision, by specific performance, injunction or declaratory judgment. **IN NO EVENT SHALL LESSOR BE LIABLE FOR, AND LESSEE HEREBY WAIVES ANY CLAIM FOR, ANY INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING LOSS OR PROFITS OR BUSINESS OPPORTUNITY, ARISING UNDER OR IN CONNECTION WITH THIS LEASE AGREEMENT.**

SEC. 41 ACKNOWLEDGMENT OF NON-APPLICABILITY OF DTPA:

It is the understanding and intention of the parties that Lessee's rights and remedies with respect to the transactions provided for and contemplated in this Lease Agreement (collectively, this **"Transaction")** and with respect to all acts or practices of Lessor, past, present or future, in connection with this Transaction, are and shall be governed by legal principles other than the Texas Deceptive Trade Practices - Consumer Protection Act (the **"DTPA").** Accordingly, Lessee hereby (a) agrees that under Section l 7.49(f) of the DTPA this Transaction is not governed by the DTPA and (b) certifies, represents and warrants to Lessor that (i) Lessee has been represented by legal counsel in connection with this Transaction who has not been directly or indirectly identified, suggested or selected by the Lessor and Lessee has conferred with Lessee's counsel concerning all elements of this Lease Agreement (including, without limitation, this Section 41) and this Transaction and (ii) the Leased Premises will not be occupied by Lessee as Lessee's family residence. Lessee expressly recognizes that the total consideration as agreed to by Lessor has been predicated upon the inapplicability of the DTPA to this Transaction and that Lessor, in determining to proceed with the entering into of this Lease Agreement, has expressly relied on the inapplicability of the DTPA to this Transaction.

SEC. 42 ATTORNEYS' FEES: In the event either party defaults in the performance of any of the terms, agreements or conditions contained in this Lease Agreement and the other party places the enforcement of this Lease Agreement, or any part thereof, or the collection of any rent due or to become due hereunder, or recovery of the possession of the Leased Premises, in the hands of an attorney who files suit upon the same, the prevailing party in any such action agrees to pay the other party's reasonable attorneys' fees.

SEC. 43 AUTHORITY: If Lessee is a corporation , partnership or other entity, Lessee warrants and represents unto Lessor that (a) Lessee is a duly organized and existing legal entity, in good standing in the State of Texas, (b) Lessee has full right and authority to execute, deliver and perform this Lease Agreement, (c) the person executing this Lease Agreement was authorized to do so and (d) upon request of Lessor, such person will deliver to Lessor satisfactory evidence of his or her authority to execute this Lease Agreement on behalf of Lessee. Lessor warrants and represents unto Lessee that (a) Lessor is a duly organized and existing legal entity, in good standing in the State of Texas, (b) Lessor has full right and authority to execute, deliver and perform this Lease Agreement, (c) the person executing this Lease Agreement was authorized to do so and (d) upon request of Lessee, such person will deliver to Lessor satisfactory evidence of his or her authority to execute this Lease Agreement on behalf of Lessor.

SEC. 44 JOINT AND SEVERAL TENANCY: If more than one person executes this Lease Agreement as Lessee, their obligations hereunder are joint and several, and any act or notice of or to, or refund to, or the signature of, any one or more of them, in relation to the renewal or termination of this Lease Agreement, or under or with respect to any of the terms hereof shall be fully binding on each and all of the persons executing this Lease Agreement as a Lessee.

SEC. 45 EXECUTION OF THIS LEASE AGREEMENT: The submission of an unsigned copy of this Lease Agreement to Lessee for Lessee's consideration does not constitute an offer to lease the Leased Premises or an option to or for the Leased Premises. This Lease Agreement shall become effective and binding only upon the execution and delivery of this Lease Agreement by both Lessor and Lessee.

SEC. 46 WAIYER OF TRIAL BY JURY; COUNTERCLAIM: Lessor and Lessee hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other on any matters in any way arising out of or connected with this Lease Agreement, the relationship of Lessor and Lessee, Lessee's use or occupancy of the Leased Premises, or the enforcement of any remedy under any applicable law. rule, statute, order, code or ordinance.

SEC. 47 EXHIBITS: Exhibits "A" through "l" are attached hereto and made a part of this Lease Agreement for all purposes.

(Signature Page to Follow)

IN WITNESS WHEREOF, Lessor and Lessee, acting herein by duly authorized individuals. have caused these presents to be executed in multiple counterparts, each of which shall have the force and effect of an original on this 9th day of October, 2015 (the “Effective Date”)

LESSOR:

By: /s/ Timothy L. Sharma
Name: Timothy L. Sharma d/b/a Cambridge Properties

LESSEE:

KIROMIC, LLC

By: /s/ Scott Dahlbeck
Name: Scott Dahlbeck
Title: CEO

EXHIBIT A

FLOOR PLAN OF THE LEASED PREMISES

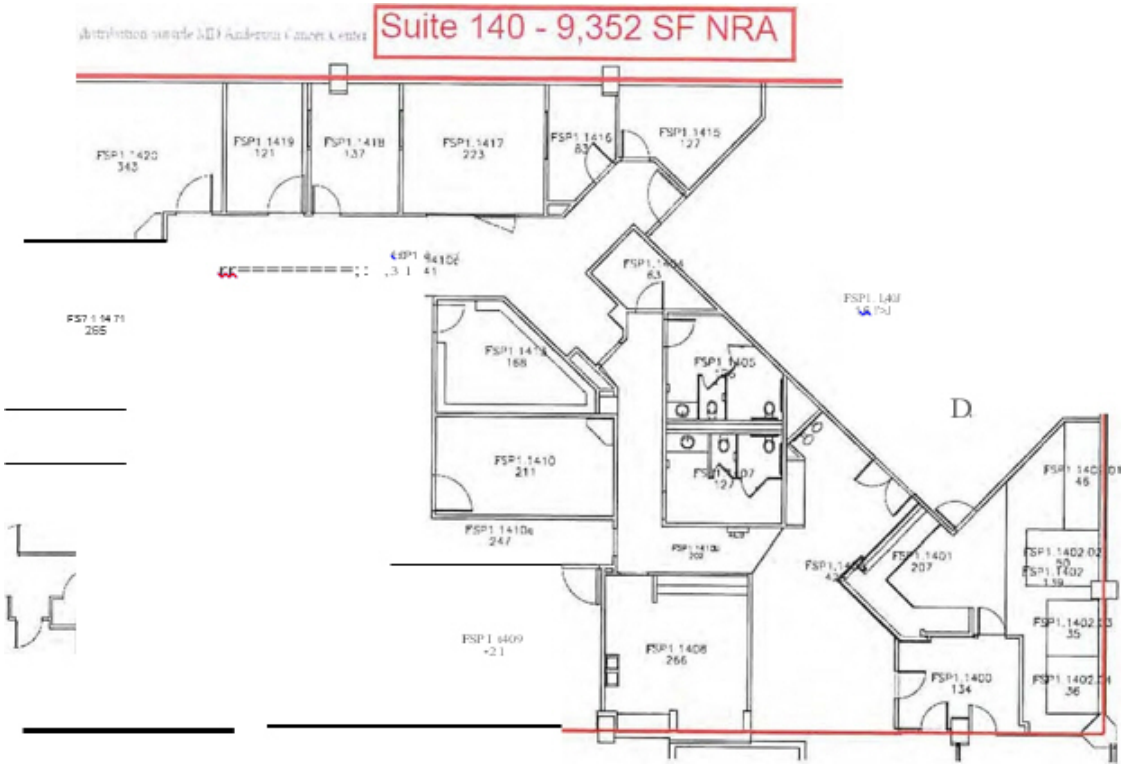


EXHIBIT B

LEGAL DESCRIPTION OF THE LAND

BEING a 3.186 acre (139,799 square foot) tract of land situated in the P.W. ROSE SURVEY, A-645, Harris County, Texas, and being all of that certain called 3.19 acre tract conveyed to TCP Fannin Partners, Ltd. described in Special Warranty Deed filed under County Clerk's File No. R631846, film code No. 505- 80-2403 of the Official Public Records of Real Property of Harris County, Texas, and being more particularly described by metes and bounds as follows, with the basis of bearings being that certain called 14.5684 acre tract conveyed to Del Oro Office Building, described in Warranty Deed filed under County Clerk's file No. 0386308, Film code No. ###-##-#### of said Official Public Records;

BEGINNING At a 5/8 inch iron rod with cap (stamped "WEISSER ENG., HOUSTON, TX) set marking the Southeast corner of said 3.19 acre tract, same being the Southwest corner of that certain called 3.8469 acre tract conveyed to Timothy L. Sharma, described as Parcel "A" in Warranty deed filed under County Clerk' s file No. R330500, Film Code No. ###-##-#### of said Official Public Records, and also being on the North line of the residue of that certain called 36.7576 acre tract conveyed to Property Trust of America described in Special Warranty Deed filed under County Clerk's File No. P849889, Film Code No. 097-61-3558 of said Official Public Records, and from which a 5/8 inch rod found bears North 46 deg. 56 min. 27 sec. East, 0.20 feet;

THENCE South 88 deg. 15 min. 58 sec. West along the South line of said 3.19 acre tract, same being the North line of said residue of 36.7576 acres, at a distance of 222.45 feet, pass a 5/8 inch iron rod found marking the Northwest corner of said residue of 36.7576 acres, same being the Northeast corner of Unrestricted Reserve "A", Block I of Homestead Village-Astrodome, according to the map or plat thereof recorded at Film Code No. 362083 of the Harris County Map Records, continuing with the said South line of the 3.19 acre tract and the North line of said Unrestricted Reserve "A" for a total distance of 582.42 feet to a 5/8 inch rod with cap (stamped " WEISSER ENG. HOUSTON, TX") set marking the Southwest corner of said 3.19 acre tract, same being the Northwest comer of said Unrestricted Reserve "A", and being on the East right-of-way line of Fannin Street (variable width), and on a curve to the right;

THENCE Northeasterly, with West line of said 3.19 acre tract, same being the said East right-of-way line of Fannin Street, along a curve to the right having a radius of 858.47 feet, a central angle of 16 deg. 41 min. 23 sec., an arc length of 250.06 feet, and a chord bearing North 09 deg. 32 min. 20 sec. East, 249.18 feet to a 5/8 inch iron rod with cap (stamped WEISSER ENG., HOUSTON, TX) set marking the Northwest comer of said 3.19 acre tract, same being the Southwest corner of that certain called 0.7968 acre tract conveyed to Timothy L. Sharma,

described as Parcel “B” in Warranty Deed filed under County Clerk’s File No. R330500, Film Code No. ###-##-#### of said Official Public Records, and from which a 5/8 inch rod found bears North 89 deg. 35 min. 15 sec. West, 0.30 feet;

THENCE North 88 deg. 15 min. 58 sec. East, along North line of said 3.19 acre tract, same being the South line of said 0.7968 acre tract, at a distance of 424.88 feet, pass the Southeast corner of said 0.7968 acre tract, same being the most Southerly Southwest corner of said 3.8469 acre tract, and from which a 5/8 inch rod found bears South 38 deg. 37 min. 04 sec. East, 0.18 feet, continuing with the said North line of the 3.19 acre tract and a South line of said 3.8469 acre tract, for a total distance of 541.14 feet to a set 5/8 inch iron rod with cap (stamped “WEISSER ENG., HOUSTON, TX) marking the Northeast corner of said 3.19 acre tract, same being an interior corner of said 3.8469 acre tract, and from which a½ inch iron rod bears South 35 deg. 00 min. 00 sec. East, 0.38 feet;

THENCE South, with the East line of said 3.19 acre tract, same being a West line of said 3.8469 acre tract, a distance of244.48 feet to the POINT OF BEGINNING and containing 3.186 acres (138,799 square feet) of land.

EXHIBITC

RULES AND REGULATIONS

The following standards shall be observed by Lessee for the mutual safety, cleanliness and convenience of all occupants of the Building. These rules are subject to change from time to time, as specified in the Lease Agreement.

1. All tenants will refer all contractors' representatives and installation technicians who are to perform any work within the Building to Lessor for Lessor's supervision, approval and control before the performance of any such work. This provision shall apply to all work performed in the Building including, but not limited to, installations of telephones, computer equipment, electrical devices and attachments, and any and all installations of every nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment and any other physical portion of the Building. Lessee shall not mark, paint, drill into, or in any way deface any part of the Building or the Leased Premises, except with the prior written consent of the Lessor, and as the Lessor may direct.

2. The work of the janitorial or cleaning personnel shall not be hindered by Lessee after 5:30 p.m., and such work may be done at any time when the offices are vacant. The windows, doors and fixtures may be cleaned at any time. Lessee shall provide adequate waste and rubbish receptacles, cabinets, book cases, map cases, etc., necessary to prevent unreasonable hardship to Lessor in discharging its obligations regarding cleaning service.

3. Movement of furniture or office equipment in or out of the Building, or dispatch or receipt by Lessee of any heavy equipment, bulky material or merchandise which requires use of elevators or stairways, or movement through the Building's service dock or lobby entrance shall be restricted to such hours as Lessor shall designate. All such movement shall be in a manner to be agreed *upon* between Lessee and Lessor in advance. Such prior arrangements shall be initiated by Lessee. The time, method and routing of movement and limitations for safety or other concern which may prohibit any article, equipment or other item from being brought into the Building shall be subject to Lessor's discretion and control. Any hand trucks, carryalls or similar appliances used for the delivery or receipt of merchandise or equipment shall be equipped with rubber tires, side guards and such other safeguards as the Building shall require. Although Lessor or its personnel may participate in or assist in the supervision of such movement, Lessee assumes final responsibility for all risks as to damage to articles moved and injury to persons or property engaged in such movement, including equipment, property and personnel of Lessor if damaged or injured as a result of acts in connection with carrying out this service for Lessee, from the time of entering the property to completion of work. Lessor shall not be liable for the acts of any person engaged in, or any damage or loss to any of said property or persons resulting from any act in connection with such service performed for Lessee.

4. No sign, advertisement or notice shall be displayed, painted or affixed by Lessee, its agents, servants or employees, in or on any part of the outside or inside of the Building or

Leased Premises without prior written consent of Lessor, and then only of such color, size, character, style and material and in such places as shall be approved and designated by Lessor. Signs on doors and entrances to the Leased Premises shall be placed thereon by Lessor.

5. Lessee shall not place, install or operate on the Leased Premises or in any part of the Building any engine, refrigerating, heating or air conditioning apparatus, stove or machinery, or conduct mechanical operations, or place or use in or about the Leased Premises any inflammable, explosive, hazardous or odorous solvents or materials without the prior written consent of Lessor. No portion of the Leased Premises shall at any time be used for cooking, sleeping or lodging quarters. Lessee may use coffee pots, refrigerators or microwaves in Leased Premises.

6. Lessee shall not make or permit any loud or improper noises in the Building or otherwise interfere in any way with other tenants.

7. Lessor will not be responsible for any lost or stolen personal property or equipment from the Leased Premises or public areas, regardless of whether such loss occurs when the area is locked against entry or not.

8. Lessee, or the employees, agents, servants, visitors or licensees of Lessee, shall not, at any time or place, leave or discard rubbish, paper, articles, plants or objects of any kind whatsoever outside the doors of the Leased Premises or in the corridors or passageways of the Building or attached Parking Areas. No animals, bicycles or vehicles of any description shall be brought into or kept in or about the Building.

9. No additional lock or locks shall be placed by Lessee on any door into the Building unless written consent of Lessor shall have first been obtained. Twenty (20) keys will be furnished by Lessor for the Leased Premises, and any additional key(s) required must be obtained from Lessor. A charge will be made for each additional key furnished. All keys shall be surrendered to Lessor upon termination of tenancy.

10. None of the entries, passages, doors, hallways or stairways in the Building shall be blocked or obstructed.

11. Lessor shall have the right to determine and prescribe the weight and proper position of any heavy equipment, including computers, safes, large files, etc., that are to be placed in the Building, and only those which in the exclusive judgment of the Lessor will not do dan1age to the floors, structure and/or elevators may be moved into the Building. Any damage caused by installing, moving or removing such aforementioned articles in the Building shall be paid for by Lessee.

12. All holiday and other decorations must be constructed of flame retardant materials. Live trees are not permitted in the Leased Premises.

13. Lessee shall provide Lessor with a list of all personnel authorized to enter the Building after hours (6:00 p.m. to 7:00 a.m. Monday through Friday, 1:00 p.m. to 12:00 midnight Saturdays, and 24 hours a day on Sundays and holidays).

14. After hours air conditioning/heating (6:00 p.m. to 7:00 a.m. Monday through Friday; 1:00 p.m. to 12:00 midnight Saturday; and 24 hours a day Sunday and Holidays) must be requested in writing by noon of a regular work day prior to the day for which additional air conditioning is requested. Lessee shall be charged the prevailing hourly rate.

15. The following dates shall constitute **"Holidays"** as said term is used in this Lease Agreement: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and the Friday following Thanksgiving Day and Christmas Day and any other holiday generally recognized national banks in the Houston, Texas area.

16. Lessee shall notify Lessor of furniture or equipment to be removed from the Building after hours. Description and serial numbers shall be provided if requested by Lessor.

17. Lessor shall designate one elevator to be the freight elevator to be used to handle packages and shipments of all kinds. The freight elevator shall be available to handle such deliveries from 9:00 a.m. to 11:00 a.m. and 2:00 p.m. to 3:30 p.m. weekdays. Parcel Post, express, freight or merchants' deliveries can be made anytime within these hours. No furniture or freight shall be handled outside the above hours, except by previous arrangement.

18. Prior to the commencement of any construction in the Leased Premises, Lessee shall deliver evidence of its contractor's and subcontractor's insurance, such insurance being with such companies, for such periods and in such amounts as Lessor may reasonably require, naming the Lessor Parties as additional insureds.

19. Any additional services as are routinely provided to tenants, not required by the Lease Agreement to be performed by Lessor, which Lessee requests Lessor to perform, and which are performed by Lessor, shall be billed to Lessee at Lessor's cost plus fifteen percent (15%).

20. All doors leading from public corridors to the Leased Premises are to be kept closed when not in use.

21. Canvassing, soliciting or peddling m the Building 1s prohibited and Lessee shall cooperate to prevent same.

22. Lessee shall give immediate notice to the Building Manager in case of accidents in the Leased Premises or in the Building or of defects therein or in any fixtures or equipment, or of any known emergency in the Building.

23. Lessee shall not use the Leased Premises or permit the Leased Premises to be used for photographic, multilith or multigraph reproductions, except in connection with its own business.

24. The requirements of Lessee will be attended to only upon application to the Building Manager. Employees of Lessor shall not perform any work or do anything outside of their regular duties, unless under special instructions from the Building Manager.

25. Lessee shall place or have placed solid pads under all rolling chairs such as may be used at desks or tables. Any damages caused to carpet by not having same shall be repaired or replaced at the expense of Lessee.

26. Lessor reserves the right to rescind any of these Rules and Regulations of the Building, and to make such other and further rules and regulations as in its judgment shall from time to time be needful for the safety, protection, care and cleanliness of the Building, the Leased Premises and the Parking Areas, the operation thereof, the preservation of good order therein and the protection and comfort of the other tenants in the Building and their agents, employees and invitees, which rules and regulations, when made and written notice thereof is given to Lessee, shall be binding upon Lessee in like manner as if originally herein prescribed.

27. Lessor shall have the right to restrict access to the Building through the use of a cardkey or access code system. In the event access is restricted by a cardkey system, Lessor will provide Twenty (20) cardkeys to Lessee. All others will be furnished to Lessee at a cost of Ten and 00/100 Dollars ($10.00) per card. Any future increase in the cost of cardkeys will be passed on to Lessee for any additional cardkeys required.

28. Lessee, or its employees, agents, servants, visitors, invitees or licensees of Lessee, shall not smoke or permit to be smoked cigarettes, cigars or pipes within the Leased Premises or Building. Smoking shall be confined to area(s) designated by Lessor. Lessor shall have no obligation to Lessee for failure of another tenant, its employees, agents, servants, visitors, invitees or licensees to comply with this paragraph.

29. If the Building contains wall-mounted thermostats, Lessee shall not, and shall not allow its employees, contractors, invitees or any other party entering the Leased Premises, to adjust or attempt to adjust such thermostats. If there is any damage to wall-mounted thermostats due to attempts by Lessee to adjust thermostats, Lessor may repair such damage at the sole cost and expense of Lessee.

EXHIBIT D

ACCEPTANCE OF PREMISES MEMORANDUM

This Memorandum is an amendment to the Lease Agreement for space in the Fannin South Professional Building, Suite 140, located at 7707 Fannin, Harris County, Texas, 77054, executed on the 9th day of October 2015, between Timothy L. Sharma d/b/a Cambridge Properties, as Lessor and Kiromic, LLC, as Lessee.

Lessor and Lessee hereby agree that:

1. The Leased Premises consists of 9,352 square feet of Net Rentable Area.
2. Except for those items shown on the attached "punch list", if any, which Lessor will remedy within __ days hereof, Lessor has fully completed the construction work required under the terms of the Lease Agreement.
3. The Leased Premises are tenantable, the Lessor has no further obligation for construction (except as specified above), and Lessee acknowledges that both the Building and the Leased Premises are satisfactory in all respects.
4. The Commencement Date of the Lease Agreement is hereby agreed to be 9th day of October 2015
5. The Expiration Date of the Lease Agreement is hereby agreed to be the __ day _____, 2018.

All other terms and conditions of the Lease Agreement are hereby ratified and acknowledged to be unchanged.

Agreed and Executed this 9th day of October 2015.

Lessor:

By: _____
Name: Timothy L. Sharma d/b/a Cambridge Properties

Lessee:
KIROMIC, LLC

EXHIBIT E

LESSEE'S ESTOPPEL CERTIFICATE

Timothy L. Sharma d/b/a Cambridge Properties
7505 Fannin, Suite 512
Houston, TX 77054

RE: 7707 Fannin, Suite 140, Houston. Texas 77054

Gentlemen:

The undersigned **("Lessee")** has executed and entered into that certain lease agreement **("Lease Agreement")** attached hereto as Exhibit "A" and made a part hereof for all purposes with respect to those certain premises **("Leased Premises")** which are located in the above-referenced project **("Project")** and are more fully described in the Lease Agreement. Lessee understands that the entity to whom this letter is addressed **("Addressee")** has committed to loan or invest a substantial sum of money in reliance upon this certification by the undersigned, which certification is a condition precedent to making such loan or investment, or that Addressee intends to take some other action in reliance upon this certification.

With respect to the Lease Agreement, Lessee certifies to you the following, with the intention that you may rely fully thereon:

1. A true and correct copy of the Lease Agreement, including any and all amendments and modification s thereto, is attached hereto as Exhibit "A";

2. The original Lease Agreement is dated 2015, and has been assigned, modified, supplemented or amended only in the following respects:

3. Lessee is in actual occupancy of the Leased Premises under the Lease Agreement; the Leased Premises are known as Suite 140 of the Building; and the Leased Premises contain approximately 9,352 square feet;

4. The initial term of the Lease Agreement commenced on _____, 2015__, and ends on _____, 2018, at a yearly base rent of One Hundred Seventy Seven Thousand Six Hundred Eighty Eight and 00/100 Dollard ($177,688.00), and no rentals or other payments in advance of the current calendar month have been paid by Lessee, except as follows:

5. Base Rent with respect to the Lease Agreement has been paid by Lessee through ; all additional rents and other charges have been paid for the current periods;

6. There are no unpaid concessions, bonuses, free months' rent, rebates or other matters affecting the rent for Lessee, except as follows:

7. No security or other deposit has been paid by Lessee with respect to the Lease Agreement except as follows:

8. The Lease Agreement is in full force and effect and, to the best of Lessee's knowledge, there are no events or conditions existing which, with notice or the lapse of time or both, could constitute a monetary or other default of the Lessor under the Lease Agreement, or entitle Lessee to any offset or defense against the prompt current payment of rent or constitute a default by Lessee under the Lease Agreement, except as follows:

9. All improvements required to be made by Lessor under the terms of the Lease Agreement have been satisfactorily completed and accepted by Lessee as being in conformity with the Lease Agreement, except as follows:

10. Lessee has no option to expand or rent additional space within the Project or any right of first refusal with regard to any additional space within the Project, other than the Leased Premises, except as follows:

11. Lessee has no right or option to renew the Lease Agreement for any period of time after the expiration of the initial term of the Lease Agreement, except as follows:

12. To the best of Lessee's knowledge, any and all broker' s leasing and other commissions relating to and/or resulting from Lessee's execution of the Lease Agreement and occupancy of the Leased Premises have been paid in full and no broker' s leasing or other commissions will be or become due or payable in connection with or as a result of either Lessee's execution of a new Lease Agreement covering all or any portion of the Leased Premises or any other space within the Project or Lessee's renewal of the Lease Agreement, except as follows:

13. To the best of Lessee's knowledge, the use, maintenance or operation of the Leased Premises complies with, and will at all times comply with, all applicable federal, state, county or local statutes, laws, rules and regulations of any governmental authorities relating to environmental, health or safety matters (being hereinafter collectively referred to as the Environmental Laws);

14. The Leased Premises have not been used and Lessee does not plan to use the Leased Premises for any activities which, directly or indirectly, involve the use, generation, treatment, storage, transportation or disposal of any petroleum product or any toxic or hazardous chemical, material, substance, pollutant or waste, except in accordance with the Lease Agreement;

15. Lessee has not received any notices, written or oral, of violation of any Environmental Law or of any allegation which, if true, would contradict anything contained herein and, to the best of Lessee' s knowledge, there are not writs, injunctions, decrees, orders or judgments outstanding, no lawsuits, claims, proceedings or investigations pending or threatened, relating to the use, maintenance or operation of the Leased Premises, nor is Lessee aware of a basis for an y such proceeding;

16. There are no actions, whether voluntary or otherwise, pending against Lessee under the bankruptcy or insolvency laws of the United State s or of any state.

17. Lessee has no right of refusal or option to purchase the Leased Premises or the Project.

Dated: October 9, 2015

Very truly yours,

KIROMIC, LLC

EXHIBIT F

LESSEE'S WORKLETTER

This Workletter is executed simultaneously with, and is an Exhibit to, that certain Lease Agreement (the **"Lease Agreement"),** dated as of the date hereof between **Timothy L. Sharma d/b/a Cambridge Properties ("Lessor"),** and **Kiromic, LLC,** a Texas limited liability company **("Lessee"),** wherein Lessee is leasing certain office space (the **"Leased Premises")** in the Building, as more particularly described in the Lease Agreement. In consideration of the parties entering into the Lease Agreement and of the mutual promises and covenants hereinafter contained, Lessor and Lessee hereby agree as follows:

1. Proposed and Final Plans.

(a) Within 30 business days after the Effective Date, Lessee shall cause to be prepared and delivered to Lessor, for Lessor's approval, such approval not to be unreasonably withheld, conditioned or delayed, the following proposed drawings (**"Proposed Plans"**) for all improvements Lessee desires to complete or have completed in the Leased Premises (the **"Improvements"**):

(i) Architectural drawings (consisting of floor construction plan, ceiling lighting and lay out, power, and telephone plan). Such drawings shall include a tabulation of connected electrical load and an analysis of electrical demand load. In addition, the orientation of ceiling lights to be installed in the ceiling grid as reflected by Lessee's ceiling lighting plans must be east/west so that Lessee' s ceiling lights will run perpendicular to the long exterior walls on the east and west sides of the floor(s) within the Leased Premises and will run parallel to the short walls on the north and south sides of such floor(s).

(ii) Mechanical drawings (consisting of HVAC, electrical, telephone, and plumbing). Drawings shall include a tabulation of connected electrical load and an analysis of anticipated electrical demand load.

(iii) Finish schedule (consisting of wall finishes and floor finishes and miscellaneous details).

(b) All architectural drawings shall be prepared at Lessee's sole cost and expense by a licensed architect designated by Lessee and approved by Lessor, such approval not to be unreasonably withheld, conditioned or delayed, whom Lessee shall employ. Lessee shall deliver one set of reproducible architectural drawings to Lessor. All mechanical drawings shall be prepared at Lessee's sole cost and expense by a licensed engineer designated and employed by Lessee and approved by Lessor, such approval not to be unreasonably withheld, conditioned or delayed.

(c) Within fifteen (15) days after Lessor' s receipt of the architectural drawings, Lessor shall advise Lessee of any changes or additional information required to obtain Lessor' s approval.

(d) Within fifteen (15) days after receipt of mechanical drawings, Lessor shall advise Lessee of any changes required to obtain Lessor's approval.

(e) If Lessor disapproves of, or requests additional information regarding the Proposed Plans. Lessee shall, within ten (10) days thereafter, revise the Proposed Plans disapproved by Lessor and resubmit such plans to Lessor or otherwise provide such additional information to Lessor . Lessor shall, within fifteen (15) days after receipt of Lessee's revised plans, advise Lessee of any additional changes which may be required to obtain Lessor' s approval. If Lessor disapproves the revised plans specifying the reason therefor, or requests further additional information , Lessee shall, within ten (10) days of receipt of Lessor's required changes, revise such plans and resubmit them to Lessor or deliver to Lessor such further information as Lessor has requested. Lessor shall, again within fifteen (15) days after receipt of Lessee's revised plans, advise Lessee of further changes, if any, required for Lessor's approval. This process shall continue until Lessor has approved Lessee' s revised Proposed Plans. **"Final Plans"** shall mean the Proposed Plans, as revised, which have been approved by Lessor and Lessee in writing. Lessor agrees not to withhold its approval unreasonably.

(f) Neither review nor approval by Lessor of the Proposed Plans and resulting Final Plans shall constitute a representation or warranty by Lessor that such plans either (i) are complete or suitable for their intended purpose, or (ii) comply with applicable Requirements, or any requirements of Lessor's insurers, it being expressly agreed by Lessee that Lessor assumes no responsibility or liability whatsoever to Lessee or to any other person or entity for such completeness, suitability or compliance. Lessee shall not make any changes in the Final Plans without Lessor's prior written approval, which shall not be unreasonably withheld or delayed; provided that Lessor may, in the exercise of its sole and absolute discretion, disapprove any proposed changes adversely affecting the Building's structure, any asbestos-containing material s, systems, equipment or the appearance or value of the Building and/or which do not otherwise comply with the requirements of this Exhibit " F".

2. Performance of the Improvements.

(a) Filing of Final Plans. Permits. Lessee, at its sole cost and expense, shall file the Final Plans with the governmental agencies having jurisdiction over the Improvements. Lessee shall furnish Lessor with copies of all documents submitted to all such governmental agencies and with the authorizations to commence work and the permits for the Improvements issued by such governmental agencies. Lessee shall not commence the Improvements until the required governmental authorizations to commence such work for such work are obtained and delivered to Lessor.

(b) Lessor Approval of Contractors. No later than five (5) business days following Lessor's approval of the Final Plans, Lessee shall enter into a contract for construction of the Improvements with a general contractor acceptable to Lessor (the **"General Contractor"),** such acceptance not to be unreasonably withheld, conditioned or delayed. Lessee's construction contract with the General Contractor shall be subject to Lessor's prior approval, which approval shall not be unreasonably withheld. The General Contractor shall be responsible for all required construction, management and supervision, including bidding by subcontractors for the various

components of the work of the Improvements. In addition , Lessee shall only utilize for purposes of mechanical, electrical, structural, sprinkler, fire and life safety, and HVAC air balancing activities those contractors as specifically designated by Lessor (collectively, the **"Essential Subs"),** which list of Essential Subs shall include three (3) names each for those Essential Subs engaged in mechanical. electrical, structural or sprinkler contracting, one name for fire and life-safety and one name for HYAC air balancing. Lessee shall submit to Lessor not less than ten (10) days prior to commencement of construction the following information and items:

(i) Names and addresses of the other subcontractors, and subcontractors (collectively, together with the General Contractor and Essential Subs, the **"Lessee's Contractors")** Lessee intend s to employ in the construction of the Improvements. Lessor shall have the right to approve or disapprove Lessee's Contractors, such approval not to be unreasonably withheld, conditioned or delayed, and Lessee shall employ, as Lessee's Contractors, only those persons or entities approved by Lessor. All contractors and subcontractors engaged by or on behalf of Lessee for the Leased Premises shall be licensed contractors, possessing good labor relations, capable of performing quality workmanship and working in harmony with Lessor's contractors and subcontractors and with other contractors and subcontractors on the job site. All work shall be coordinated with any general construction work in the Building. Lessee agrees to give the contractor employed by Lessor in the Building an equal opportunity to submit a bid for the Improvements, but Lessee shall not be obligated to hire such contractor.

(ii) The scheduled commencement date of construction, the estimated date of completion of construction work, fixturing work, and estimated date of occupancy of the Leased Premises by Lessee.

(iii) Itemized statement of estimated construction cost, including permits and fees, architectural, engineering, and contracting fees.

(iv) Certified copies of insurance policies or certificates of insurance as hereinafter described. Lessee shall not permit Lessee's Contractors to commence work until the required insurance has been obtained and certified copies of policies or certificates have been delivered to Lessor.

(c) Access to Leased Premises. Lessee, its employees, designers, contractors and workmen shall have access to and primary use of the Leased Premises prior to the commencement of the Term of the Lease Agreement to construct the Improvements, provided that Lessee and its employees, agents, contractors, and suppliers only access the Leased Premises via the Building freight elevator work in harmony and do not unreasonably interfere with the performance of other work in the Building by Lessor, Lessor' s contractors, other tenants or occupants of the Building (whether or not the terms of their respective leases have commenced) or their contractors. If at any time such entry shall cause, or in Lessor's reasonable judgment threaten to cause, such disharmony or interference, Lessor may terminate such permission upon twenty-four (24) hours' written notice to Lessee, and thereupon, Lessee or its employees, agents, contractors, and suppliers causing such disharmony or interference shall immediately withdraw from the Leased Premises and the Building until Lessor determines such disturbance no longer exists.

(d) Lessor's Right to Perform. Lessor shall have the right, but not the obligation, to perform. on behalf of and for the account of Lessee, subject to reimbursement by Lessee, any of the Improvements which (i) Lessor reasonably deems necessary to be done on an emergency basis, (ii) pertains to structural components or the general Building systems, (iii) pertains to the erection of temporary safety barricades or signs during construction, (iv) affects any asbestos-containing materials. Except in case of emergency, Lessor shall give prior reasonable written notice to Lessee of its intention to perform such work.

(e) Warranties. On completion of the Improvements, Lessee shall provide Lessor with copies of all warranties of at least one-year duration on all the Improvements. At Lessor's request, Lessee shall enforce, at Lessee's expense, all guarantees and warranties made and/or furnished to Lessee with respect to the Improvements.

(f) Protection of Building. All work performed by Lessee shall be performed with a minimum of interference with other tenants and occupants of the Building and shall conform to the Rules and Regulations attached to the Lease Agreement as Exhibit "D", and those rules and regulations governing construction in the Building as Lessor or Lessor's agents may impose. Lessee will take all reasonable and customary precautionary steps to protect its facilities and the facilities of others affected by the Improvements and to properly police same and Lessor shall have no responsibility for any loss by theft or otherwise. Construction equipment and materials are to be located in confined areas and delivery and loading of equipment and materials shall be done at such reasonable locations and at such time as Lessor shall direct so as not to burden the operation of the Building. Lessor shall advise Lessee in advance of any special delivery and loading dock requirements. Lessee shall at all times keep the Leased Premises and adjacent areas free from accumulations of waste materials or rubbish caused by its suppliers, contractors or workmen. Lessor may require daily clean-up if required for fire prevention and life safety reasons or applicable laws and reserves the right to do clean-up at the expense of Lessee if Lessee fails to comply with Lessor's cleanup requirements. At the completion of the Improvements, Lessee's Contractors shall forthwith remove all rubbish and all tools, equipment and surplus materials from and about the Leased Premises and Building. Any damage caused by Lessee's Contractors to any portion of the Building or to any property of Lessor or other tenants shall be repaired forthwith after written notice from Lessor to its condition prior to such damage by Lessee at Lessee's expense.

(g) Compliance by all Lessee Contractors. Lessee shall impose and enforce all terms hereof on Lessee's Contractors and its designers, architects and engineers. Lessor shall have the right to order Lessee or any of Lessee's Contractors, designers, architects or engineers who willfully violate the provisions of this Workletter to cease work and remove himself or itself and his or its equipment and employees from the Building.

(h) Accidents, Notice to Lessor. Lessee's Contractors shall assume responsibility for the prevention of accidents to its agents and employees and shall take all reasonable safety precautions with respect to the work to be performed and shall comply with all reasonable safety measures initiated by the Lessor and with all applicable laws, ordinances, rules, regulations and orders of any public authority for the safety of persons or property. Lessee shall advise the Lessee's Contractors to report *to* Lessor any injury to any of its agents or employees and shall furnish Lessor a copy of the accident report filed with its insurance carrier within three (3) days of its occurrence.

(i) Required Insurance. Lessee shall cause Lessee' s Contractors to secure, pay for, and maintain during the performance of the construction of the Improvements, insurance in the following minimum coverages and limits of liability:

(i) Workmen's Compensation and Employer's Liability Insurance as required by law.

(ii) Commercial General Liability Insurance (including Owner's and Contractors' Protective Liability) in an amount not less than $2,000,000.00 per occurrence, whether involving bodily injury liability (or death resulting therefrom) or property damage liability or a combination thereof with a minimum aggregate limit of $2,000,000.00, and with umbrella coverage with limits not less than $5,000,000.00. Such insurance shall provide for explosion and collapse, completed operations coverage with a two-year extension after completion of the work, and broad form blanket contractual liability coverage and shall insure Lessee's Contractors against any and all claims for bodily injury, including death resulting therefrom and damage to the property of others and arising from its operations under the contracts whether such operations are performed by Lessee's Contractors, or by anyone directly or indirectly employed by any of them.

(iii) Comprehensive Automobile Liability Insurance, including the ownership, maintenance, and operation of any automotive equipment, owned, hired, or non-owned in an amount not less than $500,000.00 for each person in one accident, and $1,000,000.00 for injuries sustained by two or more persons in any one accident and property damage liability in an amount not less than $1,000,000.00 for each accident. Such insurance shall insure Lessee ' s Contractors against any and all claims for bodily injury, including death resulting therefrom, and damage to the property of others arising from its operations under the contracts, whether such operations are performed by Lessee's Contractors, or by anyone directly or indirectly employed by any of them.

(iv) "All-risk" Builder' s Risk insurance upon the entire Improvements to the full insurance value thereof. Such insurance shall include the interest of Lessor and Lessee (and their respective contractors and subcontractors of any tier to the extent of any insurable interest therein) in the Improvements and shall insure against the perils of fire and extended coverage and shall include "all-risk" Builder's Risk insurance for physical loss or damage including, without duplication of coverage, theft, vandalism, and malicious mischief. If portions of the Improvements are stored off the site of the Building or in transit to such site are not covered under such "all-risk" Builder's Risk insurance, then Lessee shall effect and maintain similar property insurance on such portions of the Improvements. Any loss insured under such "all-risk" Builder's Risk insurance is to be adjusted with Lessor and Lessee and made payable to Lessor as trustee for the insureds, as their interest may appear, subject to the agreement reached by such parties in interest, or in the absence of any such agreement, then. in accordance with a final, nonappealable order of a court of competent jurisdiction. If after such loss no other special agreement is made, the decision to replace or not replace any such damaged the Improvements shall be made in accordance with the terms and provisions of the Lease Agreement including, without limitation, this Workletter. The waiver of subrogation provisions contained in the Lease Agreement shall apply to the "all-risk" Builder' s Risk insurance policy to be obtained by Lessee pursuant to this paragraph.

All policies (except the workmen's compensation policy) shall be endorsed to include as additional named insureds Lessor and its officers, employees, and agents, Lessor' s contractors, Lessor's architect, and such additional persons as Lessor may designate. Such endorsements shall also provide that all additional insured parties shall be given thirty (30) days' prior written notice of any reduction, cancellation, or nonrenewal of coverage by certified mail, return receipt requested (except that ten (10) days' notice shall be sufficient in the case of cancellation for nonpayment of premium) and shall provide that the insurance coverage afforded to the additional insured parties thereunder shall be primary to any insurance carried independently by such additional insured parties. At Lessee's request, Lessor shall furnish a list of names and addresses of parties to be named as additional insureds. The insurance policies required hereunder shall be considered as the primary insurance and shall not call into contribution any insurance then maintained by Lessor. Additionally, where applicable, such policy shall contain a cross liability and severability or interest clause.

To the fullest extent permitted by law, Lessee (and Lessee' s Contractors) and Lessor (and its contractors) shall indemnify and hold harmless the other party, its officers, agents and employees, from and against all claims, damages, liabilities, losses and expenses of whatever nature, including but not limited to reasonable attorneys' fees, the cost of any repairs to the Leased Premises or Building necessitated by activities of the indemnifying party's contractors, bodily injury to persons or damage to property of the indemnified party, its employees, agents, invitees, licensees, or others, arising out of or resulting from the performance of work by the indemnifying party or its contractors. The foregoing indemnity shall be in addition to the insurance requirements set forth above and shall not be in discharge or substitution of the same, and shall not be limited in any way by any limitations on the amount or type of damages, compensation or benefits payable by or for Lessee's Contractors under Workers' or Workmen's Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

(i) Quality of Work. The Improvements shall be constructed in a first-class workmanlike manner using only good grades of material and in compliance with the Final Plans, all insurance requirements, applicable laws and ordinances and rules and regulations of governmental departments or agencies and the rules and regulations adopted by Lessor for the Building.

(k) "As-Built" Plans. Upon completion of the Improvements, Lessee shall furnish Lessor with "as built" plans for the Leased Premises, final waivers of lien for the Improvements, a detailed breakdown of the costs of the Improvements (which may be in the form of an owner's affidavit) and evidence of payment reasonably satisfactory to Lessor, and an occupancy permit for the Leased Premises.

(l) Mechanics' Liens. Lessee shall not permit any of the Lessee's Contractors to place any lien upon the Building, and if any such lien is placed upon the Building, Lessee shall within ten (I 0) days of notice thereof, cause such lien to be discharged of record, by bonding or otherwise. If Lessee shall fail to cause any such lien to be discharged, Lessor shall have the right to have materialmen and except for the final disbursement of the Lessee Allowance, unconditional lien waivers for the last preceding draw request);

(C) Lessee's certification to Lessor that the amounts set forth in all contractor' s statements are owed to Lessee's Contractors for the Improvements performed to date;

(D) The total cost of the Improvements based on the Final Plans, as such cost may change from time to time;

(E) With the final draw request, Lessee shall submit to Lessor a certificate from Lessee's architect stating that the Improvements has been completed in accordance with the Final Plans and applicable zoning, building, environmental and other laws and an unconditional waiver and release from the General Contractor and each of Lessee's Contractors who have not theretofore delivered such unconditional waiver and release.

(iii) Lessor will disburse the portion of the Lessee Allowance allocable to each draw request to Lessee, or at Lessor's option directly to Lessee's Contractors, within thirty (30) days after Lessee has submitted the required information for such draw and has otherwise complied with the requirements hereof.

(iv) Lessor shall not be obligated to fund any portion of the Lessee Allowance until Lessor receives the security deposit described in Section 4 of this Lease Agreement.

4. Ready for Occupancy.

Subject to the correction of the punch-list items, Lessee shall be obligated to accept the Leased Premises at such time as the Leased Premises are Ready for Occupancy. The term "Ready for Occupancy" means that Lessee has Substantially Completed (as hereinafter defined) the Improvements and other work it is obligated to perform pursuant to this Workletter, that this work shall be deemed complete, notwithstanding the fact that minor details of construction, mechanical adjustments or decoration which do not materially interfere with Lessee's use of the Leased Premises remain to be performed (items normally referred to as "punch-list" items) and that a temporary or permanent certificate of occupancy has been issued for the Leased Premises by the applicable authority. The Leased Premises shall be deemed Ready for Occupancy even though certain other portions of the Building, which do not interfere with Lessee's efficient conduct of its business, have not been fully completed, and even though Lessee's furniture, furniture systems, telephones, telexes, telecopiers, photocopy machines, computers and other business machines or equipment have not been installed, the purchase and installation of which shall be Lessee's sole responsibility. "Substantial Completion" or "Substantially Completed" means that the Improvements have been completed, as reasonably determined by Lessee's architect, in accordance with (a) the provisions of this Lease Agreement applicable thereto, (b) the Final Plans, and (c) all applicable laws, rules and regulations, except for minor details of construction, decoration and mechanical adjustments, if any, the non-completion of which does not materially interfere with Lessee's use of the Leased Premises or which in accordance with good construction practices should be completed after the completion of other work in the Leased Premises or the Building.

5. Miscellaneous.

Lessee agrees that, in connection with the Improvements and its use of the Leased Premises prior to the commencement of the Term of the Lease Agreement, Lessee shall have those duties and obligations with respect thereto that it has pursuant to the Lease Agreement during the Term, except the obligation for payment of rent, and further agrees that Lessor shall not be liable in any way for injury, loss, or damage which may occur to any of the Improvements or installations made in the Leased Premises, or to any personal property placed therein, the same being at Lessee's sole risk.

Except as expressly set forth herein, Lessor has no other agreement with Lessee and Lessor has no other obligation to do any other work or pay any amounts with respect to the Leased Premises. Any other work in the Leased Premises which may be permitted by Lessor pursuant to the terms and conditions of the Lease Agreement shall be done at Lessee's sole cost and expense and in accordance with the terms and conditions of the Lease Agreement.

(a) This Workletter shall not be deemed applicable to any additional space added to the original Leased Premises at any time or from time to time, whether by any options under the Lease Agreement or otherwise, or to any portion of the original Leased Premises or any additions thereto in the event of a renewal or extension of the initial term of the Lease Agreement, whether by any options under the Lease Agreement or otherwise, unless expressly so provided in the Lease Agreement or any amendment or supplement thereto.

(b) The failure by Lessee to pay any monies due Lessor pursuant to this Workletter within the time period herein stated shall be deemed a default under the terms of the Lease Agreement, such to applicable notice and cure periods, for which Lessor shall be entitled, following the expiration of any such notice and cure periods, to exercise all remedies available to Lessor for nonpayment of Rent. All late payments shall bear interest at the Interest Rate.

(c) Lessee shall be solely responsible to determine at the site all dimensions of the Leased Premises and the Building which affect any work to be performed by Lessee hereunder.

Executed on the 9th day of October, 2015

LANDLORD:

By: /s/ Timothy L. Sharma
Name: Timothy L. Sharma d/b/a
Cambridge Properties

TENANT:

Kiromic, LLC
a Texas limited liability company

By: /s/ Scott Dahlbeck
Its: Scott Dahlbeck, CEO

EXHIBIT G

AIR CONDITIONING AND HEATING SERVICES

Lessor will furnish Building standard air conditioning and heating to the Leased Premises (other than the Laboratory Area (as defined below)) between 7:00 a.m. and 6:00 p.m. from Monday through Friday and, if requested, between 8:00 a.m. and 1:00 p.m. on Saturdays, all exclusive of Holidays (as defined above). Upon request of Lessee made in accordance with the rules and regulations for the Building, Lessor will use its good faith efforts to furnish air conditioning and heating (other than to the Laboratory Area (as defined below)) at other times (that is, at times other than the times specified above), in which event Lessee shall reimburse Lessor for the actual cost Lessor incurs, as such cost may be adjusted from time to time, for furnishing such services. Lessee shall be billed on a monthly basis only for its actual consumption after Building hours for HVAC to the Leased Premises (other than the Laboratory Area).

The area of the Leased Premises identified as the "Laboratory Area" on the Final Plans (as defined in Exhibit "F"), shall be serviced by a dedicated HVAC unit on a twenty-four (24) hour basis. The HVAC unit for the Laboratory Area shall be separately metered and Lessor shall bill Lessee for usage on a monthly basis, which amount shall be paid within ten (10) days of receipt of such invoice. Lessee shall be solely responsible for maintenance and repair of such units in the Laboratory Area (and Lessor hereby grants Lessee, its employees, contractors or agents access to such units in the Building); provided, however, any contractor that Lessee engages for service of such units shall be subject to Lessor's prior approval, such approval not to be unreasonably withheld, conditioned or delayed.

EXHIBIT H INSURANCE

REQUIREMENTS

LESSEE'S REQUIREMENTS

1. Lessee's Insurance Representations to Lessor.

A. It is expressly understood and agreed that the insurance coverages required herein:

i. represent Lessor Parties' minimum requirements and are not to be construed to void or limit Lessee's indemnity obligations as contained in the Lease Agreement nor represent in any manner a determination of the insurance coverages Lessee should or should not maintain for its own protection; and

ii. are being, or have been, obtained by Lessee in support of Lessee's liability and indemnity obligations under the Lease Agreement. Irrespective of the requirements as to insurance to be carried as provided for herein, the insolvency, bankruptcy or failure of any insurance company carrying insurance of Lessee, or the failure of any insurance company to pay claims accruing, shall not be held to affect, negate or waive any of the provisions of this Exhibit "H'' or the Lease Agreement.

B. Failure to obtain and maintain the required insurance shall constitute a breach of, and default under, this Exhibit "H" and the Lease Agreement, subject to any applicable notice and cure provisions of the Lease Agreement. Lessee will be liable for any and all costs, liabilities, damages and penalties resulting to Lessor Parties from such termination, unless a written waiver of the specific insurance requirement(s) is provided to Lessee by Lessor. In the event of any failure by Lessee to comply with the provisions of this Exhibit "H", Lessor may, without in any way compromising or waiving any right or remedy at law or in equity, on notice to Lessee, purchase such insurance, at Lessee's expense, provided that Lessor shall have no obligation to do so and if Lessor shall do so, Lessee shall not be relieved of or excused from the obligation to obtain and maintain such insurance amounts and coverages.

2. Conditions Affecting All Insurance Required Herein.

A. Cost of Insurance. All insurance coverage shall be provided at Lessee's sole expense.

B. Maintenance of Insurance. All insurance coverage shall be maintained in effect with limits not less than those set forth below at all times during the Term of the Lease Agreement.

C. Status and Rating of Insurance Company. All insurance coverage shall be written through insurance companies admitted to do business in the State of Texas and rated no less than A: VII in the most current edition of *A. M. Best's Key Rating Guide* and no less than A- in the most current edition of *Standard & Poor Insurance Solvency Review*.

D. Non-Standard. Special and/or Unusual Exclusions, Limitations or Endorsements. All insurance coverage shall be provided to Lessor Parties in compliance with the requirements herein and shall contain no non-standard, special and/or unusual exclusions or restrictive endorsements without the prior express written approval of Lessor.

E. Limits of Liability. The limits of liability required herein may be provided by a single policy of insurance or by a combination of primary and umbrella policies, but in no event shall the total limits of liability available for any one occurrence or accident be less than the amount required herein.

F. Notice of Cancellation, Nonrenewal, or Material Reduction in Coverage. All insurance coverage shall contain the following express provision:

"This is to certify that the policies of insurance described herein have been issued to the Insured for whom this certificate is executed and are in force at this time. In the event of cancellation, non-renewal, or material reduction in coverage affecting the certificate holder, thirty (30) days prior written notice shall be given to the certificate holder, except for cancellation for non-payment, for which ten (10) days prior written notice shall be provided."

G. Additional Insured Status. Additional insured status shall be provided in favor of Lessor Parties on all liability insurance required herein except workers' compensation/ employer's liability. Additional insured status on the general liability insurance shall be provided on ISO form 2026 or its equivalent.

H. Waiver of Subrogation. All insurance coverage carried by Lessee, whether required herein or not, shall provide a waiver of subrogation in favor of Lessor Parties.

I. Primary Liability. All insurance coverage required herein shall be primary to all insurance available to Lessor Parties, with Lessor Parties' insurance being excess, secondary and non-contributing. Where necessary, coverage shall be endorsed to provide such primary liability.

J. Deductible/Retention. No insurance required herein shall contain a deductible or self-insured retention in excess of $10,000 without prior written approval of Lessor. All deductibles and/or retentions shall be paid by, assumed by, for the account of, and at Lessee's sole risk.

3. Commercial General Liability Insurance.

A. Coverage. Such insurance shall cover liability arising out of all locations and operations of Lessee, including but not limited to liability assumed under the Lease Agreement (including the total liability of another assumed in a business contract). Defense shall be provided as an additional benefit and not included within the limit of liability.

B. Form. Commercial General Liability Occurrence form (ISO CG 0001 0798 or its equivalent).

C. Amount of Insurance. Coverage shall be provided with limits of not less than:

I.	Each Occurrence Limit	$1,000,000
II.	General Aggregate Limit	$2,000,000
III.	Product-Completed Operations Aggregate Limit	$2,000,000
IV.	Personal and Advertising Injury Limit	$1,000,000
V.	Damage to Premises Rented to You Limit	$1,000,000
VI.	Medical Expense Limit	$ 5,000

D. Required Endorsements:

I. Additional Insured status required in 2.G., above.

II. Aggregate Per Location: The aggregate limit shall apply separately to each location through use of an Aggregate Limit of Insurance Per Location endorsement (ISO CG 2504 1185 or its equivalent).

III. Notice of Cancellation, Nonrenewal or Material Reduction in Coverage, as required in 2.F., above.

IV. Personal Injury Liability: The personal injury contractual liability exclusion shall be deleted

V. Primary Liability, as required in 2.L above

VI. Waiver of Subrogation, as required in 2.H., above.

4. Auto Liability Insurance.

A. Coverage. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned).

B. Form. Business Auto form (ISO CA 0001 or its equivalent).

C. Amount of Insurance. Coverage shall be provided with a limit of not less than $1,000,000.

D. Required Endorsements:

I. Additional Insured status required in 2.G., above.

III. Notice of Cancellation, Nonrenewal or Material Reduction in Coverage, as required in 2.F., above.

VI. Waiver of Subrogation, as required in 2.H., above.

5. Workers' Compensation/Employer's Liability Insurance.

A. Coverage. Such insurance shall cover liability arising out of Lessee's employment of workers and anyone for whom Lessee may be liable for workers' compensation claims. Workers' compensation insurance is required, and no "alternative" forms of insurance shall be permitted. USL&H must be provided where such exposure exist.

B. Amount of Insurance. Coverage shall be provided with a limit of not less than:

I.	Workers' Compensation:	Statutory limits;
II.	Employer's Liability:	$500,000 each accident;
		$500,000 each disease.

C. Required Endorsements:

I. Notice of Cancellation, Nonrenewal or Material Reduction in Coverage, as required in 2.F., above;

II. Waiver of Subrogation, as required in 2.H., above.

6. Umbrella Liability Insurance.

A. Coverage. Such insurance shall be excess over and be no less broad than all coverages described above and shall include a drop-down provision.

B. Form: This policy shall have the same inception and expiration dates as the commercial general liability insurance required above.

C. Amount of Insurance. Coverage shall be provided with a limit of not less than $5,000,000.

7. Property Insurance.

A. Coverage. Such insurance shall be provided on all of Lessee's business personal property (including but not limited to furniture, fixtures, and equipment and all above-Building standard improvements and betterments) in the location covered by the Lease Agreement.

B. Form. ISO Special Causes of Loss.

C. Amount of Insurance. Coverage shall be provided in the amount 100% of replacement cost of all property required to be covered herein and in compliance with all laws, regulations or ordinances affecting such property.

D. Required Endorsements:

i. Agreed Value.

ii. Ordinance or Law.

iii. Replacement Cost.

8. Intentionally Deleted.

9. Intentionally Deleted.

10. Evidence of Insurance.

A. Provision of Evidence. Evidence of the insurance coverage required to be maintained by Lessee, represented by certificates of insurance, evidence of insurance, and endorsements issued by the insurance company or its legal agent, and must be furnished to Lessor prior to occupancy of the Leased Premises and not later than fifteen (15) days after execution of this Lease Agreement. New certificates of insurance, evidence of insurance, and endorsements shall be provided to Lessor prior to the termination date of the current certificates of insurance, evidence of insurance, and endorsements.

B. Form

i. All property and business income insurance required herein shall be evidenced by ACORD form 27, “Evidence of Property Insurance”.

ii. All liability insurance required herein shall be evidenced by ACORD form 25S, “Certificate of Insurance”.

C. Specifications. Such certificates of insurance, evidence of insurance, and endorsements shall specify:

1. Lessor as a certificate holder with correct mailing address.

2. Insured’s name, which must match that on the Lease Agreement.

3. Insurance companies affording each coverage, policy number of each coverage, policy dates of each coverage, all coverages and limits described herein, and signature of authorized representative of insurance company.

4. Producer of the certificate with correct address and phone number listed.

5. Additional insured status required by this Exhibit “H’’.

6. Aggregate limits per project required by this Exhibit “H”.

7. Amount of any deductibles and/or retentions.

8. Cancellation, nonrenewal and material reduction in coverage notification as required by this Exhibit “H”. Additionally, the words “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon Company, its agents or representatives” shall be deleted from the cancellation provision of the ACORD 25S certificate of insurance form.

9. Primary status required by this Exhibit “H”.

10. Waivers of subrogation required by this Exhibit “H’’.

D. Required Endorsements. A copy of each required endorsement shall also be provided.

E. Failure to Obtain: Failure of Lessor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Lessor to identify a deficiency from evidence that is provided shall not be construed as a waiver of Lessee's obligation to maintain such insurance.

F. Certified Copies: Upon request of any Lessor Party, Lessee shall provide to Lessor a certified copy of all insurance policies required herein within ten (10) days of any such request. Renewal policies, if necessary, shall be delivered to Lessor at least ten (10) days prior to the expiration of the previous policy.

11. Definitions. For purposes of this Exhibit "H" and the Lease Agreement:

A. ISO. "ISO" means Insurance Services Office;

B. Lessor Parties. "Lessor Parties" means (a) Lessor, (b) any lender whose loan is secured by a lien against the Building or Land, (c) their respective shareholders, members, partners, affiliates and subsidiaries, successors and assigns, and (e) any directors, officers, employee, agents, or contractor of such persons or entities.

LESSOR'S REQUIREMENTS

1. Property Insurance.

A. Coverage: Such insurance shall be provided on Buildings and Building Standard improvements and betterments in the location covered by the Agreement to which this Exhibit is attached;

B Form: ISO Special Causes of Loss;

C. Amount of Insurance: Coverage shall be provided in the amount I 00% of replacement cost of all property required to be covered herein and in compliance with all laws, regulations or ordinances affecting such property;

D. Required Endorsements:

i. Agreed Value;

ii. Ordinance or Law;

iii. Replacement Cost;

iv. Waiver of Subrogation

2. Liability Insurance.

A. Coverage: Lessor shall provide general liability insurance on the location covered by the Agreement to which this Exhibit is attached;

B. Form: ISO Commercial General Liability Occurrence;

C. Amount of insurance: Coverage shall be provided with limits of not less than:

I.	Each Occurrence Limit	$1,000,000
II.	General Aggregate Limit	$2,000,000
III.	Product-Completed Operations Aggregate Limit	$2,000,000
IV.	Personal and Advertising Injury Limit	$1,000,000
V.	Damage to Premises Rented to You Limit	$1,000,000
VI.	Medical Expense Limit	$ 5,000

D. Required Endorsements;

I. Additional Insured status;

II. Waiver of Subrogation.

Said insurance shall be maintained with an insurance company authorized to do business in Texas, in amounts desired by Lessor and at the expense of Lessor (but with the same to be included in the Operating Expenses of the Building as described in Section 6 of this Lease Agreement) and payments for losses thereunder shall be made solely to Lessor. If the annual premiums to be paid by Lessor for casualty insurance shall exceed the standard rates because of Lessee's operations within or contents of the Leased Premises or because the improvements to the Leased Premises are above Building standard, Lessee shall promptly pay the excess amount of the premium upon request by Lessor (and if necessary, Lessor may allocate the insurance costs of the Building to give effect to this sentence). Alternatively, Lessor may meet its insurance coverage hereunder through self-insurance coverage provided that the coverage thereunder is substantially similar to the coverage which would otherwise have been provided by a third party insurance carrier in order to comply with this Exhibit "H". In the event Lessor elects to self-insure, Lessor shall have the right to assess and include within Operating Expenses the amount of the premium which would have been payable had Lessor purchased such insurance.

EXHIBIT 1

PARKING AGREEMENT

PARKING AGREEMENT

Lessor hereby agrees to make available to Lessee, during the full Term of this Lease Agreement, five (5) reserved parking permits in the lower level parking area at 7707 Fannin Street, Houston, TX (hereinafter referred to as the **"Garage")** and the right to utilize up to thirty two (32) unreserved parking permits for the surface parking area (hereinafter referred to as **"Surface Parking")** (hereinafter collectively referred to as the **"Parking Permits"),** upon the following terms and conditions:

1. Lessee shall pay as rental for the Parking Permits the rates charged from time to time by the operator of the Garage and Surface Parking, plus all taxes applicable thereto. The initial monthly rate for each of the Parking Permits for reserved parking shall be $75.00 plus taxes and for unreserved parking shall be $45.00 plus taxes. Notwithstanding anything to the contrary contained herein, Lessee shall receive five (5) reserved parking spaces at no charge for a period of six (6) months following the Commencement Date. Said rentals shall be due and payable to Lessor or its parking manager, as designated in writing by Lessor at the address specified in Section 31 of this Lease Agreement (or such other address as may be designated by Lessor in writing from time to time), as additional rent on the first day of each calendar month during the Term.

2. Intentionally Deleted.

3. Lessor will issue to Lessee parking tags, stickers or access cards for the Parking Permits, or will provide a reasonable alternative means of identifying and controlling vehicles authorized to park in the contract Garage and Surface Parking. Lessee shall surrender each such tag, sticker or other identifying device to Lessor upon termination of the Parking Permit related thereto.

4. Lessor, at its discretion, shall have the right from time to time and upon written notice to Lessee to designate the area(s) within which vehicles may be parked.

5. If for any reason Lessor fails or is unable to provide any of the parking spaces covered by the Parking Permits to Lessee at any time during the Term or any renewals or extensions hereof, and such failure continues for five (5) business days after Lessee gives Lessor written notice thereof, Lessee's obligation to pay rental for any parking space covered by the Parking Permits which is not provided by Lessor shall be abated for so long as Lessee does not have the use thereof space and Lessor shall use its diligent good faith efforts to provide alternative parking arrangements for the number of vehicles equal to the number of parking spaces covered by the Parking Permits not provided by Lessor. This abatement and offer of alternative parking arrangements shall be in full settlement of all claims that Lessee might otherwise have against Lessor by reason of Lessor's failure or inability to provide Lessee with such parking space.

6. If the Term commences on other than the first day of a calendar month or terminates on other than the last day of a calendar month, then rentals for the Parking Permits shall be prorated on a daily basis.

7. Lessee shall defend, indemnify, defend (with counsel reasonably acceptable to Lessor) and hold harmless the Lessor Parties from and against all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including court costs and reasonable attorneys' fees) resulting directly or indirectly from the use of the Parking Permits.

8. Lessor may provide parking in the Garage or Surface Parking for visitors to the Building in an area designated by Lessor and in a capacity determined by Lessor to be appropriate for the Building. Lessor reserves the right to charge and collect a fee for parking in the visitor Garage or Surface Parking in an amount determined by the operator of the Garage to be appropriate. Provided that Lessee has not defaulted under this Lease Agreement, Lessor agrees to allow Lessee to validate the parking ticket of Lessee's visitors with a stamp or other means approved in advance by Lessor, and to bill Lessee for the parking charges so validated by Lessee on a monthly basis. Said visitor parking charges shall be due and payable to Lessor as Additional Rent within ten (10) days after Lessee's receipt of such written statement. Alternatively, Lessor may establish a parking validation program whereby tenants may, at their option, purchase prepaid parking validation stickers or other means of identification for specific increments of visitor parking charges, which the tenants may then distribute to their visitors and invitees to be submitted to the Garage and Surface Parking attendant as payment for the applicable increment of visitor parking charge.

9. Upon the occurrence and during the continuance of an Event of Default under the Lease Agreement, Lessor shall have the right (in addition to all other rights, remedies and recourse hereunder and at law) to terminate the Parking Permits without prior notice or warning to Lessee.

10. Lessor shall have the right to relocate the Garage or Surface Parking to any future parking facilities Lessor may construct on the Land or on other land within a reasonable proximity thereto. If the parking spaces provided hereunder are on a surface lot, Lessor shall have the right to relocate such spaces to any parking garage which Lessor may construct on the Land or on other land within a reasonable proximity thereto.

A condition of any parking shall be compliance by the parker with Garage and Surface Parking rules and regulations, including any sticker or other identification system established by Lessor. The following rules and regulations are in effect until notice is given to Lessee of any change. Lessor reserves the right to modify and/or adopt such other reasonable and non-discriminatory rules and regulations for the Garage and Surface Parking as it deems necessary for the operation of the Garage and Surface Parking. Lessor may refuse to permit any person who violates the rules to park in the Garage and Surface Parking, and any violation of the rules shall subject the car to removal.

PARKING RULES AND REGULATIONS

1. Cars must be parked entirely within the stall lines painted on the floor and surface area.
2. All directional signs and a1Tows must be observed.
3. The speed limit shall be five (5) miles per hour.
4. Parking prohibited:
   (a) in areas not striped for parking
   (b) in aisles
   (c) where “no parking” signs are posted
   (d) in cross-hatched areas
   (e) in spaces reserved for exclusive use by designated Lessees
   (f) in such other areas as may be designated by Lessor or Lessor’s agent(s).
5. Parking stickers or any other device or form of identification supplied by Lessor shall remain the property of Lessor and shall not be transferable. There will be a replacement charge payable by Lessee equal to the amount posted from time to time by Lessor for loss of any magnetic parking card or parking sticker.
6. Garage and Surface Parking managers or attendant s are not authorized to make or allow any exceptions to these Rules and Regulations.
7. Every parker is required to park and lock his own car. All responsibility for damage to cars or persons is assumed by the parker.
8. Lessee is required to give Lessor, upon Lessor’s request, a list of employees parking in the Garage and Surface Parking which shall include year, make and model of car and license number.

Failure to promptly pay the rent required hereunder or persistent failure on the part of Lessee or Lessee’s designated parkers to observe the Rules and Regulations above shall give Lessor the right to terminate Lessee‘s right to use the parking structure or surface lots. No such termination shall create any liability on Lessor or be deemed to interfere with Lessee’s right to quiet possession of its Leased Premises.

Exhibit 10.16

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT (the "Second Amendment") is made and entered into as of the Effective Date set forth on the signature page (the "Effective Date") by and between **CAMBRIDGE PROPERTIES** (herein referred to as "Lessor") and **KIROMIC, LLC,** (herein referred to as "Lessee") on the following terms and conditions, and thus;

WITNESSETH

WHEREAS, Lessor, as Lessor therein, and Lessee, as Lessee therein, entered into a certain Lease Agreement (the "Lease") for approximately 9,352 square feet of net rentable area on the first floor in Suite 140 of the building known as the Fannin South Professional Building the (the "Building) located at 7707 Fannin, Houston, Texas 77054;

WHEREAS, Lessor and Lessee agreed to expand the Leased Premise to include Suite 107;

WHEREAS, Lessor and Lessee desire to further amend, modify, and supplement the Lease as hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) and other valuable consideration respectively paid by each party to the other and receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee do hereby supplement and amend the Lease as follows:

1. Section 1 A. **LEASED PREMISES** shall be amended as follows:

The Net Rentable Area shall be amended to relinquish Suite 107 as follows:

Total Leased Premises	9,960 SF NRA
Suite 107 (Relinquished)	- 608 SF NRA
Total Leased Premises	9,352 SF NRA

2. Section 2 A. **TERM:**

The Term of the Lease shall be revised to reflect a Commencement Date of April 1, 2016 and a forty-two (42) month lease term;

3. Section 5 A. **BASE RENT** shall be amended as follows:

As part of the consideration for the execution of this Lease Agreement, Lessee covenants and agrees and promises to pay as base rent according to the following schedule (the “Base Rent”):

Months After Commencement Date	Rate Per Square Foot of Net Rentable Area	Annual Base Rent	Monthly Base Rent
1-6	$ 0.00	$ 0.00	$ 0.00
7-42	$ 19.00	$177,688.00	$14,807.33

4. EXHIBIT F. **WORK LETTER** shall be amended as follows:

a. Lessee will be responsible for the upgrades to the HVAC, additional ventilation, electrical service and any other upgrades or improvements deemed necessary to complete the lab and office suite;

b. Lessee agrees to use Lessor’s contractor, TD Industries, for the replacement of the (2) 5-ton units that serve suite 140.

5. It is understood and agreed that except as provided herein in this Second Amendment, all terms and conditions of the original Lease Agreement shall apply to this Second Amendment during the Term and any renewals thereof.

EXCEPT as expressly hereby amended, the undersigned has caused this Amendment to be duly executed and effective on this 6th day of May, 2016

LESSOR:
Cambridge Properties

By: /s/ Trey Miller
Name: Trey Miller
Title: Real Estate Property Manager

LESSEE:

KIROMIC, LLC

By: /s/ Scott Dahlbeck
Name: Scott Dahlbeck
Title: COO

Exhibit 10.17

THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT (the "Third Amendment") is made and entered into as of the Effective Date set forth on the signature page (the "Effective Date") by and between **CAMBRIDGE PROPERTIES** (herein referred to as "Lessor'') and **KIROMIC, INC,** (herein referred to as "Lessee") on the following terms and conditions, and thus;

WITNESSETH

WHEREAS, Lessor, as Lessor therein, and Lessee, as Lessee therein, entered into a certain Lease Agreement (the "Lease") for approximately 9,352 square feet of net rentable area on the first floor in Suite 140 of the building known as the Fannin South Professional Building the (the "Building) located at 7707 Fannin, Houston, Texas 77054;

WHEREAS, Lessor and Lessee agreed to expand the Leased Premise to include Suite 107;

WHEREAS, Lessor and Lessee agreed to relinquish Suite 107 from the Leased Premise;

WHEREAS, Lessor and Lessee desire to further amend, modify, and supplement the Lease as hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) and other valuable consideration respectively paid by each party to the other and receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee do hereby supplement and amend the Lease as follows:

1. Section 2 A. **TERM:**

Pursuant to Lessee's first Renewal Option, the Term of the Lease shall be extended for two (2) years, commencing on May 1, 2019;

2. It is understood and agreed that except as provided herein in this Third Amendment, all terms and conditions of the First Amendment, Second Amendment and the original Lease Agreement shall apply to this Third Amendment during the Term and any renewals thereof.

Signatures Follow on the Next Page

EXCEPT as expressly hereby amended, the undersigned has caused this Amendment to be duly executed and effective on this 7th day of November, 2018.

LESSOR:
Cambridge Properties

By: /s/ Trey Miller
Name: Trey Miller
Title: Real Estate Property Manager

LESSEE:

KIROMIC, INC

By: /s/ Maurizio Chiriva-Internati
Name: Maurizio Chiriva-Internati
Title: CEO

Exhibit 10.18

FOURTH AMENDMENT TO LEASE AGREEMENT

THIS FOURTH AMENDMENT (the "Fourth Amendment ") is made and entered into as of the Effective Date set forth on the signature page (the "Effective Date") by and between **CAMBRIDGE PROPERTIES** (herein referred to as "Lessor'') and **KIROMIC, LLC,** (herein referred to as "Lessee") on the following terms and conditions, and thus;

WITNESSETH

WHEREAS, Lessor, as Lessor therein, and Lessee, as Lessee therein, entered into a certain Lease Agreement (the "Lease") for approximately 9,352 square feet of net rentable area on the first floor in Suite 140 of the building known as the Fannin South Professional Building the (the "Building) located at 7707 Fannin, Houston, Texas 77054;

WHEREAS, Lessor and Lessee agreed to expand the Leased Premise to include Suite 107; and

WHEREAS, Lessor and Lessee agreed to relinquish Suite 107 from the Leased Premise; and

WHEREAS, Lessor and Lessee agreed to extend the Term for two (2) years; and

WHEREAS , Lessor and Lessee desire to further amend, modify, and supplement the Lease as hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) and other valuable consideration respectively paid by each party to the other and receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee do hereby supplement and amend the Lease as follows:

1. Section 1 A. **LEASED PREMSES** shall reflect Lessee's expansion into the second (2nd) floor suites of the Building - Suites 204 and 290 (the "Expansion Premises") - totaling 4,134 net rentable square feet. The total Leased Premises, including Suite 140, shall be 13,486 net rentable square feet.
2. Section 2 A. **TERM** for the Expansion Premises shall commence within ninety (90) days from the Effective Date of this Fourth Amendment and continue through April 30, 2021.
3. Section 4. **SECURITY DEPOSIT** shall require an additional Security Deposit of $6,545.50, payable upon the Effective Date of this Fourth Amendment.

4. Section 5. **BASE RENT** shall be as follows:

Suite	Rate Per Square Foot of Net Rentable Area	Annual Base Rent	Monthly Base Rent
140	$ 19.00	$177,688.00	$14,807.33
204*	$ 19.00	$ 35,416.00	$ 2,951.33
290*	$ 19.00	$ 43,130.00	$ 3,594.17

TOTAL MONTHLY RENT: $21,352.83

* Monthly Base Rent commences 90 days from Effective Date of Fourth Amendment.

5. Section 6. **ADDITIONAL RENT** shall reflect a 2019 Base Year Expense Stop for the Expansion Premises.

6. Exhibit F - **LESSEE'S WORK LETTER** shall reflect Lessee agrees to accept the Expansion Premises "as is, where is" and will be responsible for all improvements. Lessor agrees to strip and wax the tile flooring, remove any equipment, fixtures or furniture upon Lessee's request, replace door between Suite 204 and adjacent lessee with a wall, remove phone/data wiring that is attached to the column in Suite 290 upon Lessee's request, replace broken or missing ceiling tiles and rekey all entry doors to the Expansion Premises.

7. SPECIAL PROVISIONS: Lessee shall be responsible for the maintenance of the ancillary HVAC units in the Expansion Premises and pay the electrical consumption to Lessor on a monthly basis.

8. It is understood and agreed that except as provided herein in this Fourth Amendment, all terms and conditions of the First Amendment, Second Amendment, Third Amendment and the original Lease Agreement shall apply to this Fourth Amendment during the Term and any renewals thereof.

Signatures Follow on the Next Page

EXCEPT as expressly hereby amended, the undersigned has caused this Amendment to be duly executed and effective on this 8th day of October, 2019.

LESSOR:
Cambridge Properties

By: /s/ Trey Miller
Name: Trey Miller
Title: Real Estate Property Manager

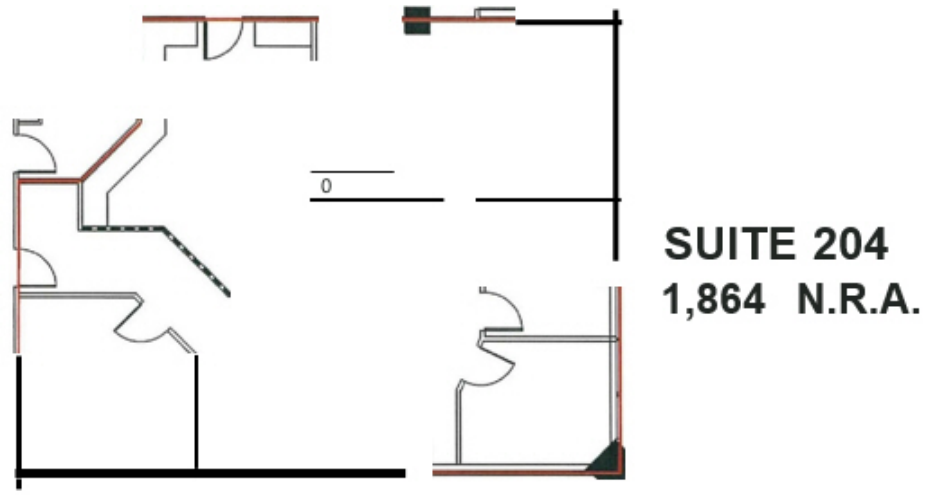
LESSEE:

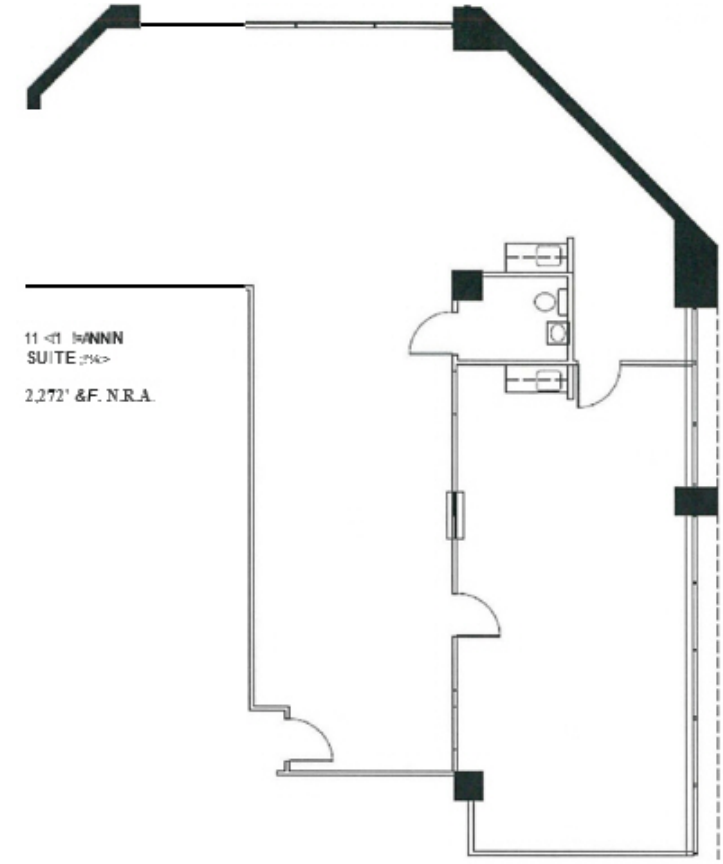
KIROMIC, INC

By: /s/ Maurizio Chiriva-Internati
Name: Maurizio Chiriva-Internati
Title: CEO

EXHIBIT A

FLOOR PLANS





2,272' &F. N.R.A.

Exhibit 10.19

KIROMIC, LLC

March 30, 2016

Maurizio Chiriva
5722 2nd Street
Lubbock, TX 79416

Dear Maurizio:

As you may know, Kiromic, LLC (the ***"Company"***) is currently in the process of converting into a Delaware corporation (the ***"New Company"*** or Company when appropriate). The Company is pleased to offer you employment with the Company on the following terms. Subject to your continued employment and effective upon the creation and set-up of the New Company, you will become an employee of the New Company. The Company will assign this offer letter to the New Company immediately prior to the start of your employment with the New Company and all references to the Company herein will mean New Company for purposes of your continued employment.

1. Position. Your initial title will be Chief Scientific Officer and Chief Executive Officer. This is a full-time position. While you render services to the Company, you will not engage in any other employment, consulting or other business activity (full-time) that would create a conflict of interest with the Company or that is in any way competitive with the business or proposed business of the Company, nor will you assist any other person or organization in competing with the Company or in preparing to engage in competition with the business or proposed business of the Company. By signing this letter agreement, you confirm to the Company that you have no contractual commitments or other legal obligations that would prohibit you from performing your duties for the Company.

2. Cash Compensation.

(a) Base Salary. The Company will pay you a starting salary at the rate of $280,000.00 (gross) per year, payable in accordance with the Company's standard payroll schedule. This salary will be subject to adjustment pursuant to the Company's employee compensation policies in effect from time to time.

(b) Target Annual Bonus. If the Company decides to implement a Bonus Plan and Compensation Policy, you will be eligible to participate in such Bonus Plan and Compensation Policy, if applicable, for the fiscal year of the Company during which you commence employment, based on the achievement of performance objectives to be determined by the New Company's Board of Directors (the ***"Board"***). Any bonus for the fiscal year in which your employment begins will be prorated, based on the number of days you are employed by the Company during that fiscal year. Thereafter, you will be eligible to receive an annual bonus in such amount and upon such terms as shall be determined by the Board. Any bonus for a fiscal year will be paid within 2½ months after the close of that fiscal year, but only if you are still employed by the Company at the time of payment. The determinations of the Board with respect to your bonus will be final and binding.

3. Employee Benefits. The Company does not currently provide employee benefits. However, if and when the Company starts to provide employee benefits, as a regular employee of the Company, you will be eligible to participate in such Company-sponsored benefits. In addition, you will be entitled to paid vacation in accordance with the Company's vacation policy, as in effect from time to time.

4. Stock Options. The Board may in its discretion approve the grant of time-based vesting options to purchase shares of the New Company's Common Stock.

5. Confidentiality; Proprietary Information and Inventions Agreement. Like all Company employees, you will be required, as a condition of your employment with the Company, to sign the Company's standard Proprietary Information and Inventions Agreement. We wish to impress upon you that we do not want you to, and we hereby direct you not to, bring with you any confidential or proprietary material of any former employer or to violate any other obligations you may have to any former employer. You will disclose to the Company in writing any other gainful employment, business or activity that you are currently associated with or participate in that competes with the Company.

6. Employment Relationship. Employment with the Company is for no specific period of time. Your employment with the Company will be "at will," meaning that either you or the Company may terminate your employment at any time and for any reason, with or without cause. Any contrary representations that may have been made to you are superseded by this letter agreement. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and a duly authorized officer of the Company (other than you).

7. Tax Matters.

(a) Withholding. All forms of compensation referred to in this letter agreement are subject to reduction to reflect applicable withholding and payroll taxes and other deductions required by law.

(b) Tax Advice. You are encouraged to obtain your own tax advice regarding your compensation from the Company. You agree that the Company does not have a duty to design its compensation policies in a manner that minimizes your tax liabilities, and you will not make any claim against the Company or the Board related to tax liabilities arising from your compensation.

8. Background Check and Authorization to Work. This offer of employment is contingent on the Company's completion of a satisfactory background check of you. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, please let us know.

9. Interpretation, Amendment and Enforcement. This letter agreement will be effective as of March 1, 2016. This letter agreement and the Company's standard Proprietary Information and Inventions Agreement supersede and replace any prior agreements, representations or understandings (whether written, oral, implied or otherwise) between you and the Company and constitute the complete agreement between you and the Company regarding the subject matter set forth herein. This letter agreement may not be amended or modified, except by an express written agreement signed by both you and a duly authorized officer of the Company. The terms of this letter agreement and the resolution of any disputes as to the meaning, effect, performance or validity of this letter agreement or arising out of, related to, or in any way connected with, this letter agreement, your employment with the Company or any other relationship between you and the Company (the ***"Disputes")*** will be governed by Texas law, excluding laws relating to conflicts or choice of law. You and the Company submit to the exclusive personal jurisdiction of the federal and state courts located in Texas in connection with any Dispute or any claim related to any Dispute.

* * * * *

You may indicate your agreement with these terms and accept this offer by signing and dating both the enclosed duplicate original of this letter agreement and the enclosed Proprietary Information and Inventions Agreement and returning them to me. *This* offer, if not accepted, will expire at the close ofbusiness on March 30, 2016.

If you have any questions, please call me at (806) 368-6731.

Very truly yours,

KIROMIC, LLC

/s/ Scott Dahlbeck
[TYPE OFFICER NAME & TITLE]

I have read and accept this employment offer.

/s/ Maurizio Chiriva
Maurizio Chiriva

Dated: _____

Attachment

Exhibit A: Proprietary Information and Inventions Agreement

EMPLOYEE INVENTION ASSIGNMENT AND CONFIDENTIALITY AGREEMENT

In consideration of, and as a condition of my employment with Kiromic, LLC, a Delaware limited liability company with its principal offices in the State of Texas (the ***"Company"***), I, as the ***"Employee"*** signing this Employee Invention Assignment and Confidentiality Agreement (this ***"Agreement"***), hereby represent to the Company, and the Company and I hereby agree as follows:

1. Purpose of Agreement. I understand that the Company is engaged in a continuous program of research, development, production and /or marketing in connection with its current and projected business and that it is critical for the Company to preserve and protect its proprietary information, its rights in certain inventions and works and in related intellectual property rights. Accordingly, I am entering into this Agreement, whether or not I am expected to create inventions or other works of value for the Company. As used in this Agreement, ***"Inventions"*** means inventions, improvements, designs, original works of authorship fixed in any tangible medium of expression (whether or not protectable under copyright laws), formulas, processes, compositions of matter, computer software programs, databases, mask works, confidential information, trade secrets, trademarks, trade names, trade dress, know-how, ideas (whether or not protectable under trade secret laws), and all other subject matter protectable under patent, copyright, moral right, mask work, trademark, trade secret or other laws, together with all rights to obtain, register, perfect and/or enforce such protectable subject matter, and includes without limitation all new or useful art, combinations, discoveries, formulae, manufacturing techniques, technical developments, discoveries, artwork, software, and designs.

2. Disclosure of Inventions. I will promptly disclose in confidence to the Company, or to any person designated by it, all Inventions that 1 make, create, conceive or first reduce to practice, either alone or jointly with others, during the period of my employment, whether or not in the course of my employment, and whether or not patentable, copyrightable or protectable as trade secrets. I further will promptly disclose promptly in writing to Company all Inventions conceived, reduced to practice, created, derived, developed, or made, as applicable, during the six (6) months after the end of my employment with Company, whether or not Employee believes such Inventions are subject to this Agreement, to permit a determination by Company as to whether or not the Inventions should be the property of Company.

3. Work for Hire; Assigned Inventions. I acknowledge and agree that any copyrightable works prepared by me within the scope of my employment will be "works made for hire" under the Copyright Act and that the Company will be considered the author and owner of such copyrightable works. I agree that all Inventions that I make, create, conceive or first reduce to practice during the period of my employment or within six months of my employment, whether or not in the course of my employment, and whether or not patentable, copyrightable or protectable as trade secrets, and that (i) are developed using equipment, supplies, facilities or trade secrets of the Company; (ii) result from work performed by me for the Company; or (iii) relate to the Company's business or actual or demonstrably anticipated research or development (the ***"Assigned Inventions"***), will be the sole and exclusive property of the Company.

4. Excluded Inventions and Other Inventions. Attached hereto as Exhibit A is a list describing all existing Inventions, if any, that may relate to the Company's business or actual or demonstrably anticipated research or development and that were made by me or acquired by me prior to the Effective Date (as defined in Section 25, below), and which are not to be assigned to the Company (***"Excluded Inventions"***). If no such list is attached, I represent and agree that it is because I have no rights in any existing Inventions that may relate to the Company's business or actual or demonstrably anticipated research or development. For purposes of this Agreement, ***"Other Inventions"*** means Inventions in which I have or may have an interest, as of the Effective Date or thereafter, other than Assigned Inventions and Excluded Inventions. I acknowledge and agree that if, in the scope of my employment, I use any Excluded Inventions or any Other Inventions, or if I include any Excluded Inventions or Other Inventions in any product or service of the Company or if my rights in any Excluded Inventions or Other Inventions may block or interfere with, or may otherwise be required for, the exercise by the Company of any rights assigned to the Company under this Agreement, I will immediately so notify the Company in writing. Unless the Company and I agree otherwise in writing as to particular Excluded Inventions or Other Inventions, I hereby grant to the Company, in such circumstances (whether or not I give the Company notice as required above), a perpetual, irrevocable, nonexclusive, transferable, world-wide, royalty-free license to use, disclose, make, sell, offer for sale, import, copy, distribute, modify and create works based on, perform, and display such Excluded Inventions and Other Inventions, and to sublicense third parties in one or more tiers of sublicensees with the same rights.

5. Exception to Assignment. I understand that the Assigned Inventions will not include, and the provisions of this Agreement requiring assignment of inventions to the Company do not apply to, any invention for which no equipment, supplies, facility or trade secret information of the Company was used and which was developed entirely on my own time, and (i) which does not relate (A) directly or indirectly to the business of the Company or (B) to the Company's actual or demonstrably anticipated research or development, and (ii) which does not result from any work performed by me for the Company. I further represent, and the Company hereby acknowledges, my current faculty appointment by Texas Tech University Health Sciences Center ("TTU"), which subjects me to the intellectual property assignment policy of TTU. The Company and I acknowledge that certain Inventions may carry an obligation of assignment to TTU, and that such obligation shall not be considered a breach of this Agreement; *provided, however,* that the Company shall be under no obligation whatsoever to license, assign, or otherwise convey any Assigned Invention to TTU. Further, I covenant and agree to not allow any Assigned Invention to be used by me or by TTU in any manner which may create an obligation to assign or license such Assigned Invention to TTU. In the event an Invention is required to be assigned to TTU, I shall promptly disclose such Invention to the Company to permit a determination by the Company as to whether or not the Invention should be the property ofthe Company.

6. Assignment of Rights. I agree to assign, and do hereby irrevocably transfer and assign, to the Company: (i) all of my rights, title and interests in and with respect to any Assigned Inventions; (ii) all patents, patent applications, copyrights, mask works, rights in databases, trade secrets, and other intellectual property rights, worldwide, in any Assigned Inventions, along with any registrations of or applications to register such rights; and (iii) to the extent assignable, any and all Moral Rights (as defined below) that I may have in or with respect

to any Assigned Inventions. 1 also hereby forever waive and agree never to assert any Moral Rights I may have in or with respect to any Assigned Inventions and any Excluded Inventions or Other Inventions licensed to the Company under Section 4, even after termination of my employment with the Company. ***"Moral Rights"*** means any rights to claim authorship of a work, to object to or prevent the modification or destruction of a work, to withdraw from circulation or control the publication or distribution of a work, and any similar tight, regardless of whether or not such right is denominated or generally referred to as a "moral right." To the extent any of the rights, title and interest in and to any Invention cannot be assigned by me to Company, and is not owned by Company as a matter of law, I hereby grant to Company an exclusive, royalty-free, transferable, irrevocable, perpetual, worldwide license (with rights to sublicense through multiple tiers of sublicenses) to practice the non-assignable rights, title and interest. To the extent any of the rights, title and interest in and to any Invention is not owned by Company as a matter of law and can neither be assigned nor licensed by me to Company, I hereby irrevocably waive and agree never to assert the non-assignable and non-licensable rights, title and interest, including, without limitation, moral rights, against Company or any of Company's successors in interest to the non-assignable and non-licensable rights. I hereby grants to Company or Company's designees a royalty free, irrevocable, worldwide license (with rights to sublicense through multiple tiers of sublicenses) to practice all applicable patent, copyright, moral right, mask work, trade secret and other intellectual property rights relating to any Excluded Invention or Other Invention which **1** incorporate, or permit to be incorporated, in any Invention. Notwithstanding the foregoing, I shall not incorporate, or permit to be incorporated, any Excluded Inventions or Other Invention without Company's prior written consent. Company shall further have the right, but not the duty, to use, adapt and change such Invention, Excluded Invention or Other Invention, or any part thereof, and to combine the same with other works, and to vend, copy, publish, reproduce, record, transmit, telecast by radio or television, perform, photography with or without sound (including spoken words, dialogue and music synchronously recorded), and to communicate the same by any means now known or hereafter devised, either publicly or otherwise, and for profit or otherwise, throughout the world in perpetuity.

7. **Assistance.** I will assist the Company in every proper way to obtain and enforce for the Company all patents, copyrights, mask work rights, trade secret rights and other legal protections for the Assigned Inventions, worldwide. I will execute and deliver any documents that the Company may reasonably request from me in connection with providing such assistance. My obligations under this section will continue beyond the termination of my employment with the Company; provided that the Company agrees to compensate me at a reasonable rate after such termination for time and expenses actually spent by me at the Company's request in providing such assistance. If Company is unable for any reason to secure my signature to any document required to file, prosecute, register, or memorialize the assignment of any patent, copyright, mask work or other applications or to enforce any patent, copyright, mask work, moral right, trade secret or other proprietary right under any Assigned Inventions (including improvements, derivative works, improvements, renewals, extensions, continuations, divisionals, continuations in part, continuing patent applications, reissues, and reexaminations thereof), I hereby irrevocably designate and appoint Company and Company's duly authorized officers and agents as my agents and attorneys-in-fact to act for and on my behalf and instead of me: (i) to execute, file, prosecute, register and memorialize the assignment of any such application, (ii) to execute and file any documentation required for such enforcement, and (iii) to do all other

lawfully permitted acts to further the filing, prosecution, registration, memorialization of assignment, issuance, and enforcement of patents, copyrights, mask works, moral rights, trade secrets or other rights under the Assigned Inventions or Inventions, all with the same legal force and effect as if executed by me. I agree that this appointment is coupled with an interest and will not be revocable.

8. Proprietary Information. I understand that my employment by the Company creates a relationship of confidence and trust with respect to any information or materials of a confidential or secret nature that may be made, created or discovered by me or that may be disclosed to me by the Company or a third party in relation to the business of the Company or to the business of any parent, subsidiary, affiliate, customer or supplier of the Company, or any other party with whom the Company agrees to hold such information or materials in confidence (the ***"Proprietary Information"***). Without limitation as to the forms that Proprietary Information may take, I acknowledge that Proprietary Information may be contained in tangible material such as writings, drawings, samples, electronic media, or computer programs, or may be in the nature of unwritten knowledge or know-how. Proprietary Information includes, but is not limited to, Assigned Inventions, marketing plans, product plans, designs, data, prototypes, specimens, test protocols, laboratory notebooks, business strategies, financial information, forecasts, personnel information, contract information, customer and supplier lists, and the non-public names and addresses of the Company's customers and suppliers, their buying and selling habits and special needs.

9. Confidentiality. At all times, both during my employment and after its termination, I will keep and hold all Proprietary Information in strict confidence and trust. I will not use or disclose any Proprietary Information without the prior written consent of the Company in each instance, except as may be necessary to perform my duties as an employee of the Company for the benefit of the Company. Upon termination of my employment with the Company, I will promptly deliver to the Company all documents and materials of any nature pertaining to my work with the Company, and I will not take with me or retain in any form any documents or materials or copies containing any Proprietary Information.

10. Physical Property. All documents, supplies, equipment and other physical property furnished to me by the Company or produced by me or others in connection with my employment will be and remain the sole property of the Company. I will return to the Company all such items when requested by the Company, excepting only my personal copies of records relating to my employment or compensation and any personal property I bring with me to the Company and designate as such. Even if the Company does not so request, I will, upon termination of my employment, return to the Company all Company property, and I will not take with me or retain any such items.

11. No Breach of Prior Agreements. I represent that my performance of all the terms of this Agreement and my duties as an employee of the Company will not breach any invention assignment, proprietary information, confidentiality, non-competition, or other agreement with any former employer or other party. I represent that I will not bring with me to the Company or use in the performance of my duties for the Company any documents or materials or intangibles of my own or of a former employer or third party that are not generally available for use by the public or have not been legally transferred to the Company.

12. Rights of Third Parties. I will not enter into any agreement, whether written or oral, in conflict with the provisions of this Agreement or my engagement with the Company, nor will 1 enter into any third party agreement or use the facilities or resources of any third party which might create third party rights or claims in and to any Assigned Invention or Proprietary Information of the Company.

13. "At Will" Employment. I understand that this Agreement does not constitute a contract of employment or obligate the Company to employ me for any stated period of time. I understand that J am an "at will" employee of the Company and that my employment can be terminated at any time, with or without notice and with or without cause, for any reason or for no reason, by either the Company or by me. I acknowledge that any statements or representations to the contrary are ineffective, unless put into a writing signed by the Company. I further acknowledge that my participation in any stock option or benefit program is not to be construed as any assurance of continuing employment for any particular period of time.

14. Company Opportunities; Duty Not to Compete. During the period of my employment, I will at all times devote my best efforts to the interests of the Company, and I will not, without the prior written consent of the Company, engage in, or encourage or assist others to engage in, any other employment or activity that: (i) would divert from the Company any business opportunity in which the Company can reasonably be expected to have an interest; (ii) would directly compete with, or involve preparation to compete with, the current or future business of the Company; or (iii) would otherwise conflict with the Company's interests or could cause a disruption of its operations or prospects.

15. Non-Solicitation of Employees/Consultants. During my employment with the Company and for a one (1) year period thereafter, I will not directly or indirectly solicit away employees or consultants of the Company for my own benefit or for the benefit of any other person or entity, nor will I encourage or assist others to do so.

16. Use of Name & Likeness. I hereby authorize the Company to use, reuse, and to grant others the right to use and reuse, my name, photograph, likeness (including caricature), voice, and biographical information, and any reproduction or simulation thereof, in any form of media or technology now known or hereafter developed, both during and after my employment, for any purposes related to the Company's business, such as marketing, advertising, credits, and presentations.

17. Applicable Law. Although the parties understand and believe that the restrictions contained herein are reasonable and do not impose a greater restraint than necessary to protect the Proprietary Information, goodwill and other business interests of the Company, if it is judicially determined not to be the case, the limitations shall be reformed to the extent necessary to make them reasonable and not to impose a restraint that is greater than necessary to protect the Proprietary Information, goodwill and other business interests of Company. It is the express intent of the Company and I that the terms of this Agreement be enforced to the full extent permitted by law

18. Notification. I hereby authorize the Company, during and after the termination of my employment with the Company, to notify third parties, including, but not limited to, actual or potential customers or employers, of the terms of this Agreement and my responsibilities hereunder.

19. Injunctive Relief. I understand that a breach or threatened breach of this Agreement by me may cause the Company to suffer irreparable harm and that the Company will therefore be entitled to injunctive relief to enforce this Agreement. I further agree that the terms of this Agreement are reasonable.

20. Governing Law; Severability. This Agreement is intended to supplement, and not to supersede, any rights the Company may have in law or equity with respect to the duties of its employees and the protection of its trade secrets. This Agreement will be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any principles of conflict of laws that would lead to the application of the laws of another jurisdiction. If any provision of this Agreement is invalid, illegal or unenforceable in any respect, such provision will be enforced to the maximum extent possible, given the fundamental intentions of the parties when entering into this Agreement. To the extent such provision cannot be so enforced, it will be stricken from this Agreement and the remainder of this Agreement will be enforced as if such invalid, illegal or unenforceable provision had never been contained in this Agreement.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, and all of which together will constitute one and the same agreement.

22. Entire Agreement. This Agreement and the documents referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter of this Agreement, and supersede all prior understandings and agreements, whether oral or written, between the parties hereto with respect to such subject matter. This Agreement does not supersede and is in addition to the agreements set forth in my Offer Letter dated _____.

23. Amendment and Waiver. This Agreement may be amended only by a written agreement executed by each of the parties to this Agreement. No amendment or waiver of, or modification of any obligation under, this Agreement will be enforceable unless specifically set forth in a writing signed by the party against which enforcement is sought. A waiver by either party of any of the terms and conditions of this Agreement in any instance will not be deemed or construed to be a waiver of such term or condition with respect to any other instance, whether prior, concurrent or subsequent.

24. Successors and Assigns; Assignment. Except as otherwise provided in this Agreement, this Agreement, and the rights and obligations of the parties hereunder, will bind and benefit the parties and their respective successors, assigns, heirs, executors, administrators, and legal representatives. The Company may assign any of its rights and obligations under this Agreement. 1 understand that I will not be entitled to assign or delegate this Agreement or any of my rights or obligations hereunder, whether voluntarily or by operation of law, except with the prior written consent of the Company.

25. Further Assurances. The parties will execute such further documents and instruments and take such further actions as may be reasonably necessary to carry out the purposes and intent of this Agreement. Upon termination of my employment with the Company, I will execute and deliver a document or documents in a form reasonably requested by the Company confirming my agreement to comply with the post-employment obligations contained in this Agreement.

26. Acknowledgement. I certify and acknowledge that I have carefully read all of the provisions of this Agreement and that I understand and will fully and faithfully comply with this Agreement.

27. Effective Date of Agreement. This Agreement is and will be effective on the first day that I provided services to the Company, whether as a founder, officer, collaborator, employee or otherwise, which is 1-3-2013 (the ***"Effective Date"***).

KIROMIC, LLC:

By: /s/ Jose A. Figueroa M.D.

Name: Jose A. Figueroa M.D.

Title: Chief Medical Officer

MAURIZIO CHIRIVA

/s/ Maurizio Chiriva
Signature

Maurizio Chiriva
Name (Please Print)

Exhibit A

LIST OF EXCLUDED INVENTIONS UNDER SECTION 4

Title	Date	Identifying Number or Brief Description

_____ No inventions, improvements, or original works of authorship

_____ Additional sheets attached

Signature of Employee: _____

Print Name of Employee: _____

Date: _____

Exhibit 10.20

Corporate Address
Fannin South Professional
Building, Suite 140
7707 Fannin Street
Houston, Texas 77054
t: 832.968.4888

ADDENDUM TO EMPLOYMENT AGREEMENT

EMPLOYEE: Maurizio Chiriva-Internati

EFFECTIVE DATE: January 1, 2020

Annual cash compensation increase to: $380,000 annually

/s/ Maurizio Chiriva-Internati
Maurizio Chiriva-Internati, CEO and President

/s/ Tony Tontat
Tony Tontat, CFO and COO

Corporate Address
Fannin South Professional
Building, Suite 140
7707 Fannin Street
Houston, Texas 77054
t: 832.968.4888

CONSULTING AGREEMENT

November 2, 2018

Scott Dahlbeck, MD, PharmD
39 Stratton Lane
San Antonio, TX 78257

Dear Dr. Dahlbeck:

Kiromic, Inc, a Delaware corporation (the "Company"), is pleased to this offer to this Consulting Agreement (this "Agreement") to retain Scott Dahlbeck, MD ("Consultant") to perform certain consulting activities as described below on the following terms:

1. Services and Compensation. Consultant agrees to act as a consultant to Company with respect to such matters and projects as are mutually agreed from time to time by and between Consultant and Company, and perform the services described on Exhibit A hereto (collectively, "**Services**").

Company agrees to pay Consultant the compensation set forth on Exhibit A hereto for the performance of the Services.

2. Confidentiality. "**Confidential Information**" means any proprietary information technical data, trade secrets or know-how, including, but not limited to, research and product plans, products, services, markets, developments, inventions, processes, formulas, technology, marketing, finances or other business information disclosed to Consultant by Company either directly or indirectly in writing, orally or otherwise. Confidential Information also includes all Inventions (as defined below) and any other information or materials generated in connection with the Services.

Consultant shall not, during or subsequent to the term of this Agreement, use any Confidential Information for any purpose whatsoever other than the performance of the Services on behalf of Company, or disclose Confidential Information to any third party. Consultant agrees that Confidential Information shall remain the sole property of Company. Consultant further agrees to take all reasonable precautions to prevent any unauthorized disclosure or use of Confidential Information. Notwithstanding the above, Consultant's obligation under this Section 2(b) relating to Confidential Information shall not apply to information which (i) is known to Consultant at the time of disclosure to Consultant by Company as evidenced by written records of Consultant, (ii) has become publicly known and made generally available through no wrongful act of Consultant, or (iii) has been rightfully received by Consultant from a third party authorized to make such disclosure.

Consultant agrees that Consultant will not, during the term of this Agreement, improperly use or disclose to Company any proprietary information or trade secrets of any former or current employer or other person or entity to which Consultant has a duty to keep in confidence such information and that Consultant will not bring onto the premises of Company any unpublished

document or proprietary information belonging to such employer, person or entity unless consented to in writing by the same. Consultant will indemnify Company and hold it harmless from and against all claims, liabilities, damages and expenses, including reasonable attorneys' fees and costs of suit, arising out of or in connection with any violation or claimed violation by Company of such third party's rights resulting in whole or in part from Company's use of the work product of Consultant under this Agreement.

Consultant recognizes that Company has received and in the future will receive from third parties their confidential or proprietary information subject to a duty on Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Consultant agrees that Consultant owes Company and such third parties, during the term of this Agreement and thereafter, a duty to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person, firm or corporation or to use it except as necessary in carrying out the Services for Company consistent with Company's agreement with such third party.

Upon the termination of this Agreement, or upon Company's earlier request, Consultant will deliver to Company all Confidential Information and Company's property relating thereto and all tangible embodiments thereof, in Consultant's possession or control.

3. Ownership. Consultant hereby irrevocably assigns to Company all right, title and interest in and to any information (including, without limitation, business plans and/or business information), technology, know-how, materials, notes, records, designs, ideas, inventions, improvements, devices, developments, discoveries, compositions, trade secrets, processes, methods and/or techniques, whether or not patentable or copyrightable, that are conceived, reduced to practice or made by Consultant alone or jointly with others in the course of performing the Services or through the use of Confidential Information (collectively, **"Inventions"**).

Consultant agrees to sign, execute and acknowledge or cause to be signed, executed and acknowledged without cost, but at the expense of Company, any and all documents and to perform such acts as may be necessary, useful or convenient for the purposes of perfecting the foregoing assignments and obtaining, enforcing and defending intellectual property rights in any and all countries with respect to Inventions. It is understood and agreed that Company or Company's designee shall have the sole right, but not the obligation, to prepare, file, prosecute and maintain patent applications and patents worldwide with respect to Inventions.

Upon the termination of this Agreement, or upon Company's earlier requests, Consultant will deliver to Company all property relating to, and all tangible embodiments of, Inventions in Consultant's possession or control.

Consultant agrees that if, in the course of performing the Services, Consultant incorporates into any Invention developed hereunder any invention, improvement, development concept, discovery or other proprietary subject matter owned by Consultant or in which Consultant has an interest ("**Item**"), Consultant will inform Company in writing thereof, and Company is hereby granted and shall have a non-exclusive, royalty-free, perpetual, irrevocable, worldwide license to make, have made, modify, reproduce, display, use and sell such Item as part of or in connection with the exploitation of such Invention.

Consultant agrees that if Company is unable because of Consultant's unavailability, mental or physical incapacity, or for any other reason, to secure Consultant's signature to apply for or to pursue any application or registration for any intellectual property rights covering any Invention,

then Consultant hereby irrevocably designates and appoints Company and its duly authorized officers and agents as Consultant's agent and attorney-in-fact, to act for and in Consultant's behalf to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of such intellectual property rights thereon with the same legal force and effect as if executed by Consultant.

4. **Reports**. Consultant agrees, from time to time during the term of this Agreement, to keep Company advised as to Consultant's progress in performing the Services and, as reasonably requested by Company, prepare written reports with respect thereto. It is understood that the time required in the preparation of such written reports shall be considered time devoted to the performance of the Services by Consultant. All such reports prepared by Consultant shall be the sole property of Company.

5. **Term and Termination.** This Agreement will commence on the Effective Date and will continue until termination as provided below.

Either Consultant or Company may terminate this Agreement upon prior written notice thereof to the other party.

Upon termination of this Agreement, all rights and duties of the parties hereunder shall cease except:

Company shall be obliged to pay, within thirty (30) days after receipt of Consultant's final statement, all amounts owing to Consultant for unpaid Services completed by Consultant and related expenses, if any, in accordance with the provisions of Section 1 hereof, and Sections 2, 3, 5(c), 6, 7, 8 and 10 shall survive termination of this Agreement.

6. **Independent Contractor**. Nothing in this Agreement shall in any way be construed to constitute Consultant as an agent, employee or representative of Company, but Consultant shall perform the Services as an independent contractor. Consultant acknowledges and agrees that Consultant is obligated to report as income all compensation received by Consultant pursuant to this Agreement.

7. **No Debarment**. Consultant represents and warrants that Consultant has not been debarred under Section (a) or (b) of 21 U.S.C. Section 335a and does not appear on the United States Food and Drug debarment list. Consultant represents and warrants that Consultant has not committed any crime or conduct that could result in such debarment or Consultant's exclusion from any governmental healthcare program. Consultant represents and warrants that, to Consultant's knowledge, no investigations, claims or proceedings with respect to any such crimes or conduct are pending or threatened against Consultant. Consultant agrees and undertakes to promptly notify the Company if Consultant becomes debarred or proceedings have been initiated against Consultant with respect to debarment, whether such debarment or initiation of proceedings occurs during or after the term of this Agreement.

8. **Conflicting Obligations**. Consultant hereby certifies that Consultant has no outstanding agreement or obligation that is in conflict with any of the provisions of this Agreement, or that would preclude Consultant from complying with the provisions hereof, and further certifies that Consultant will not enter into any such conflicting agreement during the term of this Agreement. Subject to written waivers that may be provided by the Company upon request, which shall not be unreasonably withheld, Consultant agrees that, during the term of this Agreement, Consultant will not directly or indirectly (i) participate in the formation of any business or

commercial entity in the Field of Interest or otherwise competitive with the Company. Without limiting the foregoing, Consultant agrees to use his or her best efforts (A) to segregate Consultant's Services performed under this Agreement from Consultant's work done for any other companies for whom Consultant is providing services so as to minimize any questions of disclosure of, or rights under, any inventions, (B) to notify the Company if at any time the Consultant believes that such questions may result from his or her performance under this Agreement and (C) to assist the Company in fairly resolving any questions in this regard which may arise. The Services performed hereunder will not be conducted on time that is required to be devoted to any other third party. The Consultant shall not use the funding, resources and facilities of any other third party, without the prior written consent of the Company, to perform Services hereunder and shall not perform the Services hereunder in any manner that would give any third-party rights or access to the product of such Services.

9. **General**. This Agreement (together with the Exhibits hereto) is the sole agreement and understanding between Company and Consultant concerning the subject matter hereof, and it supersedes any and all prior agreements and understandings with respect to such matter, whether written or oral, provided, that, except as set forth in Exhibit B. Any required notice shall be given in writing by customary means with receipt confirmed at the address of each party set forth below, or to such other address as either party may substitute by written notice to the other. Consultant shall not subcontract any portion of Consultant's duties under this Agreement without the prior written consent of Company. Neither this Agreement nor any right hereunder or interest herein may be assigned or transferred by Consultant without the express written consent of Company. Company may assign this Agreement to any entity that succeeds to substantially all of the business or assets of Company. This Agreement shall be governed by the laws of the State of Texas, without reference to its conflicts of law principles. This Agreement may only be amended or modified by a writing signed by both parties. Waiver of any term or provision of this Agreement or forbearance to enforce any term or provision by either party shall not constitute a waiver as to any subsequent breach or failure of the same term or provision or a waiver of any other term or provision of this Agreement. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision, provided that no such severability shall be effective if it materially changes the economic benefit of this Agreement to either Company or Consultant.

10. **Tax Matters.** As follows:

(a) **Withholding.** All forms of compensation referred to in this letter agreement are subject to reduction to reflect applicable withholding and payroll taxes and other deductions required by law.

(b) **Tax Advice.** You are encouraged to obtain your own tax advice regarding your compensation from the Company. You agree that the Company does not have a duty to design its compensation policies in a manner that minimizes your tax liabilities, and you will not make any claim against the Company or the Board related to tax liabilities arising from your compensation.

11. **Background Check and Authorization to Work.** This offer of employment is contingent on the Company's completion of a satisfactory background check of you. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, please let us know.

12. **Interpretation, Amendment and Enforcement.** This letter agreement will be effective as of November 2, 2018. This letter agreement and the Company's standard Proprietary

Information and Inventions Agreement supersede and replace any prior agreements, representations or understandings (whether written, oral, implied or otherwise) between you and the Company and constitute the complete agreement between you and the Company regarding the subject matter set forth herein. This letter agreement may not be amended or modified, except by an express written agreement signed by both you and a duly authorized officer of the Company.

13. Arbitration Agreement. Any controversy or claim arising out of or relating to this agreement or breach thereof, shall be settled by binding arbitration controlled by the rules of the American Arbitration Association. The number of arbitrator(s) shall be one. The seat of arbitration shall be Houston, Texas. Texas law shall also apply to the extent necessary to fill any gaps created by the rules of the American Arbitration Association. The arbitration award shall be final and binding on the parties. Judgement of the award rendered by the arbitrator(s) may be entered into any court of competent jurisdiction. If any provision of this Arbitration Agreement is held illegal or unenforceable in a arbitration proceeding, such provision shall be severed and shall be inoperative, and the remainder of this Agreement shall remain operative and binding on the Parties. The arbitrator(s) shall have sole *kompetenz-kompetenz* regarding this Arbitration Agreement.

14. Severability. If any provision of this Agreement is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and the remainder of this Agreement shall remain operative and binding on the Parties.

15. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, and all of which together will constitute one and the same agreement.

16. Entire Agreement. This Agreement and the documents referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter of this Agreement, and supersede all prior understandings and agreements, whether oral or written, between the parties hereto with respect to such subject matter.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

KIROMIC, INC:		**CONSULTANT:**	
By:	/s/ Maurizio Chiriva, DBSc, PhDs		/s/ Scott Dahlbeck, MD, PharmD
	Signature		**Signature**
Name:	Maurizio Chiriva, DBSc, PhDs		Scott Dahlbeck, MD, PharmD
	Name (Please Print)		**Name (Please Print)**
Title:	CEO		

EXHIBIT A
SERVICES AND COMPENSATION

1. **Services**. Consultant will render to Company the following Services: Direct the development of clinical strategies and plans to integrate Kiromic compounds into standard medical practice • Orchestrate and manage clinical aspects of regulatory strategies and interactions with health authorities • Oversee the analysis and interpretation of clinical trial data and the reporting of clinical trial results • Lead interactions with investigators, cooperative groups, and other clinical stakeholders • Provide clinical support and work with other members of the management team to develop and communicate the overall corporate strategy • Represent the Company and its programs to external audiences, including the investment, medical and regulatory communities, as well as pharmaceutical or biotechnology industry collaborators/partners • In addition to leading and supervising the Clinical Research Department the CMO will have direct line responsibility for the Clinical Operations, Patient Advocacy, Medical Affairs and will report to the CEO.

2. **Compensation**. The Company will compensate Consultant at the rate of $10,000 per month, payable in accordance with the Company's standard payroll schedule, and subject to withholding as legally required. This compensation will be subject to adjustment pursuant to the Company's consultant compensation policies in effect from time to time. Consultants shall be given written notice of any adjustments to compensation at least fourteen (14) days prior to adjustments becoming effective.

Corporate Address
Fannin South Professional
Building, Suite 140
7707 Fannin Street
Houston, Texas 77054
t: 832.968.4888

ADDENDUM TO CONSULTING AGREEMENT

DATE: August 1, 2019
NAME: Scott Dahlbeck, MD, PharmD

As per the consulting agreement, the hours may be increased from time to time as needed, given the critical fundraising schedule for the coming weeks. Hourly rate will be defined as $400 per hour, which is consistent with existing executive management consulting agreements. The consultant will be allowed to work as many hours as required to achieve these objectives with corresponding executive management approval.

/s/ Maurizio Chiriva-Internati, PhD
Maurizio Chiriva-Internati, PhD

Corporate Address
Fannin South Professional
Building, Suite 140
7707 Fannin Street
Houston, Texas 77054
t: 832.968.4888

CONSULTING AGREEMENT

July 20, 2018

Gianluca Rotino

Dear Gianluca:

Kiromic, Inc, a Delaware corporation (the "Company"), is pleased to this offer to this Consulting Agreement (this "Agreement") to retain Gianluca Rotino ("Consultant") to perform certain consulting activities as described below on the following terms:

1. Services and Compensation. Consultant agrees to act as a consultant to Company with respect to such matters and projects as are mutually agreed from time to time by and between Consultant and Company, and perform the services described on Exhibit A hereto (collectively, "**Services**").

Company agrees to pay Consultant the compensation set forth on Exhibit A hereto for the performance of the Services.

2. Confidentiality. "**Confidential Information**" means any proprietary information technical data, trade secrets or know-how, including, but not limited to, research and product plans, products, services, markets, developments, inventions, processes, formulas, technology, marketing, finances or other business information disclosed to Consultant by Company either directly or indirectly in writing, orally or otherwise. Confidential Information also includes all Inventions (as defined below) and any other information or materials generated in connection with the Services.

Consultant shall not, during or subsequent to the term of this Agreement, use any Confidential Information for any purpose whatsoever other than the performance of the Services on behalf of Company, or disclose Confidential Information to any third party. Consultant agrees that Confidential Information shall remain the sole property of Company. Consultant further agrees to take all reasonable precautions to prevent any unauthorized disclosure or use of Confidential Information. Notwithstanding the above, Consultant's obligation under this Section 2(b) relating to Confidential Information shall not apply to information which (i) is known to Consultant at the time of disclosure to Consultant by Company as evidenced by written records of Consultant, (ii) has become publicly known and made generally available through no wrongful act of Consultant, or (iii) has been rightfully received by Consultant from a third party authorized to make such disclosure.

Consultant agrees that Consultant will not, during the term of this Agreement, improperly use or disclose to Company any proprietary information or trade secrets of any former or current employer or other person or entity to which Consultant has a duty to keep in confidence such information and that Consultant will not bring onto the premises of Company any unpublished document or proprietary information belonging to such employer, person or entity unless consented to in writing by the same. Consultant will indemnify Company and hold it harmless from

and against all claims, liabilities, damages and expenses, including reasonable attorneys' fees and costs of suit, arising out of or in connection with any violation or claimed violation by Company of such third party's rights resulting in whole or in part from Company's use of the work product of Consultant under this Agreement.

Consultant recognizes that Company has received and in the future will receive from third parties their confidential or proprietary information subject to a duty on Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Consultant agrees that Consultant owes Company and such third parties, during the term of this Agreement and thereafter, a duty to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person, firm or corporation or to use it except as necessary in carrying out the Services for Company consistent with Company's agreement with such third party.

Upon the termination of this Agreement, or upon Company's earlier request, Consultant will deliver to Company all Confidential Information and Company's property relating thereto and all tangible embodiments thereof, in Consultant's possession or control.

3. Ownership. Consultant hereby irrevocably assigns to Company all right, title and interest in and to any information (including, without limitation, business plans and/or business information), technology, know-how, materials, notes, records, designs, ideas, inventions, improvements, devices, developments, discoveries, compositions, trade secrets, processes, methods and/or techniques, whether or not patentable or copyrightable, that are conceived, reduced to practice or made by Consultant alone or jointly with others in the course of performing the Services or through the use of Confidential Information (collectively, 111nventions").

Consultant agrees to sign, execute and acknowledge or cause to be signed, executed and acknowledged without cost, but at the expense of Company, any and all documents and to perform such acts as my be necessary, useful or convenient for the purposes of perfecting the foregoing assignments and obtaining, enforcing and defending intellectual property rights in any and all countries with respect to Inventions. It is understood and agreed that Company or Company's designee shall have the sole right, but not the obligation, to prepare, file, prosecute and maintain patent applications and patents worldwide with respect to Inventions.

Upon the termination of this Agreement, or upon Company's earlier requests, Consultant will deliver to Company all property relating to, and all tangible embodiments of, Inventions in Consultant's possession or control.

Consultant agrees that if, in the course of performing the Services, Consultant incorporates into any Invention developed hereunder any invention, improvement, development concept, discovery or other proprietary subject matter owned by Consultant or in which Consultant has an interest ("**Item**"), Consultant will inform Company in writing thereof, and Company is hereby granted and shall have a non-exclusive, royalty-free, perpetual, irrevocable, worldwide license to make, have made, modify, reproduce, display, use and sell such Item as part of or in connection with the exploitation of such Invention.

Consultant agrees that if Company is unable because of Consultant's unavailability, mental or physical incapacity, or for any other reason, to secure Consultant's signature to apply for or to pursue any application or registration for any intellectual property rights covering any Invention, then Consultant hereby irrevocably designates and appoints Company and its duly authorized officers and agents as Consultant's agent and attorney-in-fact, to act for and in Consultant's behalf

to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of such intellectual property rights thereon with the same legal force and effect as if executed by Consultant.

4. Reports. Consultant agrees, from time to time during the term of this Agreement, to keep Company advised as to Consultant's progress in performing the Services and, as reasonably requested by Company, prepare written reports with respect thereto. It is understood that the time required in the preparation of such written reports shall be considered time devoted to the performance of the Services by Consultant. All such reports prepared by Consultant shall be the sole property of Company.

5. Term and Termination. This Agreement will commence on the Effective Date and will continue until termination as provided below.

Either Consultant or Company may terminate this Agreement upon prior written notice thereof to the other party.

Upon termination of this Agreement, all rights and duties of the parties hereunder shall cease except:

Company shall be obliged to pay, within thirty (30) days after receipt of Consultant's final statement, all amounts owing to Consultant for unpaid Services completed by Consultant and related expenses, if any, in accordance with the provisions of Section 1 hereof, and Sections 2, 3, S(c), 6, 7, 8 and 10 shall survive termination of this Agreement.

6. Independent Contractor. Nothing in this Agreement shall in any way be construed to constitute Consultant as an agent, employee or representative of Company, but Consultant shall perform the Services as an independent contractor. Consultant acknowledges and agrees that Consultant is obligated to report as income all compensation received by Consultant pursuant to this Agreement.

7. No Debarment. Consultant represents and warrants that Consultant has not been debarred under Section (a) or (b) of 21 U.S.C. Section 335a and does not appear on the United States Food and Drug debarment list. Consultant represents and warrants that Consultant has not committed any crime or conduct that could result in such debarment or Consultant's exclusion from any governmental healthcare program. Consultant represents and warrants that, to Consultant's knowledge, no investigations, claims or proceedings with respect to any such crimes or conduct are pending or threatened against Consultant. Consultant agrees and undertakes to promptly notify the Company if Consultant becomes debarred or proceedings have been initiated against Consultant with respect to debarment, whether such debarment or initiation of proceedings occurs during or after the term of this Agreement.

8. Conflicting Obligations. Consultant hereby certifies that Consultant has no outstanding agreement or obligation that is in conflict with any of the provisions of this Agreement, or that would preclude Consultant from complying with the provisions hereof, and further certifies that Consultant will not enter into any such conflicting agreement during the term of this Agreement. Subject to written waivers that may be provided by the Company upon request, which shall not be unreasonably withheld, Consultant agrees that, during the term of this Agreement, Consultant will not directly or indirectly (i) participate in the formation of any business or commercial entity in the Field of Interest or otherwise competitive with the Company. Without limiting the foregoing, Consultant agrees to use his or her best efforts (A) to segregate Consultant's

Services performed under this Agreement from Consultant's work done for any other companies for whom Consultant is providing services so as to minimize any questions of disclosure of, or rights under, any inventions, (B) to notify the Company if at any time the Consultant believes that such questions may result from his or her performance under this Agreement and (C) to assist the Company in fairly resolving any questions in this regard which may arise. The Services performed hereunder will not be conducted on time that is required to be devoted to any other third party. The Consultant shall not use the funding, resources and facilities of any other third party, without the prior written consent of the Company, to perform Services hereunder and shall not perform the Services hereunder in any manner that would give any third-party rights or access to the product of such Services.

9. General. This Agreement (together with the Exhibits hereto) is the sole agreement and understanding between Company and Consultant concerning the subject matter hereof, and it supersedes any and all prior agreements and understandings with respect to such matter, whether written or oral, provided, that, except as set forth in Exhibit B. Any required notice shall be given in writing by customary means with receipt confirmed at the address of each party set forth below, or to such other address as either party may substitute by written notice to the other. Consultant shall not subcontract any portion of Consultant's duties under this Agreement without the prior written consent of Company. Neither this Agreement nor any right hereunder or interest herein may be assigned or transferred by Consultant without the express written consent of Company. Company may assign this Agreement to any entity that succeeds to substantially all of the business or assets of Company. This Agreement shall be governed by the laws of the State of Texas, without reference to its conflicts of law principles. This Agreement may only be amended or modified by a writing signed by both parties. Waiver of any term or provision of this Agreement or forbearance to enforce any term or provision by either party shall not constitute a waiver as to any subsequent breach or failure of the same term or provision or a waiver of any other term or provision of this Agreement. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision, provided that no such severability shall be effective if it materially changes the economic benefit of this Agreement to either Company or Consultant.

10. Tax Matters. As follows:

(a) **Withholding.** All forms of compensation referred to in this letter agreement are subject to reduction to reflect applicable withholding and payroll taxes and other deductions required by law.

(b) **Tax Advice.** You are encouraged to obtain your own tax advice regarding your compensation from the Company. You agree that the Company does not have a duty to design its compensation policies in a manner that minimizes your tax liabilities, and you will not make any claim against the Company or the Board related to tax liabilities arising from your compensation.

11. Background Check and Authorization to Work. This offer of employment is contingent on the Company's completion of a satisfactory background check of you. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, please let us know.

12. Interpretation, Amendment and Enforcement. This letter agreement will be effective as of July 1, 2018. This letter agreement and the Company's standard Proprietary Information and Inventions Agreement supersede and replace any prior agreements, representations or understandings (whether written, oral, implied or otherwise) between you and

the Company and constitute the complete agreement between you and the Company regarding the subject matter set forth herein. This letter agreement may not be amended or modified, except by an express written agreement signed by both you and a duly authorized officer of the Company.

13. Arbitration Agreement. Any controversy or claim arising out of or relating to this agreement or breach thereof, shall be settled by binding arbitration controlled by the rules of the American Arbitration Association. The number of arbitrator(s) shall be one. The seat of arbitration shall be Houston, Texas. Texas law shall also apply to the extent necessary to fill any gaps created by the rules of the American Arbitration Association. The arbitration award shall be final and binding on the parties. Judgement of the award rendered by the arbitrator(s) may be entered into any court of competent jurisdiction. If any provision of this Arbitration Agreement is held illegal or unenforceable in a arbitration proceeding, such provision shall be severed and shall be inoperative, and the remainder of this Agreement shall remain operative and binding on the Parties. The arbitrator(s) shall have sole *kompetenz-kompetenz* regarding this Arbitration Agreement.

14. Severability. If any provision of this Agreement is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and the remainder of this Agreement shall remain operative and binding on the Parties.

15. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, and all of which together will constitute one and the same agreement.

16. Entire Agreement. This Agreement and the documents referred to herein constitute the entire agreement and understanding of the parties with respect to the subject matter of this Agreement, and supersede all prior understandings and agreements, whether oral or written, between the parties hereto with respect to such subject matter.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

KIROMIC, INC:	**CONSULTANT:**
By: /s/ Scott Dahlbeck	/s/ Gianluca Rotino Signature
Name: Scott Dahlbeck	Gianluca Rotino
Title: President	

EXHIBIT A

SERVICES AND COMPENSATION

1. Services. Consultant will render to Company the following Services:

- Provide business and statistical analysis of company metrics
- Provide leadership role for business development strategies
- Manage all in house consulting duties to maximize return for company objectives
- Manage key marketing and communication campaigns
- Prioritize and support clinical product pipeline business priorities
- Work closely with executive team to ensure department initiatives are all aligned
- Locate, evaluate and develop new business contacts and opportunities

2. Compensation. The Company will compensate Consultant at the rate of $400 per hour (19 hours cap monthly; anything over these hrs must be preapproved by management), payable in accordance with the Company's standard payroll schedule, and subject to withholding as legally required. This compensation will be subject to adjustment pursuant to the Company's consultant compensation policies in effect from time to time. Consultants shall be given written notice of any adjustments to compensation at least fourteen (14) days prior to adjustments becoming effective.

Corporate Address
Fannin South Professional
Building, Suite 140
7707 Fannin Street
Houston, Texas 77054
t: 832.968.4888

ADDENDUM TO CONSULTING AGREEMENT

DATE: August 1, 2019
NAME: Gianluca Rotino

As per the consulting agreement, the hours may be increased from time to time as needed, given the critical fundraising schedule for the coming weeks. The consultant will be allowed to work as many hours as required to achieve these objectives with corresponding executive management approval.

/s/ Maurizio Chiriva-Internati, PhD
Maurizio Chiriva-Internati, PhD

KIROMIC, INC.

2017 EQUITY INCENTIVE PLAN

As Adopted on January 20, 2017

1. PURPOSE. The purpose of this Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, its Parent and Subsidiaries by offering eligible persons an opportunity to participate in the Company's future performance through the grant of Awards covering Shares. Capitalized terms not defined in the text are defined in Section 14 hereof. Although this Plan is intended to be a written compensatory benefit plan within the meaning of Rule 701, grants may be made pursuant to this Plan that do not qualify for exemption under Rule 701 or Section 25102(o). Any requirement of this Plan that is required in law only because of Section 25102(o) need not apply if the Committee so provides.

2. SHARES SUBJECT TO THE PLAN.

2.1 Number of Shares Available. Subject to Sections 2.2 and 11 hereof, the total number of Shares reserved and available for grant and issuance pursuant to this Plan will be Twenty Million (20,000,000) Shares. Subject to Sections 2.2 and 11 hereof, Shares subject to Awards that are cancelled, forfeited, settled in cash, used to pay withholding obligations or pay the exercise price of an Option or that expire by their terms at any time will again be available for grant and issuance in connection with other Awards. In the event that Shares previously issued under the Plan are reacquired by the Company pursuant to a forfeiture provision, right of first refusal, or repurchase by the Company, such Shares shall be added to the number of Shares then available for issuance under the Plan. At all times the Company will reserve and keep available a sufficient number of Shares as will be required to satisfy the requirements of all Awards granted and outstanding under this Plan. In no event shall the total number of Shares issued (counting each reissuance of a Share that was previously issued and then forfeited or repurchased by the Company as a separate issuance) under the Plan upon exercise of ISOs exceed Forty Million (40,000,000) Shares (adjusted in proportion to any adjustments under Section 2.2 hereof) over the term of the Plan (the "***ISO Limit***"). Subject to Sections 2.2 and 11 hereof, in the event that the number of Shares reserved for issuance under the Plan is increased, the ISO Limit shall be automatically increased by such number of Shares such that the ISO Limit equals (a) two (2) multiplied by (b) the number of Shares reserved for issuance under the Plan.

2.2 Adjustment of Shares. In the event that the number of outstanding shares of the Company's Common Stock is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or other change in the capital structure of the Company affecting Shares without consideration, then in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan (a) the number of Shares reserved for issuance under this Plan, (b) the Exercise Prices of and number of Shares subject to outstanding Options and SARs, and (c) the Purchase Prices of and/or number of Shares subject to other outstanding Awards will (to the extent appropriate) be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and compliance with applicable securities laws; *provided*, *however*, that fractions of a Share will not be issued but will either be paid in cash at the Fair Market Value of such fraction of a Share or will be rounded down to the nearest whole Share, as determined by the Committee.

3. PLAN FOR BENEFIT OF SERVICE PROVIDERS.

3.1 Eligibility. The Committee will have the authority to select persons to receive Awards. ISOs (as defined in Section 4 hereof) may be granted only to employees (including officers and directors who are also employees) of the Company or of a Parent or Subsidiary of the Company. NQSOs (as defined in Section 4 hereof) and all other types of Awards may be granted to employees, officers, directors and consultants of the Company or any Parent or Subsidiary of the Company; *provided* such consultants render bona fide services not in connection with the offer and sale of securities in a capital-raising transaction when Rule 701 is to apply to the Award granted for such services. A person may be granted more than one Award under this Plan.

3.2 No Obligation to Employ. Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Parent or Subsidiary or limit in any way the right of the Company or any Parent or Subsidiary to terminate Participant's employment or other relationship at any time, with or without Cause.

4. OPTIONS. The Committee may grant Options to eligible persons described in Section 3 hereof and will determine whether such Options will be Incentive Stock Options within the meaning of the Code ("***ISOs***") or Nonqualified Stock Options ("***NQSOs***"), the number of Shares subject to the Option, the Exercise Price of the Option, the period during which the Option may be exercised, and all other terms and conditions of the Option, subject to the following.

4.1 Form of Option Grant. Each Option granted under this Plan will be evidenced by an Award Agreement which will expressly identify the Option as an ISO or an NQSO ("***Stock Option Agreement***"), and will be in such form and contain such provisions (which need not be the same for each Participant) as the Committee may from time to time approve, and which will comply with and be subject to the terms and conditions of this Plan.

4.2 Date of Grant. The date of grant of an Option will be the date on which the Committee makes the determination to grant such Option, unless a later date is otherwise specified by the Committee. The Stock Option Agreement and a copy of this Plan will be delivered to the Participant within a reasonable time after the granting of the Option.

4.3 Exercise Period. Options may be exercisable within the time or upon the events determined by the Committee in the Award Agreement and may be awarded as immediately exercisable but subject to repurchase pursuant to Section 10 hereof or may be exercisable within the times or upon the events determined by the Committee as set forth in the Stock Option Agreement governing such Option; *provided*, *however*, that (a) no Option will be exercisable after the expiration of ten (10) years from the date the Option is granted; and (b) no ISO granted to a person who directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Parent or Subsidiary ("***Ten Percent Stockholder***") will be exercisable after the expiration of five (5) years from the date the ISO is granted. The Committee also may provide for Options to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines.

4.4 Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted and shall not be less than the Fair Market Value per Share unless expressly determined in writing by the Committee on the Option's date of grant; *provided* that the Exercise Price of an ISO granted to a Ten Percent Stockholder will not be less than one hundred ten percent (110%) of the Fair Market Value of the Shares on the date of grant. Payment for the Shares purchased must be made in accordance with Section 8 hereof.

4.5 **Method of Exercise**. Options may be exercised only by delivery to the Company of a written stock option exercise agreement (the "***Exercise Agreement***") in a form approved by the Committee (which need not be the same for each Participant). The Exercise Agreement will state (a) the number of Shares being purchased, (b) the restrictions imposed on the Shares purchased under such Exercise Agreement, if any, and (c) such representations and agreements regarding Participant's investment intent and access to information and other matters, if any, as may be required or desirable by the Company to comply with applicable securities laws. Each Participant's Exercise Agreement may be modified by (i) agreement of Participant and the Company or (ii) substitution by the Company, upon becoming a public company, in order to add the payment terms set forth in Section 8.1 that apply to a public company and such other terms as shall be necessary or advisable in order to exercise a public company option. Upon exercise of an Option, Participant shall execute and deliver to the Company the Exercise Agreement then in effect, together with payment in full of the Exercise Price for the number of Shares being purchased and payment of any applicable taxes. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.2 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

4.6 **Termination**. Subject to earlier termination pursuant to Sections 11 and 13.3 hereof and notwithstanding the exercise periods set forth in the Stock Option Agreement, exercise of an Option will always be subject to the following terms and conditions.

4.6.1 Other than Death or Disability or for Cause. If the Participant is Terminated for any reason other than death, Disability or for Cause, then the Participant may exercise such Participant's Options only to the extent that such Options are exercisable as to Vested Shares upon the Termination Date or as otherwise determined by the Committee. Such Options must be exercised by the Participant, if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within three (3) months after the Termination Date (or within such shorter time period, not less than thirty (30) days, or within such longer time period after the Termination Date as may be determined by the Committee, with any exercise beyond three (3) months after the date Participant ceases to be an employee deemed to be an NQSO) but in any event, no later than the expiration date of the Options.

4.6.2 Death or Disability. If the Participant is Terminated because of Participant's death or Disability (or the Participant dies within three (3) months after a Termination other than for Cause), then Participant's Options may be exercised only to the extent that such Options are exercisable as to Vested Shares by Participant on the Termination Date or as otherwise determined by the Committee. Such options must be exercised by Participant (or Participant's legal representative or authorized assignee), if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within twelve (12) months after the Termination Date (or within such shorter time period, not less than six (6) months, or within such longer time period, after the Termination Date as may be determined by the Committee, with any exercise beyond (a) three (3) months after the date Participant ceases to be an employee when the Termination is for any reason other than the Participant's death or disability, within the meaning of Section 22(e)(3) of the Code, or (b) twelve (12) months after the date Participant ceases to be an employee when the Termination is for Participant's disability, within the meaning of Section 22(e)(3) of the Code, deemed to be an NQSO) but in any event no later than the expiration date of the Options.

4.6.3 For Cause. If the Participant is terminated for Cause, the Participant may exercise such Participant's Options, but not to an extent greater than such Options are exercisable as to Vested Shares upon the Termination Date and Participant's Options shall expire on such Participant's Termination Date, or at such later time and on such conditions as are determined by the Committee.

4.7 Limitations on Exercise. The Committee may specify a reasonable minimum number of Shares that may be purchased on any exercise of an Option, *provided* that such minimum number will not prevent Participant from exercising the Option for the full number of Shares for which it is then exercisable.

4.8 Limitations on ISOs. The aggregate Fair Market Value (determined as of the date of grant) of Shares with respect to which ISOs are exercisable for the first time by a Participant during any calendar year (under this Plan or under any other incentive stock option plan of the Company or any Parent or Subsidiary of the Company) will not exceed One Hundred Thousand Dollars ($100,000). If the Fair Market Value of Shares on the date of grant with respect to which ISOs are exercisable for the first time by a Participant during any calendar year exceeds One Hundred Thousand Dollars ($100,000), then the Options for the first One Hundred Thousand Dollars ($100,000) worth of Shares to become exercisable in such calendar year will be ISOs and the Options for the amount in excess of One Hundred Thousand Dollars ($100,000) that become exercisable in that calendar year will be NQSOs. In the event that the Code or the regulations promulgated thereunder are amended after the Effective Date (as defined in Section 13.1 hereof) to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, then such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

4.9 Modification, Extension or Renewal. The Committee may modify, extend or renew outstanding Options and authorize the grant of new Options in substitution therefor, *provided* that any such action may not, without the written consent of a Participant, impair any of such Participant's rights under any Option previously granted. Any outstanding ISO that is modified, extended, renewed or otherwise altered will be treated in accordance with Section 424(h) of the Code. Subject to Section 4.10 hereof, the Committee may reduce the Exercise Price of outstanding Options without the consent of Participants by a written notice to them; *provided*, *however*, that the Exercise Price may not be reduced below the minimum Exercise Price that would be permitted under Section 4.4 hereof for Options granted on the date the action is taken to reduce the Exercise Price.

4.10 No Disqualification. Notwithstanding any other provision in this Plan, no term of this Plan relating to ISOs will be interpreted, amended or altered, nor will any discretion or authority granted under this Plan be exercised, so as to disqualify this Plan under Section 422 of the Code or, without the consent of the Participant, to disqualify any Participant's ISO under Section 422 of the Code.

5. RESTRICTED STOCK. A Restricted Stock Award is an offer by the Company to sell to an eligible person Shares that are subject to certain specified restrictions. The Committee will determine to whom an offer will be made, the number of Shares the person may purchase, the Purchase Price, the restrictions to which the Shares will be subject, and all other terms and conditions of the Restricted Stock Award, subject to the following terms and conditions.

5.1 Form of Restricted Stock Award. All purchases under a Restricted Stock Award made pursuant to this Plan will be evidenced by an Award Agreement ("***Restricted Stock Purchase Agreement***") that will be in such form (which need not be the same for each Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan. The Restricted Stock Award will be accepted by the Participant's execution and delivery of the Restricted Stock Purchase Agreement and full payment for the Shares to the Company

within thirty (30) days from the date the Restricted Stock Purchase Agreement is delivered to the person. If such person does not execute and deliver the Restricted Stock Purchase Agreement along with full payment for the Shares to the Company within such thirty (30) days, then the offer will terminate, unless otherwise determined by the Committee.

5.2 Purchase Price. The Purchase Price of Shares sold pursuant to a Restricted Stock Award will be determined by the Committee on the date the Restricted Stock Award is granted or at the time the purchase is consummated. Payment of the Purchase Price must be made in accordance with Section 8 hereof.

5.3 Dividends and Other Distributions. Participants holding Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Committee provides otherwise at the time of award. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid.

5.4 Restrictions. Restricted Stock Awards may be subject to the restrictions set forth in Sections 9 and 10 hereof or, with respect to a Restricted Stock Award to which Section 25102(o) is to apply, such other restrictions not inconsistent with Section 25102(o).

6. RESTRICTED STOCK UNITS.

6.1 Awards of Restricted Stock Units. A Restricted Stock Unit ("***RSU***") is an Award covering a number of Shares that may be settled in cash, or by issuance of those Shares at a date in the future. No Purchase Price shall apply to an RSU settled in Shares. All grants of Restricted Stock Units will be evidenced by an Award Agreement that will be in such form (which need not be the same for each Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan. No RSU will have a term longer than ten (10) years from the date the RSU is granted.

6.2 Form and Timing of Settlement. To the extent permissible under applicable law, the Committee may permit a Participant to defer payment under a RSU to a date or dates after the RSU is earned, *provided* that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code (or any successor) and any regulations or rulings promulgated thereunder. Payment may be made in the form of cash or whole Shares or a combination thereof, all as the Committee determines.

6.3 Dividend Equivalent Payments. The Board may permit Participants holding RSUs to receive dividend equivalent payments on outstanding RSUs if and when dividends are paid to stockholders on Shares. In the discretion of the Board, such dividend equivalent payments may be paid in cash or Shares and they may either be paid at the same time as dividend payments are made to stockholders or delayed until when Shares are issued pursuant to the RSU grants and may be subject to the same vesting requirements as the RSUs. If the Board permits dividend equivalent payments to be made on RSUs, the terms and conditions for such payments will be set forth in the Award Agreement.

7. STOCK APPRECIATION RIGHTS.

7.1 Awards of SARs. Stock Appreciation Rights ("***SARs***") may be settled in cash, or Shares (which may consist of Restricted Stock or RSUs), having a value equal to the value determined by multiplying the difference between the Fair Market Value on the date of exercise over the Exercise Price and the number of Shares with respect to which the SAR is being settled. All grants of SARs made pursuant to this Plan will be evidenced by an Award Agreement that will be in such form (which need not be the same for each Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan.

7.2 Exercise Period and Expiration Date. A SAR will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the Award Agreement governing such SAR. The Award Agreement shall set forth the Expiration Date; *provided* that no SAR will be exercisable after the expiration of ten years from the date the SAR is granted.

7.3 Exercise Price. The Committee will determine the Exercise Price of the SAR when the SAR is granted, and which may not be less than the Fair Market Value on the date of grant and may be settled in cash or in Shares.

7.4 Termination. Subject to earlier termination pursuant to Sections 11 and 13.1 hereof and notwithstanding the exercise periods set forth in the Award Agreement, exercise of SARs will always be subject to the following terms and conditions.

7.4.1 Other than Death or Disability or for Cause. If the Participant is Terminated for any reason other than death, Disability or for Cause, then the Participant may exercise such Participant's SARs only to the extent that such SARs are exercisable as to Vested Shares upon the Termination Date or as otherwise determined by the Committee. SARs must be exercised by the Participant, if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within three (3) months after the Termination Date (or within such shorter time period, not less than thirty (30) days, or within such longer time period after the Termination Date as may be determined by the Committee) but in any event, no later than the expiration date of the SARs.

7.4.2 Death or Disability. If the Participant is Terminated because of Participant's death or Disability (or the Participant dies within three (3) months after a Termination other than for Cause), then Participant's SARs may be exercised only to the extent that such SARs are exercisable as to Vested Shares by Participant on the Termination Date or as otherwise determined by the Committee. Such SARs must be exercised by Participant (or Participant's legal representative or authorized assignee), if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within twelve (12) months after the Termination Date (or within such shorter time period, not less than six (6) months, or within such longer time period after the Termination Date as may be determined by the Committee) but in any event no later than the expiration date of the SARs.

7.4.3 For Cause. If the Participant is terminated for Cause, the Participant may exercise such Participant's SARs, but not to an extent greater than such SARs are exercisable as to Vested Shares upon the Termination Date and Participant's SARs shall expire on such Participant's Termination Date, or at such later time and on such conditions as are determined by the Committee.

8. PAYMENT FOR PURCHASES AND EXERCISES.

8.1 Payment in General. Payment for Shares acquired pursuant to this Plan may be made in cash (by check) or, where expressly approved for the Participant by the Committee and where permitted by law:

(a) by cancellation of indebtedness of the Company owed to the Participant;

(b) by surrender of shares of the Company that are clear of all liens, claims, encumbrances or security interests and: (i) for which the Company has received "full payment of the purchase price" within the meaning of SEC Rule 144 (and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares) or (ii) that were obtained by Participant in the public market;

(c) by tender of a full recourse promissory note having such terms as may be approved by the Committee and bearing interest at a rate sufficient to avoid imputation of income under Sections 483 and 1274 of the Code; *provided*, *however*, that Participants who are not employees or directors of the Company will not be entitled to purchase Shares with a promissory note unless the note is adequately secured by collateral other than the Shares; *provided*, *further*, that the portion of the Exercise Price or Purchase Price, as the case may be, equal to the par value (if any) of the Shares must be paid in cash or other legal consideration permitted by the laws under which the Company is then incorporated or organized;

(d) by waiver of compensation due or accrued to the Participant from the Company for services rendered;

(e) by participating in a formal cashless exercise program implemented by the Committee in connection with the Plan;

(f) subject to compliance with applicable law, provided that a public market for the Company's Common Stock exists, by exercising through a "same day sale" commitment from the Participant and a broker-dealer whereby the Participant irrevocably elects to exercise the Award and to sell a portion of the Shares so purchased sufficient to pay the total Exercise Price or Purchase Price, and whereby the broker-dealer irrevocably commits upon receipt of such Shares to forward the total Exercise Price or Purchase Price directly to the Company; or

(g) by any combination of the foregoing or any other method of payment approved by the Committee.

8.2 Withholding Taxes.

8.2.1 Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under this Plan, the Company may require the Participant to remit to the Company an amount sufficient to satisfy applicable tax withholding requirements prior to the delivery of any certificate or certificates for such Shares. Whenever, under this Plan, payments in satisfaction of Awards are to be made in cash by the Company, such payment will be net of an amount sufficient to satisfy applicable tax withholding requirements.

8.2.2 Stock Withholding. When, under applicable tax laws, a Participant incurs tax liability in connection with the exercise or vesting of any Award that is subject to tax withholding and the Participant is obligated to pay the Company the amount required to be withheld, the Committee may in its sole discretion allow the Participant to satisfy the minimum tax withholding obligation by electing to have the Company withhold from the Shares to be issued up to the minimum number of Shares having a Fair Market Value on the date that the amount of tax to be withheld is to be determined that is not more than the minimum amount to be withheld; or to arrange a mandatory "sell to cover" on Participant's behalf (without further authorization) but in no event will the Company withhold Shares or "sell to cover" if such withholding would result in adverse accounting consequences to the Company. Any elections to have Shares withheld or sold for this purpose will be made in accordance with the requirements established by the Committee for such elections and be in writing in a form acceptable to the Committee.

9. RESTRICTIONS ON AWARDS.

9.1 Transferability. Except as permitted by the Committee, Awards granted under this Plan, and any interest therein, will not be transferable or assignable by Participant, other than by will or by the laws of descent and distribution, and, with respect to NQSOs, by instrument to an inter vivos or testamentary trust in which the NQSOs are to be passed to beneficiaries upon the death of the trustor (settlor), or by gift to "family member" as that term is defined in Rule 701, and may not be made subject to execution, attachment or similar process. For the avoidance of doubt, the prohibition against assignment and transfer applies to a stock option and, prior to exercise, the shares to be issued on exercise of a stock option, and pursuant to the foregoing sentence shall be understood to include, without limitation, a prohibition against any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" or any "call equivalent position" (in each case, as defined in Rule 16a-1 promulgated under the Exchange Act). Unless an Award is transferred pursuant to the terms of this Section, during the lifetime of the Participant an Award will be exercisable only by the Participant or Participant's legal representative and any elections with respect to an Award may be made only by the Participant or Participant's legal representative. The terms of an Option shall be binding upon the executor, administrator, successors and assigns of the Participant who is a party thereto.

9.2 Securities Law and Other Regulatory Compliance. Although this Plan is intended to be a written compensatory benefit plan within the meaning of Rule 701 promulgated under the Securities Act, grants may be made pursuant to this Plan that do not qualify for exemption under Rule 701 or Section 25102(o). Any requirement of this Plan which is required in law only because of Section 25102(o) need not apply with respect to a particular Award to which Section 25102(o) will not apply. An Award will not be effective unless such Award is in compliance with all applicable federal and state securities laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Shares may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue or deliver certificates for Shares under this Plan prior to (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable, and/or (b) compliance with any exemption, completion of any registration or other qualification of such Shares under any state or federal law or ruling of any governmental body that the Company determines to be necessary or advisable. The Company will be under no obligation to register the Shares with the SEC or to effect compliance with the exemption, registration, qualification or listing requirements of any state securities laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure so do.

9.3 Exchange and Buyout of Awards. The Committee may, at any time or from time to time, authorize the Company, with the consent of the respective Participants, to issue new Awards in exchange for the surrender and cancellation of any or all outstanding Awards. Without prior stockholder approval the Committee may reprice Options or SARs (and where such repricing is a reduction in the Exercise Price of outstanding Options or SARs, the consent of the affected Participants is not required provided written notice is provided to them). The Committee may at any time buy from a Participant an Award previously granted with payment in cash, Shares (including Restricted Stock) or other consideration, based on such terms and conditions as the Committee and the Participant may agree.

10. RESTRICTIONS ON SHARES.

10.1 Privileges of Stock Ownership. No Participant will have any of the rights of a stockholder with respect to any Shares until such Shares are issued to the Participant. After Shares are issued to the Participant, the Participant will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares; *provided*, that if such Shares are Restricted Stock, then any new, additional or different securities the Participant may become entitled to receive with respect to such Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictions as the Restricted Stock. The Participant will have no right to retain such stock dividends or stock distributions with respect to Unvested Shares that are repurchased as described in this Section 10.

10.2 Rights of First Refusal and Repurchase. At the discretion of the Committee, the Company may reserve to itself and/or its assignee(s) in the Award Agreement (a) a right of first refusal to purchase all Shares that a Participant (or a subsequent transferee) may propose to transfer to a third party, *provided* that such right of first refusal terminates upon the Company's initial public offering of Common Stock pursuant to an effective registration statement filed under the Securities Act and (b) a right to repurchase Unvested Shares held by a Participant for cash and/or cancellation of purchase money indebtedness owed to the Company by the Participant following such Participant's Termination at any time.

10.3 Escrow; Pledge of Shares. To enforce any restrictions on a Participant's Shares, the Committee may require the Participant to deposit all certificates representing Shares, together with stock powers or other instruments of transfer approved by the Committee, appropriately endorsed in blank, with the Company or an agent designated by the Company to hold in escrow until such restrictions have lapsed or terminated. The Committee may cause a legend or legends referencing such restrictions to be placed on the certificate. Any Participant who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan will be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of Participant's obligation to the Company under the promissory note; *provided*, *however*, that the Committee may require or accept other or additional forms of collateral to secure the payment of such obligation and, in any event, the Company will have full recourse against the Participant under the promissory note notwithstanding any pledge of the Participant's Shares or other collateral. In connection with any pledge of the Shares, Participant will be required to execute and deliver a written pledge agreement in such form as the Committee will from time to time approve. The Shares purchased with the promissory note may be released from the pledge on a pro rata basis as the promissory note is paid.

10.4 Securities Law Restrictions. All certificates for Shares or other securities delivered under this Plan will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable federal, state or foreign securities law, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system upon which the Shares may be listed or quoted.

11. CORPORATE TRANSACTIONS.

11.1 Acquisitions or Other Combinations. In the event that the Company is subject to an Acquisition or Other Combination, outstanding Awards acquired under the Plan shall be subject to the agreement evidencing the Acquisition or Other Combination, which need not treat all outstanding Awards in an identical manner. Such agreement, without the Participant's consent, shall provide for one or more of the following with respect to all outstanding Awards as of the effective date of such Acquisition or Other Combination:

(a) The continuation of such outstanding Awards by the Company (if the Company is the successor entity).

(b) The assumption of outstanding Awards by the successor or acquiring entity (if any) in such Acquisition or Other Combination (or by any of its Parents, if any), which assumption, will be binding on all Participants; provided that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) and Section 409A of the Code. For the purposes of this Section 11, an Award will be considered assumed if, following the Acquisition or Other Combination, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Acquisition or Other Combination, the consideration (whether stock, cash, or other securities or property) received in the Acquisition or Other Combination by holders of Shares for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Acquisition or Other Combination is not solely common stock of the successor corporation or its Parent, the Committee may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Acquisition or Other Combination.

(c) The substitution by the successor or acquiring entity in such Acquisition or Other Combination (or by any of its Parents, if any) of equivalent awards with substantially the same terms for such outstanding Awards (except that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) and Section 409A of the Code).

(d) The full or partial exercisability or vesting and accelerated expiration of outstanding Awards.

(e) The settlement of the full value of such outstanding Award (whether or not then vested or exercisable) in cash, cash equivalents, or securities of the successor entity (or its Parent, if any) with a Fair Market Value equal to the required amount, followed by the cancellation of such Awards; provided however, that such Award may be cancelled without consideration if such Award has no value, as determined by the Committee, in its discretion. Subject to Section 409A of the Code, such payment may be made in installments and may be deferred until the date or dates when the Award would have become exercisable or vested. Such payment may be subject to vesting based on the Participant's continued service, provided that without the Participant's consent, the vesting schedule shall not be less favorable to the Participant than the schedule under which the Award would have become vested or exercisable. For purposes of this Section 11.1(e), the Fair Market Value of any security shall be determined without regard to any vesting conditions that may apply to such security.

(f) The cancellation of outstanding Awards in exchange for no consideration.

Immediately following an Acquisition or Other Combination, outstanding Awards shall terminate and cease to be outstanding, except to the extent such Awards, have been continued, assumed or substituted, as described in Sections 11.1(a), (b) and/or (c).

11.2 Assumption of Awards by the Company. The Company, from time to time, also may substitute or assume outstanding awards granted by another entity, whether in connection with an acquisition of such other entity or otherwise, by either (a) granting an Award under this Plan in substitution of such other entity's award or (b) assuming and/or converting such award as if it had been granted under this Plan if the terms of such assumed award could be applied to an Award granted under this Plan. Such substitution or assumption will be permissible if the holder of the substituted or assumed award would have been eligible to be granted an Award under this Plan if the other entity had applied the rules of this Plan to such grant. In the event the Company assumes an award granted by another entity, the terms and conditions of such award will remain unchanged (except that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) of the Code). In the event the Company elects to grant a new Option or SAR rather than assuming an existing option or stock appreciation right, such new Option or SAR may be granted with a similarly adjusted Exercise Price.

12. ADMINISTRATION.

12.1 Committee Authority. This Plan will be administered by the Committee or the Board if no Committee is created by the Board. Subject to the general purposes, terms and conditions of this Plan, and to the direction of the Board, the Committee will have full power to implement and carry out this Plan. Without limitation, the Committee will have the authority to:

(a) construe and interpret this Plan, any Award Agreement and any other agreement or document executed pursuant to this Plan;

(b) prescribe, amend, expand, modify and rescind or terminate rules and regulations relating to this Plan;

(c) approve persons to receive Awards;

(d) determine the form and terms of Awards;

(e) determine the number of Shares or other consideration subject to Awards granted under this Plan;

(f) determine the Fair Market Value in good faith and interpret the applicable provisions of this Plan and the definition of Fair Market Value in connection with circumstances that impact the Fair Market Value, if necessary;

(g) determine whether Awards will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, other Awards under this Plan or awards under any other incentive or compensation plan of the Company or any Parent or Subsidiary of the Company;

(h) grant waivers of any conditions of this Plan or any Award;

(i) determine the terms of vesting, exercisability and payment of Awards to be granted pursuant to this Plan;

(j) correct any defect, supply any omission, or reconcile any inconsistency in this Plan, any Award, any Award Agreement, any Exercise Agreement or any Restricted Stock Purchase Agreement;

(k) determine whether an Award has been earned;

(l) extend the vesting period beyond a Participant's Termination Date;

(m) adopt rules and/or procedures (including the adoption of any subplan under this Plan) relating to the operation and administration of the Plan to accommodate requirements of local law and procedures outside of the United States;

(n) delegate any of the foregoing to a subcommittee consisting of one or more executive officers pursuant to a specific delegation as may otherwise be permitted by applicable law;

(o) change the vesting schedule of Awards under the Plan prospectively in the event that the Participant's service status changes between full and part time status in accordance with Company policies relating to work schedules and vesting of awards; and

(p) make all other determinations necessary or advisable in connection with the administration of this Plan.

12.2 Committee Composition and Discretion. The Board may delegate full administrative authority over the Plan and Awards to a Committee consisting of at least one member of the Board (or such greater number as may then be required by applicable law). Unless in contravention of any express terms of this Plan or Award, any determination made by the Committee with respect to any Award will be made in its sole discretion either (a) at the time of grant of the Award, or (b) subject to Section 4.9 hereof, at any later time. Any such determination will be final and binding on the Company and on all persons having an interest in any Award under this Plan. To the extent permitted by applicable law, the Committee may delegate to one or more officers of the Company the authority to grant an Award under this Plan, *provided* that each such officer is a member of the Board.

12.3 Nonexclusivity of the Plan. Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock options and other equity awards otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

12.4 Governing Law. This Plan and all agreements hereunder shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to that body of laws pertaining to conflict of laws.

13. EFFECTIVENESS, AMENDMENT AND TERMINATION OF THE PLAN.

13.1 Adoption and Stockholder Approval. This Plan will become effective on the date that it is adopted by the Board (the "***Effective Date***"). This Plan will be approved by the stockholders of the Company (excluding Shares issued pursuant to this Plan), consistent with applicable laws, within twelve (12) months before or after the Effective Date. Upon the Effective Date, the Board may grant Awards pursuant to this Plan; *provided, however*, that: (a) no Option or SAR may be exercised

prior to initial stockholder approval of this Plan; (b) no Option or SAR granted pursuant to an increase in the number of Shares approved by the Board shall be exercised prior to the time such increase has been approved by the stockholders of the Company; (c) in the event that initial stockholder approval is not obtained within the time period provided herein, all Awards for which only the exemption from California's securities qualification requirements provided by Section 25102(o) can apply shall be canceled, any Shares issued pursuant to any such Award shall be canceled and any purchase of such Shares issued hereunder shall be rescinded; and (d) Awards (to which only the exemption from California's securities qualification requirements provided by Section 25102(o) can apply) granted pursuant to an increase in the number of Shares approved by the Board which increase is not approved by stockholders within the time then required under Section 25102(o) shall be canceled, any Shares issued pursuant to any such Awards shall be canceled, and any purchase of Shares subject to any such Award shall be rescinded.

13.2 Term of Plan. Unless earlier terminated as provided herein, this Plan will automatically terminate ten (10) years after the later of (i) the Effective Date, or (ii) the most recent increase in the number of Shares reserved under Section 2 that was approved by stockholders.

13.3 Amendment or Termination of Plan. Subject to Section 4.9 hereof, the Board may at any time (a) terminate or amend this Plan in any respect, including without limitation amendment of any form of Award Agreement or instrument to be executed pursuant to this Plan and (b) terminate any and all outstanding Options, SARs or RSUs upon a dissolution or liquidation of the Company, followed by the payment of creditors and the distribution of any remaining funds to the Company's stockholders; *provided*, *however*, that the Board will not, without the approval of the stockholders of the Company, amend this Plan in any manner that requires such stockholder approval pursuant to Section 25102(o) or pursuant to the Code or the regulations promulgated under the Code as such provisions apply to ISO plans. The termination of the Plan, or any amendment thereof, shall not affect any Share previously issued or any Award previously granted under the Plan.

14. DEFINITIONS. For all purposes of this Plan, the following terms will have the following meanings.

"***Acquisition***," for purposes of Section 11, means:

(a) any consolidation or merger in which the Company is a constituent entity or is a party in which the voting stock and other voting securities of the Company that are outstanding immediately prior to the consummation of such consolidation or merger represent, or are converted into, securities of the surviving entity of such consolidation or merger (or of any Parent of such surviving entity) that, immediately after the consummation of such consolidation or merger, together possess less than fifty percent (50%) of the total voting power of all voting securities of such surviving entity (or of any of its Parents, if any) that are outstanding immediately after the consummation of such consolidation or merger;

(b) a sale or other transfer by the holders thereof of outstanding voting stock and/or other voting securities of the Company possessing more than fifty percent (50%) of the total voting power of all outstanding voting securities of the Company, whether in one transaction or in a series of related transactions, pursuant to an agreement or agreements to which the Company is a party and that has been approved by the Board, and pursuant to which such outstanding voting securities are sold or transferred to a single person or entity, to one or more persons or entities who are Affiliates of each other, or to one or more persons or entities acting in concert; or

(c) the sale, lease, transfer or other disposition, in a single transaction or series of related transactions, by the Company and/or any Subsidiary or Subsidiaries of the Company, of all or substantially all the assets of the Company and its Subsidiaries taken as a whole, (or, if substantially all of the assets of the Company and its Subsidiaries taken as a whole are held by one or more Subsidiaries, the sale or disposition (whether by consolidation, merger, conversion or otherwise) of such Subsidiaries of the Company), except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company (an "***Acquisition by Sale of Assets***").

"***Affiliate***" of a specified person means a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified (where, for purposes of this definition, the term "***control"*** (including the terms ***controlling***, ***controlled by*** and ***under common control with***) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

"***Award***" means any award pursuant to the terms and conditions of this Plan, including any Option, Restricted Stock Unit, Stock Appreciation Right or Restricted Stock Award.

"***Award Agreement***" means, with respect to each Award, the signed written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award as approved by the Committee. For purposes of the Plan, the Award Agreement may be executed via written or electronic means.

"***Board***" means the Board of Directors of the Company.

"***Cause***" means Termination because of (a) Participant's unauthorized misuse of the Company or a Parent or Subsidiary of the Company's trade secrets or proprietary information, (b) Participant's conviction of or plea of nolo contendere to a felony or a crime involving moral turpitude, (c) Participant's committing an act of fraud against the Company or a Parent or Subsidiary of the Company or (d) Participant's gross negligence or willful misconduct in the performance of his or her duties that has had or will have a material adverse effect on the Company or Parent or Subsidiary of the Company' reputation or business.

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Committee***" means the committee created and appointed by the Board to administer this Plan, or if no committee is created and appointed, the Board.

"***Company***" means Kiromic, Inc., a Delaware corporation, or any successor corporation.

"***Disability***" means that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

"***Exercise Price***" means the price per Share at which a holder of an Option may purchase Shares issuable upon exercise of the Option.

"***Fair Market Value***" means, as of any date, the value of a share of the Company's Common Stock determined as follows:

(a) if such Common Stock is then publicly traded on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in The Wall Street Journal;

(b) if such Common Stock is publicly traded but is not listed or admitted to trading on a national securities exchange, the average of the closing bid and asked prices on the date of determination as reported by The Wall Street Journal (or, if not so reported, as otherwise reported by any newspaper or other source as the Committee may determine); or

(c) if none of the foregoing is applicable to the valuation in question, by the Committee in good faith.

"***Option***" means an award of an option to purchase Shares pursuant to Section 4 of this Plan.

"***Other Combination***" for purposes of Section 11 means any (a) consolidation or merger in which the Company is a constituent entity and is not the surviving entity of such consolidation or merger or (b) any conversion of the Company into another form of entity; *provided* that such consolidation, merger or conversion does not constitute an Acquisition.

"***Parent***" of a specified entity means, any entity that, either directly or indirectly, owns or controls such specified entity, where for this purpose, "***control***" means the ownership of stock, securities or other interests that possess at least a majority of the voting power of such specified entity (including indirect ownership or control of such stock, securities or other interests).

"***Participant***" means a person who receives an Award under this Plan.

"***Plan***" means this 2017 Equity Incentive Plan, as amended from time to time.

"***Purchase Price***" means the price at which a Participant may purchase Restricted Stock pursuant to this Plan.

"***Restricted Stock***" means Shares purchased pursuant to a Restricted Stock Award under this Plan.

"***Restricted Stock Award***" means an award of Shares pursuant to Section 5 hereof.

"***Restricted Stock Unit***" or "***RSU***" means an award made pursuant to Section 6 hereof.

"***Rule 701***" means Rule 701 *et seq.* promulgated by the Commission under the Securities Act.

"***SEC***" means the Securities and Exchange Commission.

"***Section 25102(o)***" means Section 25102(o) of the California Corporations Code. "***Securities Act***" means the Securities Act of 1933, as amended.

"***Shares***" means shares of the Company's Common Stock, $0.00001 par value per share, reserved for issuance under this Plan, as adjusted pursuant to Sections 2.2 and 11 hereof, and any successor security.

"***Stock Appreciation Right***" or "***SAR***" means an award granted pursuant to Section 7 hereof.

"***Subsidiary***" means any entity (other than the Company) in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain owns stock or other equity securities representing fifty percent (50%) or more of the total combined voting power of all classes of stock or other equity securities in one of the other entities in such chain.

"***Termination***" or "***Terminated***" means, for purposes of this Plan with respect to a Participant, that the Participant has for any reason ceased to provide services as an employee, officer, director or consultant to the Company or a Parent or Subsidiary of the Company. A Participant will not be deemed to have ceased to provide services while the Participant is on a bona fide leave of absence, if such leave was approved by the Company in writing. In the case of an approved leave of absence, the Committee may make such provisions respecting crediting of service, including suspension of vesting of the Award (including pursuant to a formal policy adopted from time to time by the Company) it may deem appropriate, except that in no event may an Option be exercised after the expiration of the term set forth in the Stock Option Agreement. The Committee will have sole discretion to determine whether a Participant has ceased to provide services and the effective date on which the Participant ceased to provide services (the "***Termination Date***").

"***Unvested Shares***" means "***Unvested Shares***" as defined in the Award Agreement for an Award.

"***Vested Shares***" means "***Vested Shares***" as defined in the Award Agreement.

* * * * * * * * * * *

Corporate Address
Fannin South Professional
Building, Suite 140
7707 Fannin Street
Houston, Texas 77054
t: 832.968.4888

Date

Mr. / Ms. / Mrs. [insert name]
Address1
Address2
Address3

Dear Mr. / Ms. / Mrs. [insert name];

We are glad to inform you that you have been appointed as Member of The Board, as an independent director.

As a member of the Board of Directors (the "***Board***") of Kiromic, Inc. ("***Kiromic***" or the "***Company***"), you will join a distinctive and highly qualified group of members. This letter agreement supersedes and replaces any prior agreements, written or oral, between you and Kiromic concerning the terms of your service for the Company. Your appointment as an "Independent Director" is effective upon acceptance of this offer.

In addition to your general board duties, you also agree to be available to Kiromic's senior management to provide guidance in such areas as may mutually be determined from time to time; those interactions can be by telephone or in person, as your other business activities permit.

The Board will meet approximately six (6) times per year. Throughout your tenure as a director, the Company will maintain a Directors' and Officers' insurance policy, and you will be covered by this policy by virtue of your directorship (as specified within the terms and conditions thereof). We will reimburse travel, lodging and other reasonable expenses that you may incur related to your service on the Board in accordance with our standard practices for reimbursement of expenses, provided, however, that we respectfully request that you notify us in advance should you anticipate any expense in excess of $500.00.

In consideration for your service as a director, you will receive an option grant as described below for the purchase of shares of Kiromic common stock under our 2017 Equity Incentive Plan. Specifically:

A. Option Grant. For your general service as a director, and subject to approval by the Board, you will receive a stock option exercisable for up to 20,000 shares of Kiromic common stock (the "***Director Option***"). Subject to continued service as a director, the shares issuable upon exercise of the Director Option will vest such that [1/4]th of the shares shall vest and become exercisable on the [one year] anniversary of the date on which you become a director and [1/48]th of the shares shall vest and become exercisable on each [monthly] anniversary thereafter until the earlier of the termination of your service as a director or the four year anniversary of the date on which you become a director. Vesting of the shares subject to the Director Option would accelerate in full upon an acquisition of Kiromic constituting a change of control.

B. Exercise Price; Share Restrictions: The Director Option will be granted with an exercise price per share equal to the fair market value of our common stock at the date of its grant by the Board. All shares purchased under the options will also be subject to a right of first refusal in favor of Kiromic (which will expire upon an IPO), an IPO market stand-off provision and restrictions on transfer set forth in the Company's Bylaws.

We hope you accept our offer and we look forward to a productive and mutually beneficial working relationship. Please do not hesitate to contact me at 832-968-4888.

Thank you.

Best regards,

Maurizio Chiriva-Internati PhD
Chief Executive Officer

I accept the above offer to become a member of the Board of Directors of Kiromic. By my signature below I acknowledge that my becoming a member of the Board of Directors of Kiromic will not violate any agreement or obligation that I have with any third party, including my current employer.

_____
NAME

[*] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

JOINT VENTURE AGREEMENT

BETWEEN

KIROMIC BIOPHARMA Inc., a Delaware Company, Fannin South Professional Building, 7707, Fannin St. Suite 140, Houston TX 77054 USA, in person of the Legal Representative of the Chief Executive Officer dr. Prof. Maurizio Chiriva Internati, PhD

AND

MOLIPHARMA S.R.L. an Italian Company stated in Campobasso, Via del Castello n. 3, FISCAL CODE AND VAT NUMBER: 01655870705 in person of the Legal Representative Avv. Giovanni Meliadò;

each a Party and, together, the Parties.

WHEREAS

A. Kiromic is a Company active in the fields of:

Research and development, in the field of immunotherapy, immuno-oncology, infectious diseases, cardiovascular disease, auto immune diseases, inflammatory diseases and gene editing that develops highly effective and safe immuno-therapies to address and defeat different types of cancer and serious diseases and unmet medical needs;

Research and development of Artificial Intelligence technologies and a multi-purpose computational platform capable of identifying new cancer immunological targets for T and B cells.

B. Molipharma s.r.l. is a spin-off of the Università Cattolica del Sacro Cuore and active in the fields of:

research, development, production and marketing, also through licensing, of new products, synthetic drugs and applications, new technologies and innovative process and product applications in the pharmaceutical, pharmacological, clinical and therapeutic fields, also

protectable under the regulations for intellectual property, with the consequent possibility of exploitation and industrial exploitation;

analysis, research, reports, pre-clinical and clinical studies, consultancy, technical development activities, on its own behalf or for third parties, in the field of genetic, muscular, immune, haematological, oncological, gynecological, urological pathologies

C. The Parties wish to collaborate for the common purposes about the research and development of at least two clinical trial programs:

a. Pre-clinical validation and clinical trial development of several targets in different clinical indications, and particularly in Ovarian Cancer

b. Pre-clinical validation and clinical trial development of countermeasures against Covid19 Sars CoV2 outbreak, including oral vaccines, as well as therapeutic and diagnostic solutions.

NOW, THEREFORE, the Parties agree as follows:

1. SCOPE AND AREAS OF THE JV

The Parties wish to collaborate to the Joint Venture ("JV"), with their respective efforts and possibilities of support, assistance, advice, co-operation, and resources for the common purposes about the research and development of the pre-clinical and clinical trial programs mentioned above.

2. PARTIES OBLIGATIONS

Notwithstanding as referred to the point 1, the Parties wish to collaborate to the JV in the respective R&D areas; for the firsts two clinical trial programs, they undertake to collaborate as follow:

Topic 1. Clinical trial program in Oncology.

With regard to the JV between the Parties about the Clinical trial program in Oncology, the respective obligations are regulated below:

- Molipharma, through a separate agreement with UCSC, undertakes to provide the tissue samples and parts of tumors;
- Molipharma undertakes to make UCSC the site for clinical trials and in particular Molipharma undertakes to make UCSC the main site for clinical trials in cancer using

the specific isoforms CAR (Chimeric Antigen Receptor) and/or check inhibitor technology, Exhibit A

- Kiromic is committed to bear all costs necessary for R&D, including all clinical development costs, according to the terms and conditions set out in point n. 3;

Topic 2. Clinical trial program in Covid19 Sars CoV2 Vaccine

With regard to the JV between the Parties about the clinical trial program in Covid19 Sars CoV2 Vaccine, the respective obligations are regulated below:

- Kiromic is committed to sharing patents and know-how in relation to the following products which will be licensed to the JV exclusively for the application in the specific and limited field of sars-cov-2 threat and relative disease COVID-19:

  (i) VAPAs-Viral Antigen Proteins Associated © (Kiromic-2020) derived from Diamonds AI - Artificial Intelligence Platform for Discovery and Prediction Antigen Protein

  (ii) Platform of DC Vaccines (dendritic cell vaccine) - for therapeutic purposes - nominated BSK 01;

  (iii) Oral Delivery Platform for Prophylactic Vaccine - accompanying immuno-boosting therapy - therapeutic vaccine administration - nominated BSK02

  (iv) Other patents eventually applicable in the specific field.

- Molipharma provides skills, competencies, relationships, financial resources and means for development;

- Molipharma is committed to ensuring that the development and testing of the vaccine and any associated clinical trial studies are carried out through the specialized structures of the UCSC.

- Molipharma provides skills, competencies, relationships, financial resources and means for development;

- Molipharma is committed to ensuring that the development and testing of the vaccine and any associated clinical trial studies are carried out through the specialized structures of the UCSC.

- Molipharma undertakes to make UCSC the site for clinical trials and in particular

- Molipharma, through a separate agreement with UCSC, undertakes to provide the biological samples necessary to carry out the Research and Development, such as, but not limited, blood, serum, saliva, clinical data, tissues samples of living and dead patients etc ;

- Molipharma is committed to bear all costs necessary for R&D, including all clinical development costs, according to the terms and conditions set out in point n. 3;

3. STEERING COMMITTEE AND TECHNICAL CO-ORDINATION COMMITTEE

The Parties agree to establish a “Steering Committee”, which will remain in force for the entire period of the JV, composed of two members for each Company [e.g. Americo Cicchetti - To Be Nominated and Maurizio Chiriva – Gianluca Rotino], with the task of identifying the strategic objectives of the collaboration and providing general guidelines.

The Steering Committee shall appoint, within 30 days of the signature of this JV, a Technical Committee composed of one representative of each of the Parties in relation to each specific

clinical trial program, which shall have the function of coordinating the technical and administrative activities to be undertaken in the framework of this JV.

The tasks assigned to the Technical Committee are to:

a. propose any new project to be developed to the Steering Committee;

b. define the specific guidelines for each project and check the execution processes and timelines implemented under this JV;

c. check at least quarterly the progress of the clinical development programs, the correct implementation of the commitments undertaken, including the economic ones; in the event of failure by one of the Parties to comply with these commitments, the Technical Committee shall promptly inform the Steering Committee;

d. report, every six months, to the Steering Committee on the activities carried out and the results achieved under the Agreement;

e. propose to the Steering Committee any changes in the projects referred to in point 2 and/or any changes in the economic commitments made and their utilization.

The parties undertake, within 30 days from the signing of this JV, to grant a specific written and notarial mandate, which gives Molipharma the power to represent the JV vis-à-vis third parties for the performance of ordinary and extraordinary acts deemed necessary for the quickest and most profitable achievement of the objectives set forth in point 2, including the right to enter into partnership and/or collaboration contracts with external entities.

4. JV FUND

Kiromic undertakes to financially support the entire research program in oncology;

By way of example, Kiromic undertakes to finance the following items:

a. The expenses for the supply of equipment and materials, as well as those related to their ordinary and extraordinary maintenance, necessary for the development of the program;

b. Medical and subsistence expenses in favor of the patients who will be selected for the clinical trials and any expenses necessary for third party vendors (such as Contract Research Organizations, central labs, couriers, etc…) necessary for planning and executing such clinical trials;

c. Funding of scholarships and/or research grants for the staff who will be assigned to the research and development of the projects referred to in point 2;

d. Funding of educational or training initiatives.

Subsequent contributions will be provided by Kiromic to the common fund upon presentation of individual purchase orders and/or proofs of expenditure —which will be paid for each time starting upon the successful IPO (Initial Public Offering) of the Kiromic's common shares.

Molipharma undertakes to financially support the entire research program against sars-cov-2.

By way of example, Molipharma undertakes to finance the following items, either directly or indirectly through research grants or other non-diluting funds, awarded by European and/or Italian Institutions:

a. The expenses for the supply of equipment and materials, as well as those related to their ordinary and extraordinary maintenance, necessary for the development of the program;

b. Medical and subsistence expenses in favour of the patients who will be selected for the clinical trials and any expenses necessary for third party vendors (such as Contract Research Organizations, central labs, couriers, etc…) necessary for planning and executing such clinical trials;

c. Funding of scholarships and/or research grants for the staff who will be assigned to the research and development of the projects referred to in point 2;

d. Funding of educational or training initiatives.

Subsequent contributions will be provided by Molipharma to the common fund upon presentation of individual purchase orders and/or proofs of expenditure - which will be paid for each time.

5. STAFF ACCESS

Molipharma allows Kiromic's staff in charge of the above research programs to have access to its own structures, identified from time to time, as well as the possible use of its own equipment, in compliance with the law provisions and the regulations therein applied, in compliance and observance of the protection, safety and health standards therein applied.

Alternatively, Kiromic allows Molipharma' staff in charge of the above programs to have access to its own structures and to its laboratory equipment, identified from time to time, in compliance

with the law provisions and the regulations therein applied, in compliance and observance of the protection, safety and health standards therein applied.

The staff of each of the Parties to this JV who, by this Agreement, have access to the structures and equipment of the other company, shall be liable for any damage caused to such equipment and to third parties.

The Parties shall provide civil liability insurance cover to their own personnel with respect to accidents and damages charged to them.

6. INTELLECTUAL PROPERTY RIGHTS AND PROHIBITION OF TRANSFER TO THIRD PARTIES

The Parties undertake to promptly notify each other about the achievement of the Scope, as mentioned in point 2 (“the Results”) , that may be subject to Industrial and Intellectual Property Rights, within 30 days from the achievement of such Results and to cooperate in the evaluation of the existence of the necessary requirements for the patenting/registration of such Results.

The Industrial Property Rights on the Results, as well as the Intellectual Property Rights realized in the research activities covered by this JV, are due jointly to the parties in equal shares (50% for each Party), without prejudice to the possibility of agreeing in writing, during the course of every specific activity, about the modification of the respective shares of co-ownership, based upon the actual contribution of each of the Parties to the research activities, and also without prejudice to the recognition of the intellectual rights due to each inventor pursuant to current legislation.

The parties will agree, by separate agreement, on the specific discipline relating to the management of rights in co-ownership; it is agreed that Molipharma may always use the Results for teaching and research purposes.

If one of the Parties has no interest in applying for a patent, it will inform the other Party within 30 days from the communication of the Results referred to in paragraph 1. In this case the Party concerned shall have the right to proceed with the submission of the application on the Results at its own expense and in co-ownership with the other Party, subject to written notice. The Party which is not interested in the application shall undertake to transfer its own share of ownership to the other Party, free of charge once it has obtained the patent title.

Each Party is the owner of the Industrial and Intellectual Property Rights relating to its own:

a. “Background”: All knowledge, information and intangible assets protected under national Law System and international intellectual and industrial property laws and regulations, created or otherwise obtained by a Party prior to the begin of the activity covered by this Agreement.

b. “Sideground”: All knowledge, information and intangible property protected under national Law System and international intellectual and industrial property laws and regulations made or otherwise obtained by a Party during the term of this Agreement but not in the execution of this Agreement.

Notwithstanding the foregoing, the Parties shall grant each other, free of charge, a non-exclusive right to use their respective Backgrounds in connection with the activities which will be carried out by this JV and by reason of their execution. This right is granted for the duration of the Agreement only, with the express denial of sublicensing or transferring it to any third party for any reason whatsoever.

The Sideground of each Party may not be used by the other Party without the express written authorization of the owner.

The sale, licensing or any other type of agreement providing for the transfer, even temporary, to third parties of intellectual and industrial property rights deriving from the research programs referred to in point 2 is excluded, unless there is prior agreement between the Parties.

Kiromic assigns to Molipharma all the rights of publication of the research, unless they are considered confidential for patenting. To this purpose, before each publication, Molipharma will send in advance the text of the publication to Kiromic for approval. The consent of Kiromic will be tacitly granted after 30 days from receipt of the request for authorization of disclosure.

The same procedure indicated in the previous paragraph will be also applied to Kiromic in case it wants to perform a publication on the research.

7. ECONOMIC RIGHTS

The commercial rights arising from the research programs referred to in point 2 are divided as follows:

Oncology

All economics rights are solely owned by Kiromic Biopharma.

Kiromic will grant to Molipharma the follows royalties:

- *% of the realized turnover by the marketing of Ovarian Cancer research results in Italy;

- *% of the realized turnover by the marketing of Ovarian Cancer research results in Europe.

Sars-cov-2

- The economic rights for Europa will be an exclusive ownership of Molipharma
- The economic rights in the U.S. will be an exclusive ownership of Kiromic.
- For the rest of the world, the economic rights will be divided as follows: *% Kiromic; *% Molipharma.

8. DURATION

This JV Agreement shall become effective on the signing date and shall have a duration of * years, extendable for a further * years, unless notice of non-renewal is sent one year before the natural expiry date.

This JV shall automatically cease to be effective on the date when the JV is wound-up or is the target of any kind of insolvency procedure.

Termination of this JV Agreement shall not relieve the Parties of their obligations due at the time of such termination, nor shall such termination prejudice any claim of either Party accrued, or to accrue, on account of any default or breach by the other Party.

9. WITHDRAWAL AND RESOLUTION

The Parties may withdraw from this JV only for serious and justified reasons or by mutual consent. The withdrawal must be exercised by written notice, to be sent to the other Party by certified letter or PEC, with minimum notice of 30 days.

Withdrawal or termination by mutual consent shall only have effect for the future and shall not affect the part of the Agreement already executed.

In case of withdrawal according to the previous paragraph, Kiromic is obliged to cover Molipharma for the expenses incurred and for those committed, related to the research programs being developed, until receipt of the notice of withdrawal.

Pursuant to art. 1456 of the Italian Civil Code, this JV shall be terminated by right in the following cases:

a. Breach of confidentiality obligations;

b. Unilateral and unagreed variation of the Scope of the JV;

c. Failure of each Party to comply with its obligations, including the economic commitments.

The Party concerned must communicate by registered letter with return receipt, or PEC, its intention to avail itself of the termination clause.

In the event of termination of the Agreement pursuant to this clause or, in any case, to termination due to Kiromic's default, the same is required; in addition, Kiromic undertakes to the reimbursement of expenses incurred and/or committed by Molipharma, and agrees to recognize financially the additional damage suffered by Molipharma by such a default.

Upon termination of the contract, the agreement set forth in clause 5 ("Intellectual property rights and prohibition of transfer to third parties") and clause 6 ("Economic rights") will remain into force.

10. TERMINATION

Each Parties shall have the right to terminate its obligations, if one of the following events occurs: the Company (i) applies for or consents to the appointment of a receiver, trustee, custodian or liquidator of itself or substantially all of its property, (ii) becomes subject to the appointment of a receiver, trustee, custodian or liquidator of itself or substantially all of its property, (iii) makes an assignment for the benefit of creditors, (iv) institutes any proceedings under or state bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, or files a petition or answer seeking reorganization or an arrangement with creditors to take advantage of any insolvency law, or files an answer admitting the material allegations of a bankruptcy, reorganization or insolvency petition filed against it, or (v) becomes subject to any involuntary proceedings under the state bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, when proceeding is not dismissed within thirty (30) days of filing, or have an order for relief entered against it in any proceedings under Bankruptcy Code.

11. SENSITIVE INFORMATION

The Parties shall keep confidential any information exchanged between them in connection with the negotiation, execution and performance of this JV Agreement; it is agreed that these confidentiality obligations shall not apply with respect to any information which:

(a) becomes generally available to the public other than as a result of an unauthorised disclosure by a Party,

(b) was available to a Party prior to its disclosure by the other Party,

(c) is disclosed pursuant to a requirement of a court or other public authority or for the purpose of enforcing the rights and obligations set forth in this Agreement.

12. GENERAL PROVISIONS

All notices, demands, requests or other communications which may be or are required to be given, served or sent by any Party to any other Party pursuant to this JV Agreement shall be in writing and shall be hand delivered, sent by DHL (or by comparable international air courier) or mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by telecopy, and shall be addressed as follows:

(i) If to KIROMIC:

To the attention of the managing director

Telephone

(ii) if to MOLIPHARMA:

To the attention of Mr. Giovanni Meliadò

Telephone

Each Party may designate by written notice an address to which any notice, demand, request or communication may thereafter be so given, served or sent.

Each of the communications mentioned herein, given in the way described herein, shall be deemed sufficiently given, served, sent, received or delivered for all purposes at the time it is received, if made by hand delivery, or at the time indicate in the return receipt if made

by mail or courier, or at the time indicated in the answer-back of the telefax machine of the receiving Party in case it is made by telefax.

No delay or failure on the part of any Party hereto in exercising any right, power or privilege under this JV Agreement or under any other documents in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No waiver shall be valid against any Party hereto unless made in writing and signed by the Party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

If any part of any provision of this JV Agreement or of any other document given pursuant to or in connection with this JV Agreement shall be invalid or unenforceable in any respect, such part shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining parts of such provision or the remaining provisions. The void provision shall be substituted by a valid provision, the nature and economic consideration of which comes as close as possible to the void provision. In the event that matters relevant to the subject matter of this JV Agreement are not addressed herein, the Parties shall negotiate in good faith to agree a provision or provisions which, given the nature and economic considerations of the JV Agreement and related agreements, the Parties would have agreed upon had they considered the matter at the time of the execution of this JV Agreement. If the invalidity or unenforceability of any provision hereof is due to the excessive scope of such provision, such provision shall be deemed valid and enforceable to the greatest extent permitted by applicable law.

This JV Agreement cannot be assigned by a Party, also as a result of the transfer of a business as a going concern, of a merger, of a de-merger or of a spin-off, without the prior written consent of the other Party. Subject to the above, this JV Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors, heirs, executors, administrators, legal representatives and assigns.

Each of the Parties hereby agrees to take or cause to be taken such further actions, to make and receive or cause to be made and received any legal declarations, execute, deliver and file or cause to be executed, delivered and filed such further documents, and will obtain

such consents, as may be necessary or as may be reasonably requested in order to fully effectuate the purposes, terms and conditions of this JV Agreement mentioned. Without limiting the generality of the foregoing, in case the Commission of the European Union, or any other competent regulatory authority, both national and supranational, makes the clearance of any of the transactions contemplated by this JV Agreement conditional upon changes or additions to the regulation herein set forth, the Parties shall negotiate in good faith all those amendments that are necessary or proper to comply with such requests by keeping unaltered the spirit of this JV Agreement and the balance of interests herein reflected.

Each of the Parties hereto guarantees to the other Party that it has not engaged any broker, finder or agent in connection with the transactions contemplated by this JV Agreement and has not incurred (and will not incur) any unpaid liability to any broker, finder or agent for any brokerage fees, finders' fees or commissions, with respect to the transactions contemplated by this JV Agreement. Each Party agrees to indemnify, defend and hold harmless the other Party from and against any and all claims asserted against it for any such fees or commissions by any persons purporting to act or to have acted for or on behalf of the indemnifying Party.

Each Party hereto shall pay its own expenses incident to this JV Agreement and the transactions contemplated hereunder, including all legal and accounting fees and disbursements.

13. CONFIDENTIALITY

In this Clause, Confidential Information means (without limitation) the existence and contents of the Documents and the existence and contents of any agreement or arrangement entered into pursuant to any of the Documents and information relating to:

- the customers, suppliers, business, assets or affairs (including financial information) of any Party,

including information relating to the marketing of any products or services (for example, customer names and lists and any other details of customers, sales targets, sales statistics, market share statistics, prices, market research reports and surveys and advertising) and other promotional materials; future projects; business development or planning; and

commercial relationships or negotiations, but excluding in any case the information in Clause 6.2.

Information is not Confidential Information if:

(a) it is or becomes generally available to the public (other than as a result of its disclosure in breach of this Agreement);

(b) the disclosing Party can establish to the reasonable satisfaction of the other Party that it found out the information from a person not connected with the other Party or its Associated Companies or the Company and that such person is not under any obligation of confidence in respect of the information; or

(c) the disclosing Party can establish to the reasonable satisfaction of the other Party that the information was known to the disclosing Party before the date of this Agreement and that it was not under any obligation of confidence in respect of the information.

Each Party irrevocably agrees, undertakes and covenants with the other Party and the Company and any Subsidiary of the Company that it shall at all times keep confidential (and use all reasonable endeavours to ensure that its employees, agents and Associated Companies, and the employees and agents of such Associated Companies, and the Company shall keep confidential) any Confidential Information and shall not use such Confidential Information except for the purpose of exercising or performing its rights and obligations under or in connection with this Agreement, and shall not disclose such Confidential Information except:

(a) to an Associated Company or to a Party’s professional advisers where such disclosure is for a purpose related to the operation of this Agreement;

(b) with the written consent of such of the Company or the Party or any Associated Company to which the information relates;

(c) as may be required by law or by the rules of any recognized stock exchange, or governmental or other regulatory authority or by a court or other authority of competent jurisdiction, provided that, to the extent it is legally permitted to do so, it gives the other Party as much notice of such disclosure as possible;

(d) a Party may, provided it has reasonable grounds to believe that the other party is involved in activity that may constitute a criminal offence under the Anti-Corruption Rules, disclose Confidential Information to the relevant governmental or other regulatory authority without first informing the other party of such disclosure;

(e) to any tax authority to the extent reasonably required for the purposes of the tax affairs of the party concerned or any of its Associated Companies; or

(f) Confidential Information relating to the Company and any Subsidiary of the Company (including copies of the Documents) to a bank or financial adviser of a Shareholder and/or to any potential Buyer(s) in connection with a proposed sale pursuant to Clause 20, provided that:

(i) such bank, financial adviser and/or potential Buyer shall first have entered into confidentiality undertakings for the benefit of the Company and any Subsidiary of the Company upon terms no less stringent that those set out in this Clause 10or otherwise in a form reasonably satisfactory to the Board; and

(ii) the disclosing Party gives notice to the other Shareholder specifying, in general terms, the information to be disclosed.

Each Party shall inform (and shall use all reasonable endeavors to procure that any of its Associated Companies and the Company shall inform) any officer, employee or agent or any professional adviser advising it in relation to the matters referred to in this Agreement, or to whom it provides Confidential Information, that such information is confidential and shall require them:

(a) to keep it confidential; and

(b) not to disclose it to any third party (other than those persons to whom it has already been disclosed in accordance with the terms of this Agreement).

On termination of this Agreement, each Party shall (and shall use all reasonable endeavors to procure that its Associated Companies, and its officers and employees and those of its Associated Companies and the Company shall):

(a) return to the other Party all documents and materials (and any copies) containing, reflecting, incorporating or based on the other Party’s Confidential Information; and

(b) erase all the other Party's Confidential Information from computer and communications systems and devices used by it, including such systems and data storage services provided by third parties (to the extent technically and legally practicable),

provided that a recipient party (and/or the Company, as the case may be) may retain documents and materials containing, reflecting, incorporating or based on the other Party's Confidential Information to the extent required by law or any applicable governmental or regulatory authority.

The provisions of this Clause shall continue to apply after termination of this Agreement for any cause.

14. ANTI-CORRUPTION RULES

Each Party recognizes and acknowledges that it is obliged to comply with the Anti-Corruption Rules.

Kiromic acknowledges receipt of a copy of MOLIPHARMA's Anti-Corruption Policies and confirms that it has Anti-Corruption Policies in place that are at least comparable to MOLIPHARMA's.

Each Party warrants and undertakes to the other that:

(a) it has not, and to its best knowledge and belief none of its current or former directors, managers, officers or employees has, and, so far as it is aware, no other person who otherwise is or has been one of its Associated Persons has, at any time in the last [five (5)] years before the date of this Agreement:

(i) made, given, authorized or offered, or promised to make, give, authorize or offer any Prohibited Advantage to any person in order to assist it or any of its Subsidiaries in improperly obtaining or retaining business for or with any person, in improperly directing business to any person or in securing any improper advantage;

(ii) taken any other action which would violate applicable Anti-Corruption Rules;

(iii) been the subject of any investigation, inquiry or litigation, administrative or enforcement proceedings by any Authority or any customer or other person regarding any offence or alleged offence under any Anti-Corruption Rules and no such investigation, inquiry, litigation or proceeding has been threatened or is pending and, so far as it is aware,

there are no circumstances likely to give rise to any such investigation, inquiry, litigation or proceeding;

(b) for so long as it is a Party to this Agreement it will not, and to the extent it is legally able will procure that none of its Associated Persons will, engage in any of the conduct described in sub-Clauses (a)(i) or (a)(ii);

(c) it is not ineligible or, so far as it is aware, treated by any Authority as ineligible to tender for any contract or business with, or be awarded any contract or business by, such Authority, or to tender for or perform any sub-contracting work under a contract with such Authority;

(d) it has in place, and for so long as it is a Party to this Agreement will maintain, and, to the extent it is legally able will procure that the Company will maintain, adequate Anti-Corruption Policies;

(e) it requires its Associated Persons to act in accordance with the requirements of applicable Anti-Corruption Rules and uses all reasonable endeavors to procure that they do so. So far as it is aware, each of its Associated Person which is a legal person has in place policies, systems, controls and procedures designed to prevent, and which are reasonably expected to continue to prevent it and its Associated Persons from violating applicable Anti-Corruption Rules; and

(f) in performing its obligations under and carrying out the transactions contemplated by this Agreement and any other Document, neither it, nor any of its Subsidiaries nor any of their respective Associated Persons has engaged or will engage in any conduct described in sub-Clauses (a)(i) or (a)(ii).

15. DATA PROTECTION RULES PURSUANT TO REG.EU 679/2016 (GDPR)

Pursuant to and for the purposes of the Privacy Code and EU Reg. 679/2016 (“GDPR”) (“Law”) on “Protection of persons and other subjects with regard to the processing of personal data”, the Parties - as autonomous Data Controllers - acknowledge that they have exchanged information on the use of their personal data.

The Parties undertake to communicate to each other - in execution of this Contract - only the common and/or sensitive personal data of third parties to whom they have given prior information and from whom they have previously acquired (where necessary) their

consent, in accordance with the Privacy Code. and EU Reg. 679/2016 (“GDPR”) In particular, such consent must be informed, expressed, specific; documented in writing, in the case of common data; given in writing under penalty of nullity, in the case of sensitive data.

Each Party shall be individually responsible for any communication of common and/or sensitive data made without the prior fulfilment of the aforementioned obligations. The Party to whom the communication is addressed will therefore be released from any responsibility and/or claim of third parties, related to the possible communication of common and/or sensitive data made in breach of the provisions of this clause and the Privacy Code and EU Reg. 679/2016.

16. GOVERNING LAW AND DISPUTE ACCORDANCE

All disputes arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Any such arbitration shall (i) be subject to the application of the Italian Law, (ii) take place in Paris, France and (iii) be conducted in English.

Each of the parties to this Agreement consents to personal jurisdiction for any emergency injunction sought in the Court of Rome. However, subsequent to the emergency injunction hearing, the merits of the matter will be decided by the ICC as per the procedure set forth above.

IN WITNESS WHEREOF, Parties have severally subscribed to these articles, or caused them to be subscribed in their name and on behalf by their respective officers thereunto duly authorized.

Rome/Houston, 2 April 2020

Kiromic Biopharma Inc.	**Molipharma s.r.l.**
Prof Maurizio Chiriva Internati	**Avv. Giovanni Meliadò**

KIROMIC, Inc.

Employee Handbook
Updated 02.19.19

This manual is merely a summary of current policies of KIROMIC. Nothing in this manual alters the fact that all employees of the company are employed “at will”. Employment may be terminated with or without cause or notice at the will of either the employee or company. Neither this manual nor any of its contents is an employment contract, an offer to enter an employment contract, or provides employees with any contract rights.

Executive Management

● Founder, Chief Executive Officer and Chief Scientific Officer:
Maurizio Chiriva-Internati, DBSc., Ph.D.

Maurizio Chiriva-Internati, PhD, D BSc, is Kiromic's Chief Executive Officer and Chief Scientific Officer. For the past 20 years, Dr. Chiriva-Internati has investigated tumor antigens as therapeutic and diagnostic tools. His research has led to the identification of novel cancer testis antigens for the development of immunotherapeutic strategies against solid and non-solid tumors. Dr. Chiriva-Internati's research is focused on developing new therapies for a variety of tumors, including multiple myeloma, acute myeloid leukemia, ovarian, lung, prostate, melanoma, and breast cancer. He is the author of 149 peer-reviewed publications, and is a journal reviewer for *The Lancet Infectious Diseases*, *Cancer Research*, *The Journal of Immunology*, *International Reviews of Immunology, and Nature Reviews Clinical Oncology.*

President and Chief Medical Officer:
Scott Dahlbeck, MD., Pharm.D

Scott Dahlbeck, MD, PharmD, is Founder, President and Chief Operating Officer of Kiromic. Dr. Dahlbeck is an expert in prostate cancer research having served as a Radiation Oncologist of several cancer centers. Dr. Dahlbeck has also patented, manufactured, and commercialized intellectual property and has more than a decade of experience in medical and oncology commerce.

WELCOME TO KIROMIC

Welcome to KIROMIC. At KIROMIC, we are optimistic about the future and hope that your employment with us will be mutually rewarding. We look forward to an enjoyable and productive working relationship with you.

It is our goal at KIROMIC to outperform the competition in the areas of employment, service and safety. Pursuant to this goal, we strive to provide high quality products and services to our clients and customers. The work and attitude of our employees is important to the success of our company.

This handbook has been prepared for employees of KIROMIC. As an employee of KIROMIC, you should review the handbook and become familiar with all of the policies. Following your review of the handbook, you are to sign and return an Acknowledgement Form that will be provided to you. (A copy of the form can be found at the last page of this handbook.)

This handbook is only a summary of current personnel policies of KIROMIC compiled for convenient reference. Neither the handbook nor any policy set forth herein is a contract of employment, an offer to enter into a contract of employment, or provides employees any contract rights. No contract of employment is being offered or implied. No contract of employment is valid and binding on the Company unless it is in writing and signed by the EXECUTIVE MANAGEMENT.

The employees of KIROMIC are “at will” employees. This means that KIROMIC may terminate the employment of any employee at any time for any reason, or no reason at all, and the employee may terminate their employment at any time for any reason, or no reason at all. Employment is for an indefinite period and is subject to change in conditions, benefits, and operating policies.

The information contained in this document is in summary form and is intended to give you an overview of what is expected. Many items covered here may be covered in more detail in other company documents, which documents are controlling. KIROMIC reserves the right to at any time supplement, revise, revoke or rescind any part or all of this handbook or any or all of the benefits or policies set forth herein.

KIROMIC reserves sole discretion to interpret this handbook or any policy or benefit contained in this handbook.

Company Overview

Kiromic is a bio-pharmaceutical company that has discovered a group of cancer-related proteins used to safely reawaken the immune system to attack and remove cancer cells, sparing normal cells and tissue. Kiromic products will provide an effective method of fighting cancer without the usual side effects experienced with chemotherapy, radiotherapy, and surgery treatments.

Kiromic offers therapeutic, diagnostic, and research services and products for those interested in oncology. The company's diverse capabilities allow it to independently research new methods of cancer treatment, perform trial studies, and offer products to clients with related interests.

Our Mission

"Kiromic's mission is to restore the lives of cancer patients through the discovery and commercialization of cutting-edge diagnostic and therapeutic products."

EMPLOYMENT POLICIES

Statement of Equal Opportunity

KIROMIC is an equal opportunity employer and will not discriminate in recruiting, hiring, training, promotion, transfer, discharge, compensation or any other term or condition of employment on the basis of race, religion, color, age (over age 39), sex, national origin, or on the basis of disability if the employee can perform the essential functions of the job, with a reasonable accommodation if necessary. Any employee who is aware of discriminatory conduct or who has any concern about a possible violation of this policy should immediately report the conduct or concern to his or her supervisor, designated human resource personnel or any corporate officer.

Discrimination and Harassment

KIROMIC disapproves of and strictly prohibits comments or actions by anyone that may create an offensive or hostile work environment for any employee because of the employee's race, color, religion, age, sex, marital status, national origin, disability, ancestry, or medical condition. This policy extends not only to prohibiting unwelcome sexual advances and offensive sexual jokes, innuendos, or behaviors, but also prohibits offensive conduct related to or based upon factors other than sex.

Employees who believe they are victims of harassment or who are aware of harassment should immediately report the situation to a supervisor, the director of human resources, a designated human resources representative or any manager or corporate officer. An employee who thinks he or she is a victim of harassment may discuss the offensive conduct with the offender(s) before reporting it to management, but is not required to do so.

KIROMIC will promptly investigate complaints or reports of harassment. The investigation will be conducted, and complaints will be handled in a confidential manner to the extent realistically feasible. When warranted by the investigation, KIROMIC will take immediate and appropriate corrective action. Such action may include disciplinary action against the offender(s), which may range up to and include dismissal, depending on the severity of the conduct as assessed by KIROMIC.

No retaliation will be permitted against an employee who registers a complaint or reports a harassment incident, or against any employee who provides testimony as a witness or who otherwise provides assistance to any complaining or reporting employee, or who provides assistance to KIROMIC in connection with the investigation of any complaint or report.

After KIROMIC has taken appropriate corrective action to resolve a complaint or report of harassment, KIROMIC will make follow-up inquiries after an appropriate interval to insure that the harassment has not resumed and retaliation has not been suffered. However, victims and witnesses are not required to wait for follow-up. If harassment resumes or

retaliation occurs, the victim or witness is encouraged to contact an appropriate KIROMIC supervisor, human resources representative, officer or other company manager immediately so KIROMIC may promptly and effectively act.

Immigration Law Compliance

KIROMIC is required by federal immigration laws to verify the identity and work authorization of all new employees. In keeping with the obligation, documentation that shows each person's identity and legal authority to work must be inspected. Each new employee must also attest to his/her identity and legal authority to work on an I-9 Form provided by the federal government. This verification must be completed as soon as possible after an offer of employment is made and in no event more than three (3) business days after an individual is hired and before the individual begins work. A copy of this form will be provided to you for your completion. All offers of employment with KIROMIC are conditioned upon furnishing evidence of identity and legal authority to work in the United States in compliance with the federal law. Providing falsified documents of identity and eligibility to work in the United States will result in cancellation of your consideration for employment or dismissal if employed. Every rehired employee must also satisfy this requirement. It is the employee's responsibility to ensure that the work authorization on file is current. The Department of Homeland Security recommendation is to apply for renewed authorization a minimum of ninety (90) days in advance of expiration. Inability to provide renewed authorization on or prior to the expiration date of the original document will result in the employee's immediate termination.

Family Medical Leave Act (FMLA)

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons. Employees are eligible if they have worked for a covered employer for at least one year and for 1,250 hours over the previous 12 months. In addition, the employee must be employed at a job site where at least 50 employees are employed within a 75-mile radius.

Reasons for Taking Leave:

Unpaid leave must be granted for any of the following reasons:

- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job

Generally, FMLA leave is unpaid. However, under certain circumstances, FMLA permits an eligible employee to choose to substitute paid leave for FMLA leave.

Advance Notice and Medical Certification:

The employee may be required to provide advance leave notice and medical certification. A failure to comply with the notice requirements may affect request for leave.

- The employee ordinarily must provide 30 days advance notice when the leave is “foreseeable”
- An employer may require medical certification to support a request for leave because of a serious health condition, and may require second or third opinions (at the employer’s expense) and a fitness for duty report to return to work

Job Benefits and Protection:

For the duration of FMLA leave, the employer must maintain the employee’s health coverage under any “group health plan.” Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. The use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee’s leave.

Contact the appropriate human resource personnel to determine FMLA eligibility.

Health Requirements

All employees shall be of sufficient good health to properly discharge their duties. Employees who have an infectious disease shall not be permitted to work for the duration of communicability. If an employee becomes ill or injured while on duty, it is his/her responsibility to report such illness or injury to his/her supervisor immediately. Failure to do so may result in a loss of potential benefits for that illness or injury. If an employee has excessive absences from work due to illness, his/her physical condition may be reviewed to determine the ability to continue in that position, and a physician’s release that he/she is able to work may be required.

Drug-Free Workplace

KIROMIC is committed to providing a work environment that is free from alcohol and illegal drugs, and prescription or over- the-counter drugs that impair the performance of essential job functions or increase risk of injury, death, or property loss. The costs of alcohol and drug abuse are staggering and are manifested by accidents, tardiness, absenteeism, property damage, increased occupational injury costs, increased health insurance costs, decreased productivity, the cost of replacing and retraining new employees, and employee theft. In an effort to minimize the effects of alcohol and drugs in the workplace, KIROMIC has adopted the following policy.

A. The following are prohibited:

   i. Purchase, use, possession, distribution or being under the influence of alcohol on KIROMIC or client property, during working hours or at any time while on KIROMIC business.

ii. Purchase, sale, possession, use, manufacture, distribution or being under the influence of any illegal drug at any time during your employment by KIROMIC; or

iii. Use or being under the influence of any prescription or non-prescription (over the counter) drug that may adversely affect your performance of the essential functions of your job or increase the risk of injury, death or property loss of you or others.

iv. Purchase, sale, use, distribution or possession, during working hours or while on company business, of any drug paraphernalia, including, but not limited to, any tools, equipment, supplies or materials used, designed or intended for the illegal or improper use of any drug.

v. Reporting to or being at work with a measurable quantity of any alcohol, drug, intoxicant or narcotic in the blood or urine (except for any prescribed or over-the-counter drug of the type and at a level determined in the sole opinion of KIROMIC or its designee as neither interfering with performance of essential job functions nor increasing the risk of injury, death or property loss of you or others).

B. Any employee of KIROMIC who at any time during his or her employment with KIROMIC is charged with, or convicted of, violating any law, the basis of which violation in any way involves the use or being under the influence of alcohol or any drug shall immediately report the charge or conviction to his or her immediate supervisor or any company official and in all cases, no later than the beginning of the next work day.

Violation of any part of this policy (or any change or conviction described in “B”) may result in disciplinary action, up to and including termination of employment.

Smoking

Smoking is not permitted by KIROMIC. If you have any questions, ask your supervisor.

Confidentiality of Information

Confidential information of KIROMIC, of any nature and in any form whatsoever, including, but not limited to, all data or information that is competitively sensitive or is not generally known or available to the public, client lists and files, and personnel records and data, shall be kept confidential and private and shall not be removed from KIROMIC premises without prior written authorization of KIROMIC. Such confidential information shall only be used for the benefit of KIROMIC and its interests.

Employee Investigations

KIROMIC recognizes the importance of employees who are honest, trustworthy, qualified, and reliable. For purposes of furthering these concerns and interests, before hiring an individual, KIROMIC reserves the right to investigate the

individual's prior employment history, personal and/or business references, educational background, and or other relevant information that is reasonably available. In hiring for certain positions, KIROMIC may review an applicant's credit report and criminal background, if any. Consistent with these practices, all job applicants will be asked to sign a Release of Information Authorization, which will include a release of liability for disclosure of information by a third party. To the extent permitted by law, KIROMIC reserves the right to exclude any applicant from consideration for employment, where the applicant refuses to sign the Release of Information Authorization form as requested.

In addition, KIROMIC may find it necessary from time-to-time to investigate current employees, where behavior or other relevant circumstances raise legitimate questions concerning work performance, reliability, honesty, trustworthiness, or potential threat to the safety of co-employees or others. Where appropriate, these investigations may include credit reports and criminal records, including appropriate inquiries about any criminal investigation or arrest that is pending further proceedings. Employees subject to such investigations are required to reasonably cooperate with KIROMIC to obtain relevant information, and may be subject to disciplinary action, up to and including termination, for failure to do so.

All employees are strongly encouraged to immediately report any incidents of potentially threatening, harmful, or criminal behavior of co-employees, supervisors, customers, clients, vendors, or visitors.

Workplace Violence

The following are prohibited and will not be tolerated of any employee on KIROMIC premises or while on KIROMIC business:

a. Any direct or indirect harassing, intimidating, abusive or threatening language, actions or behavior.

b. Any direct or indirect plan, threat or act of violence, injury, death or property damage (including, but not limited to fistfights, wrestling or other forms of physical fighting with or without weapons).

c. Possession, use or display of a weapon on company premises or while on company business.

Any employee violating this policy will be subject to disciplinary action, up to and including termination of employment.

Safety Policy

KIROMIC wants every employee to enjoy a safe workplace. Employees must comply with all safety rules and policies (and rules and policies of clients when on client premises) and all requirements of OSHA- the Occupational Safety and Health Act.

In accordance with applicable law, KIROMIC has established a safety committee to constitute and have such duties as defined by applicable state law. Employee members of the safety committee will be paid for their time while attending committee meetings or while otherwise engaged in committee duties. Employees must comply with the injury prevention program adopted by the safety committee.

Please observe KIROMIC safety rules in every phase of your work, with particular emphasis on proper lifting techniques when handling heavy objects. You are required to participate in the safety effort of KIROMIC by working safely and attending safety sessions when offered. Incidents involving personnel are reviewed on a regular basis to identify safety hazards. If you should have an incident or injury or observe an unsafe condition, report it to your supervisor immediately, no matter how insignificant it may seem. Your particular job requirements may include additional specific safety guidelines, which you are required to observe and practice with no exceptions. You will not be subject to reprisal or retaliation for reporting unsafe conditions to management or outside enforcement authorities.

The following guidelines have been established as a part of KIROMIC's safety policy:

- The safe way is the right way to do each job. Shortcuts are not the way.
- Know your job procedures. If in doubt, ask your supervisor.
- Operate equipment only as authorized and with all safety guards in place.
- Report unsafe acts to your supervisor before someone is injured.
- Report unsafe conditions immediately to your supervisor.
- Report unsafe equipment to your supervisor right away. Do not attempt repairs no matter how skilled you feel you are.
- Report any incident right away **(even if no injury)** to your supervisor.
- At the scene of an incident, be helpful, courteous, and avoid argument or discussion of the situation. Get your supervisor immediately (documenting conditions helps us help you).
- Get medical aid even for small injuries. Delay can make it worse.
- Arrive at work rested, clean, and in good health. Be able to give full attention to your job.
- Report infections to your supervisor (which can be evidenced by conditions such as: skin eruption, boil, sore throat, vomiting, fever, etc.).
- If you feel ill at work, report to your supervisor. Get medical aid to protect yourself and others. Keep health tests up to date.
- Follow guidelines for health in the prevention of communicable diseases. These guidelines are for your health and safety and those with whom you work.
- Warning signs help you prevent incidents. Obey them! Remind others, too.
- If using chemicals, read labels carefully to follow safety warnings, mixing instructions, etc.
- Horseplay is NOT allowed. Practical jokes can cause serious injury.
- You are required to observe all safety notices posted and any specific safety requirements for your particular job.
- Violent acts in the workplace, including threats and intimidation are NOT allowed. This includes all threats, verbal or physical. Any such occurrences should be immediately reported to management.

Reporting Injuries

To ensure that proper attention is given and appropriate action taken when an injury occurs within the workplace, please follow these procedures:

1. Report the injury to your on-site supervisor immediately. If your supervisor is not immediately available, report to the manager or other authorized person. Seek or obtain medical attention if required.
2. Report the injury to your KIROMIC supervisor and/or designated human resources representative within 24 hours, or as soon as practical. Worker's Compensation laws require the processing of claims within reasonable time frames. All injuries/accidents MUST be reported promptly for claim submission.
3. If you are involved in or are a witness to an incident, you should provide information in order for the appropriate report to be completed. Please be aware of the importance of immediate action in recording all details of the incident.

Incident Reports

An incident report must be filled out and signed by any employees who witness an incident or injury immediately following the occurrence. Failure to do so may result in disciplinary action. This policy is important to the safety and well being of all our employees.

Hazardous Chemicals

Introduction

OSHA developed the hazard communication standard with the goal of reducing the chance of chemically caused illnesses and injuries to workers by providing you, as an employee, with information regarding the hazards or chemicals you may be exposed to in your work. The standard requires that we have a written hazard communication program, which includes information on container labeling, Material Safety Data Sheets (MSDS), and an employee-training program.

Although the standard uses the word ‘‘Hazardous’’ to describe the chemicals in question, it also includes items we use everyday that many of you would not consider hazardous such as: motor oil, coolants, paint, solvents, and glues. These items are commonly used, sometimes daily, and rarely with any problems. However, they should be treated as hazardous chemicals. Knowing more about chemicals we use will make you aware of potential problems and help reduce or eliminate health and safety problems when you use these chemicals.

There are three areas you should be familiar with about chemical products to which you may be exposed:

- Container Labeling
- Listing of Chemical Products in Use
- Material Safety Data Sheets (MSDS)

Container Labeling

Chemical containers cannot be shipped from the manufacturers or distributors unless they are properly labeled with the identity of the chemical. The label should tell you what chemical is in the container, what hazard that chemical may present and name and address of the manufacturer. Labels should not be defaced or removed and no chemical shipments should be accepted, even on a trial basis, without the proper label.

When transferring chemicals from large containers to a smaller container a label should be applied to the new container, unless the product is to be immediately and completely used by the person who transferred the chemical, and he or she knows the new container's content and that the transfer to the new container is appropriate.

The basic purpose of labeling requirements are to give an immediate warning of the chemical inside the container and to remind you that more detailed information is available from Material Safety Data Sheets. If a chemical container has no label, immediately inform your supervisor so that the contents can be labeled appropriately. Do not use the contents of any container that does not have a label.

Chemical Product List

Each jobsite and office location has a list of chemical products used in our company's operation. This list is alphabetized by

product name and also by manufacturer's name. Should you have questions on any of the chemicals on this list, you can request a copy of the Material Data Safety Sheet for your information. Make your request through your supervisor.

Material Safety Data Sheets (MSDS)

These are technical bulletins prepared by companies who make chemicals. They should contain the following information:

- The identity of the chemical, including the chemical and common names.
- Physical and chemical characteristics of the chemical.
- Known acute and chronic health effects and related health information on the chemical.
- Exposure limit.
- Whether chemical is considered carcinogenic.
- Precaution measures to take when using the product.
- Name and address of the person who prepared the information.
- Emergency and first aid procedures.

The safe use of chemicals depends on:

- Recognizing the hazard: Know the product you are using, read the MSDS, become familiar with precautions to be taken, and heed warnings by the manufacturer. Use only in accordance with label instructions.
- Evaluating your use: Look at yourself and what you are trying to accomplish with the chemical.
- Controlling your exposure: Personal protection should be used as recommended, proper ventilation is required, and follow appropriate storage requirements.

Always consider these three elements when working with any chemicals.

Chemical Exposure

The MSDS should provide information on chemical exposure threshold limits and routes of entry, as these terms are described below.

Threshold limits - How much of a product you can be exposed to without it being hazardous. Example: fumes from solvents, adhesives, welding, etc. A small amount of fumes inhaled over a short period of time may or may not affect you. A small amount breathed continually for 8 hours a day or a 40-hour week will increase the overall dose and could have ill effects. On the other hand, a large amount of fumes for a few minutes may be irritating and may or may not have lasting effects.

Routes of entry - How chemicals get into our system: inhalation (breathing fumes or vapors), absorption (through skin pores after handling or getting on clothing), ingestion (swallowing or eating). Though you would not think of eating a chemical product, if you eat lunch, a snack at break time, or smoke a cigarette without washing your hands, you may be eating the chemical that is on your hands.

Types of Chemicals - Some examples and how they can affect us:

- Corrosives – Such as battery acid and sulfuric acid, corrode or eat away at metals and steel and can do the same to your hands and face.
- Irritants – Such as solvents, do as they say, they irritate the skin or membranes and can cause a rash or dermatitis.
- Sensitizers – Such as epoxy and lacquers, affect the nervous system, coordination, muscle control, and thinking (brain).
- Toxins – Such as carbon monoxide, enter the blood stream and are carried to the brain and nervous system. In excessive amounts, will shut them down.
- Carcinogens – Such as asbestos fibers, are proven cancer causing to lungs and cell tissue.

Conclusion

Hazard communication is common sense thinking about what you are doing, informing yourself, preparing for the task, and taking the necessary precautions. What you do not know **CAN HURT YOU.** By knowing, checking the MSDS, evaluating your use, and controlling your exposure you can make chemical products work for you successfully and safely.

During Work Activities

You must observe and comply with the following:

1. Use CAUTION when lifting any item. A two-person team must handle packaged or heavy items. Lifting heavy items requires a two-person lift. Remember, lift with your legs, not your back! Use assistive equipment, such as a dolly, when transporting heavy objects. If in doubt, consult your supervisor.

2. Do not use any existing or new equipment that you have not been trained to use.
3. Observe all safety precautions and/or manufacturer's specifications prescribed for use of equipment. Always consult your supervisor if in doubt.
4. All material handling will be in accordance with manufacturer's specifications for loading, unloading, and moving. Materials stacking shall not exceed authorized heights as prescribed by management, and no unbanded or non- interlocking materials may be stacked higher than can be safely reached while standing on the ground.

Fire Emergency Procedures

The most frequent causes of fires are chemicals, grease, and careless smoking. In these conditions, a major fire can be only three minutes away from the ''flashover'' It is vital that you utilize the three major tactics: **RESCUE, CONFINE, AND ALERT!**

- First, **RESCUE** anyone in the immediate path of a fire.
- Second, **CONFINE** the fire. Shut doors and/or windows in the room or area where the fire is erupting. This will keep it from spreading into other areas, etc.
- Third, **ALERT.** Utilize your fire alarm system to tell the fire department about the fire.

After you have completed the above steps, only then can you consider fighting the fire. Make sure you use the correct extinguisher for the type of fire that you are fighting. Do not place your safety in jeopardy. If you cannot RESCUE, CONFINE or ALERT without unreasonable danger or risk, then don't!

Severe Weather

In the event of severe weather or a severe weather warning, take shelter in a designated severe weather shelter. Ensure that you are aware of the location of designated shelter areas.

EMPLOYEE RESPONSIBILITIES

Hours of Work Schedule

The hours of your scheduled work shift will largely be determined by the operational needs of the department in which you are assigned. Some departments will have regular schedules, which rarely change from week to week, and other departments will have schedules that vary to meet the needs of the department or KIROMIC. If an employee has a specific schedule request, efforts may be made to accommodate that request, taking into account the operational needs of the department or KIROMIC as a whole. However, in all events, work schedule and schedule changes are determined at the sole discretion of the KIROMIC.

Every employee is responsible for knowing and following his or her work schedule, including, but not limited to, reading the schedule and schedule updates or changes, knowing start and end times or workdays, shifts, and breaks, complying with such times, and knowing when meetings are and attending such meetings on time. It is your responsibility to, if applicable, clock in and out at the designated times on your schedule. Any desired schedule changes must receive prior approval from your supervisor.

Attendance and Punctuality

When you accept a position with KIROMIC you assume obligations. One of those obligations is to perform the duties of your position during the times specified. You are expected to be punctual and keep absences to a minimum. Failure to report, unjustified or excessive absence or tardiness may result in discipline, up to and including discharge from employment. Additionally, punctuality and attendance are factors that may be taken into account when determining promotions, salary increases and qualification for other benefits.

Absenteeism

Definition of Absence: Absence is any time (other than tardiness described below) that you are scheduled to work and you fail to be present at the designated work location for all of the scheduled time or shift or if you fail to report to your workstation more than 15 minutes late. It includes time off for sickness, but does not include pre-approved time off for vacation, or leaves of absence, or for designated holidays when you are not scheduled to work.

Reporting Procedure: In case of an absence, you must first notify your supervisor, department manager or facility manager. Notification must be given each day you do not report to work at least one (1) hour prior to the beginning of your scheduled shift. If you must be absent after you report to work, notification must be given when you first learn that you must leave work, but (except in an emergency) no later than one hour before you must leave work. It is your responsibility to personally make the contact unless you are physically unable to do so, in which case, you should have someone else make the contact for you. You must give the reason for your absence and the expected date of your return.

One or more unreported or unjustified absences within any 12-month period may result in disciplinary action, (up to and including termination of employment). If you are absent for 3 consecutive days without reporting to work or contacting your supervisor, you will be considered to have voluntarily resigned without notice at the end of the third day and your position may be filled.

Note: If you can provide an acceptable explanation, this policy may not apply. Such explanation may require substantiation and/or verification from sources other than you.

Excessive Absenteeism: Even if an absence is reported, you may be subject to disciplinary action (up to and including termination of employment) if you miss work too often. Examples of excessive absenteeism include, but are not limited to:

a. Twelve full or partial days absent, consecutive or not, in any 12-month period.

b. Three full or partial days absent, consecutive or not, in a 30-day period.

c. Five full or partial days absent, consecutive or not, in any 6-month period.

KIROMIC, in its sole discretion, will determine excessive absenteeism. Unless determined by KIROMIC to be an abuse, time off for medical/dental appointments, school activities (for you or your children), or other personal business will not be counted as excessive absenteeism if your supervisor approves it at least three business days in advance. However, this time off will be documented as an absence.

Tardiness

Definition of Tardiness: You are tardy any time you arrive at your workstation, or are not appropriately groomed, dressed and ready to work, at the beginning of your scheduled shift. Tardiness also includes returning late from breaks or meal periods. If you are more than 15 minutes late, it will be considered an absence.

Reporting Procedure: If you must be late for work, it is your responsibility to personally contact your supervisor at least one (1) hour prior to the beginning of your scheduled work shift unless you are physically unable to do so. If you cannot call, have someone call for you. Failure to report your tardiness will count toward excessive absenteeism or excessive tardiness, as the case may be.

Excessive Tardiness: Even if tardiness is reported, excessive tardiness will result in disciplinary action, up to and including termination. Examples of excessive tardiness include, but are not limited to:

a. Any tardiness on any three days in any 30-day period.

b. Any tardiness on any five days in any 3-month period.

c. Any tardiness on any twelve days in any 12-month period.

Jury Duty: Regular employees summoned for jury service will be given reasonable time off for the hours required for rendering such services to the court.

Compensation will not be reduced, nor will time away from work be deducted from accrued leave. Day shift employees are to report for work any time during normal duty hours when service to the courts is not required.

Employees shall not be required to account to Kiromic, Inc. for any fee or compensation received for jury service.

In order to qualify for pay during periods of such service, the employee must furnish documentary proof of service to his or her immediate supervisor.

Employees should notify their supervisor upon receiving a summons or subpoena. When an employee is called for such duty during a particularly busy time, the immediate supervisor can direct the employee to request a postponement from such service.

Conduct

The maintenance of extremely high standards of honesty, integrity, performance and conduct is essential to the proper performance of our business, the satisfaction of our clients and the maintenance of our clients' trust. KIROMIC expects its employees to have careful regard for our standards and avoid even the appearance of dishonesty or misconduct. Our employees are expected to conduct themselves at all times in a professional and courteous manner, to exercise good judgment in the discharge of their responsibilities, and to conduct themselves in a manner that can be supported by management.

Any misconduct or violation of the policies in this handbook or otherwise of KIROMIC may result in disciplinary action up to and including termination of employment. Following are examples of conduct that may result in such disciplinary action:

1. Unsatisfactory or careless performance or neglect of duties.
2. Failure to use or maintain KIROMIC or client property in a proper manner.
3. Altering, removing or destroying KIROMIC or client records and/or property.
4. Deliberate or careless damage to KIROMIC or client property.
5. Inappropriate, malicious, disparaging or derogatory oral or written statements concerning KIROMIC, or any of its clients, employees or representatives.

6. Falsifying personal, client or KIROMIC records, including any employment application or other employment information, or any other records or documents related to the KIROMIC, its business or any of its clients, employees or representatives.
7. Excessive tardiness, absenteeism or abuse of any paid time off policy.
8. Failure to give proper notice of an expected absence.
9. Dishonesty of any kind, including theft or misappropriation of property of KIROMIC, its employees, or past, current or prospective clients or representatives.
10. Possession, use or display of any weapon on KIROMIC premises or while on KIROMIC business.
11. Possession, use or being under the influence of drugs or alcohol on the premises or while on KIROMIC business.
12. Any conduct endangering, or any verbal or nonverbal threat to endanger, property, life, safety or health.
13. Disrespect for management, or any supervisor or employee or client of KIROMIC, including insubordination, failure to perform any reasonable assignment, or obscene or abusive language or behavior.
14. Willful violation of HIPAA privacy laws.
15. Violations of KIROMIC harassment policy or any other form of unlawful or unethical conduct, harassment or discrimination.
16. Off-duty or pre-employment conduct that reflects or may adversely reflect on KIROMIC if the employee were to remain employed.

These examples are not all-inclusive, but merely illustrate the kind of conduct that may be detrimental to KIROMIC, its clients or employees. Employees may be discharged or disciplined for conduct not specifically mentioned in this handbook, as determined in the sole discretion of the KIROMIC.

Customer Relations

As an employee, you make a major contribution to our business growth. Your honesty, integrity, and competence in performing your job are necessary for customer satisfaction. Your ability to develop positive customer relations is essential to our job performance. If your duties include a support role, other employees should be treated as customers.

Dress Code

A neat professional appearance is a requirement at KIROMIC. It is expected that all employees will exercise good judgment and dress appropriately for their jobs. Any employee not dressed appropriately will be subject to discipline. See attached Dress Code policy.

Appearance

Your personal appearance is an important part of the way you represent KIROMIC to the public. Customers form an opinion of KIROMIC from your appearance and attitude. Neat and conservative attire creates a favorable impression. Please refrain from eating, smoking, or chewing gum in the presence of customers. Such actions may be offensive to customers and portray an unacceptable image.

These are the factors you should consider:

1. Maintaining the highest standards relating to personal hygiene, including regular bathing and use of deodorant, brushing of teeth and using mouthwash as necessary, maintaining clean hands and fingernails at all times and the moderate use of cosmetics.
2. The nature of the work.
3. Safety considerations, such as necessary precautions when working near machinery.
4. The nature of the employee's public contact, if any, and the normal expectations of outside parties with whom the employee will work.
5. The prevailing practices of other workers in similar jobs.
6. The requirement of the KIROMIC's management that all employees are expected to exercise good judgment and dress appropriately for their jobs.
7. Any bandage worn must be kept clean and changed as often as necessary or appropriate. An employee with an open sore or wound is not permitted to handle any food products and may be restricted from other activities, especially in the health care area.

Please note: Your particular job may include more specific requirements, which will be provided by your supervisor.

Work Area

KIROMIC strives to make your working conditions as pleasant as possible. We ask your cooperation in keeping your work area neat and company equipment in good working order. The need for repairs or adjustments to mechanical equipment should be reported immediately to your supervisor. Secure confidential work papers and computer files away before leaving your office or work area for the day.

Telephone Courtesy and Usage

A large portion of KIROMIC business is conducted over the telephone. All telephone calls, whether from customers, fellow employees, or outside business associates should be handled promptly and courteously.

You may make necessary local personal telephone calls during the workday as long as they do not interfere with daily business or your performance of your work. Personal calls must be short in duration and very limited in number. Personal long distance telephone calls generally are not permitted. Your supervisor must approve long distance telephone calls in advance and payment arrangements must be made prior to placing the call.

Please make note that all telephone calls are subject to monitoring for training, or other KIROMIC purposes.

Use of KIROMIC Equipment

Equipment and resources such as copier, fax, computers, laptops, smart phones, postage machines, e-mail, internet access, telephone, pagers, and voice mail systems are in place to facilitate effective day-to-day business operations. Employees may not use KIROMIC equipment or resources for personal use or benefit without prior supervisor approval.

Desks, Lockers, and File Cabinets

The KIROMIC or its clients may from time to time provide office space, desks, computers or file cabinets for employee use in the performance of employment responsibilities, or locker space for employee use while at work. KIROMIC does not guarantee the security of any locker and employees are responsible for furnishing their own locks. Any lock will be voluntarily and immediately removed at the direction of KIROMIC. KIROMIC is not responsible for any article or item placed in any office space, locker, desk, file cabinet or computer, or otherwise brought on KIROMIC or client premises or on KIROMIC business, that is lost, damaged, stolen or destroyed. Weapons, explosives, alcohol and drugs are prohibited on KIROMIC premises, client premises or KIROMIC business and may not be placed in any office space, locker, desk or file cabinet. Employees have no privacy rights in any office space, locker, desk, file cabinet or computer (or their contents) on KIROMIC or client property, or provided by the KIROMIC or a client of the KIROMIC, for or on KIROMIC business. The KIROMIC reserves the right to inspect any such office space, locker, desk, file cabinet, computer, and their contents, and any other place or item on KIROMIC or client property, with or without advance notice or consent of any employee. Any person designated by the company or client may conduct such an inspection. Any employee who, upon request, fails or refuses to cooperate with any such inspection may be subject to disciplinary action, up to and including termination of employment.

Personal Property

All employees are cautioned not to bring valuables or large amounts of cash to work. Purses and wallets should be kept with you or stored in a locked place at all times. KIROMIC is not responsible for personal property that is lost, stolen, damaged, or destroyed; this includes your personal vehicle or other means of transportation. If you ride a bicycle to work, be sure to securely lock it in the designated space. Employees are responsible for providing their own locking devices.

Packages

Supervisors, department managers, administrative officers, and security personnel have the authority to request that any employee open for inspection any package or other container brought, carried, in possession or found on, or taken from, KIROMIC premises. Any employee who refuses to comply with a request for inspection will be subject to discipline up to and including termination of employment.

Gifts

To avoid a conflict of interest between what's good for our customers and what might be personally advantageous for an employee, we have set the following policy on accepting gifts:

1. Samples, T-shirts, hats, and desk accessories may by accepted, up to a total estimated value of all gifts from a particular customer or vendor at one time of $15.00 without prior approval of your supervisor. You must report all such gifts to your supervisor.
2. All other vendor or customer gifts, including activities, travel, merchandise, and contests, must be approved by your supervisor through use of a special form provided by him or her. Oral pre-approval is acceptable for meals only.
3. Solicitation of vendors or customers for any gift or money is not allowed.

Acceptance of any non-approved or non-qualifying vendor or customer gift may result in disciplinary action, up to and including immediate termination of employment.

Outside Employment

Subject to other policies, including Conflict of Interest below, KIROMIC has no objection to an employee holding another job (in addition to his or her employment with KIROMIC) as long as he or she can effectively meet the performance standards for his or her position with KIROMIC. However, we ask employees to think seriously about the effects that another job may have on their endurance, personal health and well being, performance, and effectiveness with KIROMIC. Employees holding another job must remember that KIROMIC is the primary employer and is entitled to the loyalty and primary efforts of the employee while employed with KIROMIC.

All employees will be held to the same scheduling demands and standards of performance. We cannot make exceptions for those who also hold outside jobs. If an outside position interferes with the employee's ability to work for this KIROMIC, that employee will be subject to disciplinary action for tardiness and unsatisfactory attendance or work performance in accordance with normal disciplinary policy.

Conflict of Interest

During your employment with KIROMIC, you are prohibited from directly or indirectly competing with KIROMIC, including, but not limited to, providing, owning an interest in, or assisting any other person or entity that is in competition with KIROMIC or that provides any product, service or offering of a type that is the same or similar to that provided by KIROMIC from time to time. Additionally, during your employment with KIROMIC, you are prohibited from at any time directly or indirectly working for, assisting or owning an interest in any business or venture that constitutes a conflict of interest. KIROMIC will determine in its sole discretion whether any work or interest constitutes a violation of this policy. Before you begin to directly or indirectly work for, assist or own an interest in any other business or venture other than KIROMIC, you must notify your supervisor.

Supervisors

Questions about your job, pay, benefits, relations with your co-worker, policies and procedures or KIROMIC in general should be directed to your supervisor. Look to your supervisor for guidance and seek his/her assistance when you encounter difficulties. Cooperation and communication with your supervisor will promote a mutually beneficial work environment.

Each employee must follow the directions of his/her supervisor. Your supervisor is responsible for directing your work throughout your shift; evaluating your performance, providing instruction and guidance in your job, and taking any disciplinary action that may be necessary; though others at KIROMIC from time to time also may exercise one or more of these responsibilities. Disrespect of management or a supervisor, or disregard of the authority of either, will not be tolerated and may result in disciplinary action, up to and including termination of employment.

GENERAL PAYROLL INFORMATION

Employment Categories and Classifications

Each employee is categorized as either exempt or non-exempt. Ask your supervisor if you are not certain of your classification.

In addition, each employee is classified as either a full-time or part-time employee.

A *full-time employee* is defined as a common law employee employed in a category designated by management and scheduled to work at least 35 hours per week, or 1,820 hours per year. Full-time classification does not include part-time, temporary or occasional employees.

A *part-time employee* is defined as a common law employee employed in a category designated by management and scheduled to work less than 35 hours per week, normally averaging 18-25 hours per week. Part-time classification does not include full-time, temporary or occasional employees.

Time Cards (if applicable)

Certain employees must record their time on time cards. Your supervisor will provide you with time cards for you to keep a current record of your time at work. You are responsible for maintaining an accurate current record of your working hours. Accordingly, you must use the time card to record the time you begin and end work each day, and the beginning and end of any split shift. You also must record on your time card when you are absent from work, for any reason whatsoever.

Your time card is the record on which you (and in some cases KIROMIC) are paid. Consequently, it is important that your time card be accurate and complete and not be lost, falsified, or mutilated. If your time card is lost you may not be paid. If you become aware of a mistake on your time card, you must immediately inform your supervisor and/or the payroll liaison with the necessary correction.

Falsification of your time card (including, but not limited to hours) will result in immediate termination.

Payroll

Beginning June 2016 all current and newly hired employees will be paid monthly.

In addition, direct deposit of your payroll check is available and is strongly suggested.

Please contact your supervisor with any questions concerning the payroll process and your pay.

Payroll Deductions

Certain deductions are required by law to be taken from everyone's pay while others are employee authorized. Deductions required by law include federal withholding tax, social security and Medicare contributions, and in most states, state withholding tax. Deductions from pay also will be made in accordance with any legally binding order or garnishment. Employees also may voluntarily elect to make certain deductions from pay for certain employee benefits offered from time to time by KIROMIC. Employee authorized deductions are those which may include premium payments for benefits.

Performance Reviews

Your performance is reviewed in writing by your supervisor at least annually. It may also be reviewed at any time at your supervisor's discretion or upon your request. The reviews are designed to provide an opportunity to discuss your position, review performance, and set goals and objectives for future performance. Any adjustments to compensation are made based on a number of considerations, including performance.

Generally, your compensation is reviewed in conjunction with your annual review. More frequent evaluations do not include a review of, or adjustments to, compensation.

Change of Personal Status

Notify your supervisor or Client Support Department of any changes in your name, address, telephone number, or marital status. This insures your benefit and employment records are current.

BENEFITS

NOTE: Any benefits or benefit plans described in these policies are convenient summaries only. An employee's eligibility for or rights to any benefits will be subject to and governed by the governing benefit plan documents and applicable law, as either may be amended from time to time. KIROMIC reserves to itself and to any administrator or fiduciary of any benefit or benefit plan described or referred to in this handbook (or any other benefit or benefit plan of KIROMIC), the discretionary authority to determine eligibility of any employee or claimant for or under any such benefit or plan, pursuant to the terms of the relevant plan document and applicable law, as either may be amended from time to time, and to interpret and construe the terms of any such benefit or plan. KIROMIC further reserves the right to at any time add, amend, modify, supplement or terminate any benefit, benefit plan or employee benefit. For answers to any questions you may have regarding any benefit or benefit plan, first refer to the applicable plan documents. For additional assistance, you may contact the plan administrator listed in the plan documents.

EMPLOYEE HANDBOOK ACKNOWLEDGEMENT FORM

By my signature below, I acknowledge that I have received and read the Employee Handbook for KIROMIC, that I have been given the adequate opportunity to ask questions and receive clarification, regarding the policies and procedures set forth in the Employee Handbook, and that I understand its contents.

I understand that I am required to abide by, and agree to abide by, KIROMIC's policies as set forth in the Handbook or as otherwise adopted or implemented by "company" from time to time. I understand that there may be other policies or procedures in effect at KIROMIC from time to time that are not included in the Employee Handbook, and I agree to abide by those policies and procedures.

Unless otherwise agreed in writing by the Chief Executive Officer, Chief Operating Officer, or Chief Financial Officer of KIROMIC (or a designee of any such Officer), I understand that I have no contract of employment with KIROMIC for any definite period of time, either oral or written, and that either I or KIROMIC may terminate my employment at any time with or without cause or notice. I understand that I am an "at will" employee of KIROMIC and that no agent or employee of KIROMIC, other than the officers listed in the preceding sentence has any authority to alter or make any agreement other than the "at will" relationship. I understand that neither this handbook nor any provision herein constitutes an employment contract, an offer to enter a contract of employment or part of an employment contract, or confers any contract rights.

I understand that KIROMIC may rescind, modify, change, or deviate from the Employee Handbook or any of its policies or procedures at any time, and any such rescission, modification, change, or deviation may become effective regardless whether the Employee Handbook has been revised or I have been notified.

I understand that this signed acknowledgement will be inserted in my personnel file.

_____

Date

_____

Employee Signature

_____

Print Employee Name

KIROMIC DRESS CODE POLICY

THIS DRESS CODE POLICY (the "Policy") is made on by KIROMIC (the "Company") of 7707 Fannin St, Suite 140, Houston, TX 77054

This Policy affects all employees of KIROMIC while at its place of business or while attending any KIROMIC sanctioned or related event, activity or meeting.

A. DRESS CODE GUIDELINES

The Company has a casual dress code policy.

Any clothing for either men or women that reveals your mid-drift area, cleavage, chest, feet, or underwear is deemed not appropriate for the workplace. Women's skirts and dresses should be worn at an appropriate length, no micro-mini, or mini-skirts or dresses are allowed.

Clothing should be clean and pressed and in good repair. Clean clothing is defined as clothing that is in good shape and not too haggard for the workplace.

B. ATTIRE RECOMMENDATIONS

The following will give the employee a guideline as to what is considered appropriate attire in the workplace. If you are unclear as to any provision, consult your supervisor for clarification. Above all else, employees are asked to use their good judgment in choosing appropriate attire for work.

1. Pants

Slacks that are made of a synthetic fabric, wool, and cotton are acceptable, as well as any type of slacks that would be paired with a jacket is allowed. Inappropriate slacks would include extremely casual types of pants such as jeans, sweatpants, shorts of any type, overalls, or any type of form fitting pants are not allowed.

2. T-Shirts and Jackets

T-shirts, sweaters, and tops that are proper workplace attire are appropriate. Any shirt that has terms, logos or pictures that could potentially offend someone are prohibited.

3. Footwear

Tennis shoes, and any closed toe shoes are permitted, as long as they are appropriate for the workplace and do not expose the employee to any more physical danger than necessary.

Slippers, and open toe shoes are not permitted.

4. Makeup/Cosmetic Items

Tasteful makeup is appropriate for work, while overdone make up is not. Cologne or perfume may not be worn to work since some employees or customers may be allergic to fragrance.

5. Accessories

Jewelry is not allowed at the workplace. Visible body piercings are discouraged, except for pierced ears. Ties, scarves, and belts are allowed.

6. Hats/Head Covering

Employees are not allowed to wear hats to work. Head covers are allowed only if they are for religious purposes.

If management determines that an employee is dressed inappropriately, they will be asked not to wear the item to work again. If the problem continues, they will be sent home and given a warning. Progressive disciplinary action will apply if the violations continue.

ACKNOWLEDGED AND AGREED TO BY:

Name of Employee: _____

Signature: _____

Date: