

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Outset Medical, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

3845
(Primary Standard Industrial
Classification Code Number)
3052 Orchard Dr.
San Jose, California 95134
(669) 231-8200

20-0514392
(I.R.S. Employer
Identification Number)

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Leslie Trigg
Chief Executive Officer
Outset Medical, Inc.
3052 Orchard Dr.
San Jose, California 95134
(669) 231-8200

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Frank F. Rahmani
Robert A. Ryan
Sidley Austin LLP
555 California Street, Suite 2000
San Francisco, CA 94104
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Outset Medical, Inc.
3052 Orchard Dr.
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(669) 231-8200

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885 Third Avenue
New York, NY 10022
(212) 906-1200

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

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

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

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

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

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

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

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	Proposed Maximum Aggregate Offering Price ⁽¹⁾⁽²⁾	Amount of Registration Fee ⁽³⁾
Common Stock, \$0.001 par value per share	\$	\$

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

(2) Includes the aggregate offering price of additional shares that the underwriters have the option to purchase.

(3) Calculated pursuant to Rule 457(o) based on an estimate of the proposed maximum aggregate offering price.

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

EXPLANATORY NOTE

This Amendment (this “Amendment”) to the Draft Registration Statement on Form S-1 (the “Draft Registration Statement”) of Outset Medical, Inc. is being confidentially submitted solely for the purpose of filing Exhibits 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 10.2, 10.3, 10.6, 10.7, 10.8, 10.9, 10.10, 10.11, 10.12, 10.13, 10.14, 10.15, 10.16, 10.17, 10.18, 10.19, 10.20, 10.21, 10.22, and 10.23, as indicated in Item 16 of Part II of the Draft Registration Statement. This Amendment does not modify any provision of the prospectus that forms a part of the Draft Registration Statement or Items 13, 14, 15 or 17 of Part II of the Draft Registration Statement. Accordingly, a preliminary prospectus has been omitted.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth all expenses to be paid by the registrant, other than estimated underwriting discounts and commissions, in connection with this offering. All amounts shown are estimates except for the Securities and Exchange Commission registration fee, the FINRA filing fee and the exchange listing fee:

	Amount to be Paid
Securities and Exchange Commission registration fee	\$ *
FINRA filing fee	*
listing fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue sky qualification fees and expenses	*
Transfer agent and registrar fees	*
Miscellaneous	*
Total	<u>\$ *</u>

* To be filed by amendment.

Item 14. Indemnification of Directors and Officers

Outset Medical, Inc. is incorporated under the laws of the State of Delaware. Reference is made to Section 102(b)(7) of the General Corporation Law of the State of Delaware, as amended (the DGCL), which enables a corporation in its original certificate of incorporation or an amendment thereto to eliminate or limit the personal liability of a director for violations of the director's fiduciary duty, except (1) for any breach of the director's duty of loyalty to the corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) pursuant to Section 174 of the DGCL, which provides for liability of directors for unlawful payments of dividends or unlawful stock purchase or redemptions or (4) for any transaction from which the director derived an improper personal benefit.

Section 145(a) of the DGCL provides, in general, that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), because he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 145(b) of the DGCL provides, in general, that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor because the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses

(including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made with respect to any claim, issue or matter as to which he or she shall have been adjudged to be liable to the corporation unless and only to the extent that the adjudicating court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, he or she is fairly and reasonably entitled to indemnity for such expenses which the adjudicating court shall deem proper.

Section 145(g) of the DGCL provides, in general, that a corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify the person against such liability under Section 145 of the DGCL.

We expect that the amended and restated certificate of incorporation adopted by us prior to the completion of this offering will provide that no director of our company shall be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to us or our stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) in respect of unlawful dividend payments or stock redemptions or repurchases or other distributions pursuant to Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit. In addition, our charter will provide that if the DGCL is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of our company shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

We also expect our charter will further provide that any amendment, repeal or modification of such article unless otherwise required by law will not adversely affect any right or protection existing at the time of such repeal or modification with respect to any acts or omissions occurring before such repeal or amendment of a director serving at the time of such repeal or modification.

We expect that our amended and restated certificate of incorporation adopted by us prior to the completion of this offering, will provide that we shall indemnify each of our directors and executive officers, and shall have power to indemnify our other officers, employees and agents, to the fullest extent permitted by the DGCL as the same may be amended (except that in the case of an amendment, only to the extent that the amendment permits us to provide broader indemnification rights than the DGCL permitted us to provide prior to such the amendment) against any and all expenses, judgments, penalties, fines and amounts reasonably paid in settlement that are incurred by the director, officer or such employee or on the director's, officer's or employee's behalf in connection with any threatened, pending or completed proceeding or any claim, issue or matter therein, to which he or she is or is threatened to be made a party because he or she is or was serving as a director, officer or employee of our company, or at our request as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of our company and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. We expect the amended and restated certificate of incorporation will further provide for the advancement of expenses to each of our directors and, in the discretion of the board of directors, to certain officers and employees, in advance of the final disposition of such action, suit or proceeding only upon receipt of an undertaking by such person to repay all amounts advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such person is not entitled to be indemnified for such expenses.

In addition, we expect the amended and restated certificate of incorporation will provide that the right of each of our directors and officers to indemnification and advancement of expenses shall not be exclusive of any

other right now possessed or hereafter acquired under any statute, provision of the charter or bylaws, agreement, vote of stockholders or otherwise. Furthermore, our amended and restated certificate of incorporation will authorize us to provide insurance for our directors, officers, employees and agents against any liability, whether or not we would have the power to indemnify such person against such liability under the DGCL or the bylaws.

We have entered into indemnification agreements with each of our directors and our executive officers. These agreements will provide that we will indemnify each of our directors and such officers to the fullest extent permitted by law and our amended and restated certificate of incorporation.

We also maintain a general liability insurance policy which covers certain liabilities of directors and officers of our company arising out of claims based on acts or omissions in their capacities as directors or officers.

In any underwriting agreement we will enter into in connection with the sale of the common stock being registered hereby, the underwriters will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act, against certain liabilities.

Item 15. Recent Sales of Unregistered Securities

In the three years preceding the filing of this registration statement, the registrant has sold and issued the following unregistered securities:

Capital Stock Issuances

In April and May 2017, excluding shares issued pursuant to stock purchase rights as described below, we sold an aggregate of 30,863,975 shares of our Series C redeemable convertible preferred stock to accredited investors at a purchase price of \$2.5915 per share, for an aggregate purchase price of \$79,983,991.

In August 2018, excluding shares issued pursuant to stock purchase rights as described below, we sold an aggregate of 42,345,186 shares of our Series D redeemable convertible preferred stock to accredited investors at a purchase price of \$3.11 per share, for an aggregate purchase price of \$131,693,528.

In January and March 2020, excluding shares issued pursuant to stock purchase rights as described below, we sold an aggregate of 56,818,179 shares of our Series E redeemable convertible preferred stock to accredited investors at a purchase price of \$2.20 per share, for an aggregate purchase price of \$124,999,994.

In January 2020, we issued an aggregate of 38,315,048 shares of our common stock as a stock dividend to the holders of our redeemable convertible preferred stock.

The capital stock issuances described above were exempt from registration under the Securities Act (or Regulation D promulgated thereunder) by virtue of Section 4(a)(2) of the Securities Act as transactions by an issuer not involving a public offering. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

Warrant Issuances

In June 2017, we issued a warrant to purchase 1,654,461 shares of our Series C redeemable convertible preferred stock to Perceptive Credit Holdings, LP in connection with the Perceptive Term Loan Agreement, at an exercise price of \$2.5915 per share. The warrant has not been exercised.

The warrant issuance described above was exempt from registration under the Securities Act (or Regulation D promulgated thereunder) by virtue of Section 4(a)(2) of the Securities Act as transactions by an issuer not involving a public offering. The recipient of the warrant represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the securities issued in these transactions. The recipient had adequate access, through its relationship with us, to information about us. The sale of the warrant was made without any general solicitation or advertising.

Option and Stock Purchase Right Issuances

From January 1, 2017 through the filing date of this registration statement, we granted to our directors, officers, employees, consultants and other service providers options to purchase an aggregate of _____ shares of our common stock under our 2010 Stock Incentive Plan and 2019 Equity Incentive Plan at exercise prices ranging from approximately \$ _____ to \$ _____ per share, and have issued _____ shares of our common stock upon exercise of such options.

In May 2017, we granted to our directors, officers, employees, consultants and other service providers rights to purchase an aggregate of 449,890 shares of our Series C redeemable convertible preferred stock under our 2017 Preferred Stock Plan at an exercise price of \$2.5915 per share, and have issued 427,783 shares of our Series C redeemable convertible preferred stock upon exercise of such rights.

In November 2018, we granted to our directors, officers, employees, consultants and other service providers rights to purchase an aggregate of 1,006,993 shares of our Series D redeemable convertible preferred stock under our 2018 Preferred Stock Plan at an exercise price of \$3.11 per share, and have issued 1,006,993 shares of our Series D redeemable convertible preferred stock upon exercise of such rights.

In March 2020, we granted to our directors, officers, employees, consultants and other service providers rights to purchase an aggregate of 963,696 shares of our Series E redeemable convertible preferred stock under our 2020 Preferred Stock Purchase Plan at an exercise price of \$2.20 per share, and have issued 963,696 shares of our Series E redeemable convertible preferred stock upon exercise of such rights.

The option and stock purchase right issuances described above were exempt from registration under the Securities Act under either (1) Rule 701 in that the transactions were under compensatory benefit plans and contracts relating to compensation as provided under Rule 701 or (2) Section 4(a)(2) of the Securities Act as transactions by an issuer not involving any public offering. The recipients of such securities were the registrant's employees, consultants or directors and received the securities under the registrant's equity compensation plans. The recipients of securities in each of these transactions represented their intention to acquire the securities for investment only and not with view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the securities issued in these transactions.

Item 16. Exhibits and Financial Statement Schedules

(a) Exhibits

See the Exhibit Index immediately preceding the signature page hereto for a list of exhibits filed as part of this registration statement on Form S-1, which Exhibit Index is incorporated herein by reference.

(b) Financial Statement Schedules

Schedules not listed have been omitted because the information required to be set forth therein is not applicable, not material or is shown in the financial statements or notes thereto.

Item 17. Undertakings

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, (the Act), may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the 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.

The undersigned registrant hereby undertakes that:

- (1) For purposes of determining any liability under the Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.
- (2) For the purpose of determining any liability under the Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
1.1*	Form of Underwriting Agreement
3.1*	Form of Amended and Restated Certificate of Incorporation of Outset Medical, Inc., to be in effect on the completion of the offering
3.2*	Form of Amended and Restated Bylaws of Outset Medical, Inc., to be in effect on the completion of the offering
4.1*	Form of Common Stock Certificate
4.2	Form of Amended and Restated Registration Rights Agreement, to be in effect on the completion of the offering
4.3	Form of Series A Warrant Agreement #1
4.4	Form of Series A Warrant Agreement #2
4.5	Form of Warrant to Purchase Shares of Series B Preferred Stock #1
4.6	Form of Warrant to Purchase Shares of Series B Preferred Stock #2
4.7	Form of Warrant to Purchase Shares of Series C Preferred Stock
5.1*	Opinion of Sidley Austin LLP
10.1+*	Form of Indemnification Agreement
10.2+	Outset Medical, Inc. 2010 Equity Incentive Plan and related form agreements
10.3+	Outset Medical, Inc. 2019 Equity Incentive Plan and related form agreements
10.4+*	Form of Outset Medical, Inc. 2020 Equity Incentive Plan and related form agreements, to be in effect on the completion of the offering
10.5+*	Form of Outset Medical, Inc. 2020 Employee Stock purchase Plan and related form agreements, to be in effect on the completion of the offering
10.6+	Employment Agreement by and between Outset Medical and Leslie Trigg, dated as of February 23, 2015
10.7+	Form of Change in Control and Severance Agreement for Chief Executive Officer
10.8+	Form of Change in Control and Severance Agreement for non-Chief Executive Officer executive officers
10.9	Amended and Restated Stockholders Agreement by and among the Institutional Investors, the Other Investors, the Key Common Holders and Outset Medical, dated as of January 27, 2020
10.10#	Lease by and between WH Silicon Valley IV LP and Outset Medical, Inc., dated as of September 19, 2019
10.11#	Sublease Agreement by and among Inmobiliaria IAMSA, S.A. de C.V. (Sublessor), Baja Fur S.A. de C.V. (Sublessee) and Outset Medical, Inc. (Guarantor), dated as of May 5, 2020
10.12#	First Amendment Agreement by and among Inmobiliaria IAMSA, S.A. de C.V. (Sublessor), Baja Fur S.A. de C.V. (Sublessee) and Outset Medical, Inc. (Guarantor), dated as of June 26, 2020
10.13#	Guaranty by and between Inmobiliaria IAMSA, S.A. de C.V. and Outset Medical, Inc dated as of May 6, 2020
10.14#	Loan and Security Agreement by and between Silicon Valley Bank and Outset Medical, Inc. dated as of July 2, 2020
10.15#	Manufacturing Services Agreement by and between Paramit Corporation and Outset Medical, Inc. dated as of April 15, 2016

<u>Exhibit Number</u>	<u>Description</u>
10.16#	Amendment to Contract Manufacturer Agreement by and between Paramit Corporation and Outset Medical, Inc. dated as of January 26, 2018
10.17#	Manufacturing Services Agreement by and between Tacna Services, Inc. and Outset Medical, Inc. dated as of January 15, 2020
10.18#	Authorized Reseller Agreement by and between SDV Office Systems, LLC dba SDV Medical and Outset Medical, Inc. dated as of October 14, 2019
10.19#	Amendment 1 to the Authorized Reseller Agreement by and between SDV Office Systems, LLC dba SDV Medical and Outset Medical, Inc. dated as of March 26, 2020
10.20#	Amendment 2 to the Authorized Reseller Agreement by and between SDV Office Systems, LLC dba SDV Medical and Outset Medical, Inc. dated as of May 6, 2020
10.21#	Purchasing Agreement by and between HCA Management Services, L.P. and Outset Medical, Inc. dated as of May 1, 2020
10.22#	Award/Contract from the Biomedical Advanced Research and Development Authority to Outset Medical, Inc., effective September 30, 2019
10.23#	Amendment of Solicitation/Modification of Contract from the Biomedical Advanced Research and Development Authority to Outset Medical, Inc., effective May 9, 2020
23.1*	Consent of Sidley Austin LLP (included in Exhibit 5.1)
23.2*	Consent of KPMG LLP, independent registered public accounting firm
24.1*	Power of Attorney (included on the signature page to this Registration Statement)

* To be filed by amendment.

+ Indicates management contract or compensatory plan.

Portions of the exhibit have been or will be excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.

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 San Jose, California, on the day of .

Outset Medical, Inc.

By: _____
Leslie Trigg
President and Chief Executive Officer

SIGNATURES AND POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Leslie Trigg and Rebecca Chambers and each of them, as such person's true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for such person and in such person's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to sign any registration statement for the same offering covered by the Registration Statement that is to be effective upon filing pursuant to Rule 462 promulgated under the Securities Act of 1933, 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, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith and about the premises, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or such person's substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
_____ Leslie Trigg	President and Chief Executive Officer; Director (Principal Executive Officer)	, 2020
_____ Rebecca Chambers	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	, 2020
_____ D. Keith Grossman	Chairman of the Board of Directors	, 2020
_____ Thomas J. Carella	Director	, 2020
_____ Patrick T. Hackett	Director	, 2020
_____ Jim Hinrichs	Director	, 2020
_____ Ali Osman	Director	, 2020

AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

BY AND AMONG

OUTSET MEDICAL, INC.

AND

THE PARTIES HERETO

Dated as of January 27, 2020

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AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

THIS AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (the “**Agreement**”) is made, entered into and effective as of January 27, 2020, by and among the Institutional Investors (as defined herein) set forth on SCHEDULE A hereto, the Holders (as defined herein) set forth on SCHEDULE B hereto, Outset Medical, Inc., a Delaware corporation (including any of its successors by merger, acquisition, reorganization, conversion or otherwise, the “**Company**”) and any other Person (as defined herein) who becomes a party hereto from time to time in accordance with this Agreement.

WITNESSETH:

WHEREAS, the Company and certain of the Institutional Investors and Holders (the “**Prior Investors**”) have previously entered into an Amended and Restated Registration Rights Agreement, dated as of August 20, 2018 (the “**Prior Registration Rights Agreement**”); and

WHEREAS, in order to induce certain of the Institutional Investors and Holders (the “**Series E Investors**”) to purchase shares of Series E Convertible Preferred Stock, par value \$0.001 per share, of the Company pursuant to that certain Series E Preferred Stock Purchase Agreement of even date herewith, the Company and the Institutional Investors holding a majority of the outstanding Registrable Securities held by all Institutional Investors hereby agree to amend and restate the Prior Registration Rights Agreement to add the Series E Investors as parties to this Agreement and make certain other changes.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants and agreements of the parties hereto, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

“**Adverse Disclosure**” means public disclosure of material non-public information that, in the Board of Directors’ good faith judgment, after consultation with independent outside counsel to the Company, would be required to be made in any Registration Statement filed with the SEC by the Company so that such Registration Statement would not contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not materially misleading and would not be required to be made at such time but for the filing, effectiveness or use of such Registration Statement, but which information the Company has a bona fide, material business purpose for not disclosing publicly.

“**Affiliate**” has the meaning specified in Rule 12b-2 under the Exchange Act, including, without limitation, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer or director of such Person or any venture capital, private equity or other institutional investment fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company or investment advisor with, such Person; *provided* that no Holder shall be deemed an Affiliate of the Company or its Subsidiaries for purposes of this Agreement; *provided further* that neither portfolio companies (as such term is commonly used in the private equity industry) of an Institutional Investor or its Affiliates nor limited partners, non-managing members or other similar direct or indirect investors in an Institutional Investor or its Affiliates shall be

deemed to be Affiliates of such Institutional Investor. The term “**Affiliated**” has a correlative meaning. For the purposes of this Agreement, each T. Rowe Price Investor shall be deemed to be an Affiliate of (i) each other T. Rowe Price Investor and (ii) T. Rowe Price.

“**Agreement**” has the meaning set forth in the preamble.

“**Alternative IPO Entity**” has the meaning set forth in Section 3.16.

“**Board of Directors**” means the board of directors of the Company.

“**Business Day**” means any day other than a Saturday, Sunday or a day on which commercial banks located in New York, New York are required or authorized by law or executive order to be closed.

“**Change of Control**” means the occurrence of any of the following: (i) the sale, lease or transfer, in a single transaction or in a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, to any Person or (ii) the acquisition by any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) (other than the Institutional Investors and their Affiliates), including any group acting for the purpose of acquiring, holding or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Exchange Act, or any successor provision), in a single transaction or in a series of related transactions, by way of merger, consolidation or other business combination or purchase of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act, or any successor provision) of 50% or more of the total voting power of the Company or any of its direct or indirect parent companies holding directly or indirectly 100% of the total voting power of the Company.

“**Company**” has the meaning set forth in the preamble.

“**Company Public Sale**” has the meaning set forth in Section 2.03(a).

“**Company Share Equivalent**” means securities exercisable, exchangeable or convertible into Company Shares.

“**Company Shares**” means the shares of common stock, par value \$0.001 per share, of the Company, any securities into which such shares of common stock shall have been changed, or any securities resulting from any reclassification, recapitalization or similar transactions with respect to such shares of common stock.

“**Company Stockholders Agreement**” means the Amended and Restated Stockholders Agreement, dated as of January 27, 2020, by and among the investors set forth on Schedule I and Schedule II thereto and the Company, as amended, modified or supplemented from time to time.

“**D1**” means, collectively, D1 Capital Partners LP and any successor funds thereto, and their respective Affiliates (excluding the Company and any of its subsidiaries) and any Permitted Assignees to which Registrable Securities have been transferred or assigned, as long as such Person is a Holder.

“**Demand Company Notice**” has the meaning set forth in Section 2.01(d).

“**Demand Notice**” has the meaning set forth in Section 2.01(a).

“**Demand Party**” has the meaning set forth in Section 2.01(a).

“**Demand Period**” has the meaning set forth in Section 2.01(c).

“Demand Registration” has the meaning set forth in Section 2.01(a).

“Demand Registration Statement” has the meaning set forth in Section 2.01(a).

“Demand Suspension” has the meaning set forth in Section 2.01(e).

“Eligibility Notice” has the meaning set forth in Section 2.02(a)(i).

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

“FINRA” means the Financial Industry Regulatory Authority.

“Form S-1” means a registration statement on Form S-1 under the Securities Act, or any comparable or successor form or forms thereto.

“Form S-3” means a registration statement on Form S-3 under the Securities Act, or any comparable or successor form or forms thereto.

“Holder” means any holder of Registrable Securities that is a party hereto or that succeeds to rights hereunder pursuant to Section 3.07.

“Initial S-3 Holder” has the meaning set forth in Section 2.02(a)(i).

“Initiating Holder” has the meaning set forth in Section 2.02(a)(ii).

“Initiating Shelf Take-Down Holder” has the meaning set forth in Section 2.02(e)(i).

“Institutional Investor” means the Institutional Investors set forth on SCHEDULE A hereto, any successor funds thereto, and their respective Affiliates that are direct or indirect equity investors in the Company, any successor funds thereto, and their respective Affiliates that are direct or indirect equity investors in the Company, including solely for purposes of Section 2.02(a) – (d), unless otherwise stated herein, Mubadala.

“Institutional Investor Registration Demands” has the meaning set forth in Section 2.11(c).

“IPO” means the first underwritten public offering and sale of Company Shares for cash pursuant to an effective registration statement (other than on Form S-4, S-8 or a comparable form) under the Securities Act.

“Issuer Free Writing Prospectus” means an issuer free writing prospectus, as defined in Rule 433 under the Securities Act, relating to an offer of Registrable Securities.

“Long-Form Registration” has the meaning set forth in Section 2.01(a).

“Loss” or **“Losses”** has the meaning set forth in Section 2.09(a).

“Marketed Underwritten Offering” means any Underwritten Offering (including a Marketed Underwritten Shelf Take-Down, but, for the avoidance of doubt, not including any Shelf Take-Down that is not a Marketed Underwritten Shelf Take-Down) that involves a customary “road show” (including an “electronic road show”) or other substantial marketing effort by the Company and the underwriters over a period of at least 48 hours.

“Marketed Underwritten Shelf Take-Down” has the meaning set forth in Section 2.02(e)(iii).

“Marketed Underwritten Shelf Take-Down Notice” has the meaning set forth in Section 2.02(e)(iii).

“Mubadala” means Aurora Investment Company LLC, any successor funds thereto, and their respective Affiliates that are direct or indirect equity investors in the Company, any successor funds thereto, and their respective Affiliates that are direct or indirect equity investors in the Company.

“Mutual Fund Investor” shall mean (a) each of Fidelity and its respective Affiliates that are Holders and are (i) an investment company registered as such under the Investment Company Act of 1940, as amended or (ii) an advisory client of an investment adviser registered as such under the Investment Advisers Act of 1940, as amended, (b) each T. Rowe Price Investor and (c) Mubadala.

“Participating Holder” means, with respect to any Registration, any Holder of Registrable Securities covered by the applicable Registration Statement.

“Participating Investor” means, with respect to any Registration, any Institutional Investor or Mubadala that is a Holder of Registrable Securities covered by the applicable Registration Statement.

“Permitted Assignee” has the meaning set forth in Section 3.07.

“Person” means any individual, partnership, corporation, limited liability company, unincorporated organization, trust or joint venture, or a governmental agency or political subdivision thereof or any other entity.

“Piggyback Registration” has the meaning set forth in Section 2.03(a).

“Pro Rata Participating Investor Shelf Percentage” means, as of the date that an Initiating Holder delivers a Shelf Notice to the Company pursuant to Section 2.02(a), any other Participating Investor delivers a written notice to the Company with respect to such Shelf Notice pursuant to Section 2.02(c) or the Initial S-3 Holders deliver S-3 Shelf Notices to the Company pursuant to Section 2.02(a), an amount equal to the fraction (expressed as a percentage) determined by dividing (i) the number of Registrable Securities held by such Initiating Holder (and its Affiliates and Permitted Assignees), any other Participating Investor (and its Affiliates and Permitted Assignees) or the Initial S-3 Holders, respectively, requested by such Initiating Holder, other Participating Investor or Initial S-3 Holders, respectively, to be registered on the applicable Shelf Registration Statement as of such date by (ii) the total number of Registrable Securities held as of such date by such Initiating Holder (and its Affiliates and Permitted Assignees), any other Participating Investor (and its Affiliates and Permitted Assignees) or Initial S-3 Holders, respectively.

“Pro Rata Shelf Percentage” means, as of any date, with respect to a Holder, a number of Registrable Securities equal to (i) the number of Registrable Securities held by such Holder as of such date multiplied by (ii) the largest Pro Rata Participating Investor Shelf Percentage with respect to the Participating Investor(s) for the applicable Shelf Registration Statement.

“Prospectus” means the prospectus included in any Registration Statement, all amendments and supplements to such prospectus, including pre- and post-effective amendments to such Registration Statement, and all other material incorporated by reference in such prospectus.

“Registrable Securities” means any Company Shares (including, without limitation, any Company Shares issued or issuable upon conversion and/or exercise of Company Share Equivalents) and any securities that may be issued or distributed or be issuable or distributable in respect of, or in substitution

for, any Company Shares by way of conversion, exercise, dividend, stock split or other distribution, merger, consolidation, exchange, recapitalization or reclassification or similar transaction, in each case whether now owned or hereinafter acquired; *provided, however*, that any such Registrable Securities shall cease to be Registrable Securities to the extent (i) a Registration Statement with respect to the sale of such Registrable Securities has been declared effective under the Securities Act and such Registrable Securities have been disposed of in accordance with the plan of distribution set forth in such Registration Statement, (ii) such Registrable Securities have been distributed pursuant to Rule 144 or Rule 145 of the Securities Act (or any successor rule or other exemption from the registration requirements of the Securities Act) and new certificates for them not bearing a legend restricting transfer shall have been delivered by the Company, (iii) a Registration Statement on Form S-8 (or any successor form) covering such securities is effective or (iv) such security ceases to be outstanding. For the avoidance of doubt, it is understood that, (i) with respect to any Registrable Securities that are subject to vesting conditions, all vesting conditions must be satisfied and such Registrable Securities vested prior to sale pursuant to this Agreement and, (ii) with respect to any Registrable Securities for which a Holder holds vested but unexercised options or other Company Share Equivalents at such time exercisable for, convertible into or exchangeable for Company Shares, to the extent that such Registrable Securities are to be sold pursuant to this Agreement, such Holder must exercise the relevant option or exercise, convert or exchange such other relevant Company Share Equivalent and transfer the underlying Registrable Securities (in each case, net of any amounts required to be withheld by the Company in connection with such exercise).

“Registration” means a registration with the SEC of the Company’s securities for offer and sale to the public under a Registration Statement. The terms **“Register”** and **“Registered”** shall have correlative meanings.

“Registration Expenses” has the meaning set forth in Section 2.08.

“Registration Statement” means any registration statement of the Company that covers Registrable Securities pursuant to the provisions of this Agreement filed with, or to be filed with, the SEC under the rules and regulations promulgated under the Securities Act, including any related Prospectus, amendments and supplements to such registration statement, including pre- and post-effective amendments, and all exhibits and all material incorporated by reference in such registration statement.

“Representatives” means, with respect to any Person, any of such Person’s officers, directors, employees, agents, attorneys, accountants, actuaries, consultants, equity financing partners or financial advisors or other Person associated with, or acting on behalf of, such Person.

“Rule 144” means Rule 144 (or any successor provisions) under the Securities Act.

“S-3 Eligibility Date” has the meaning set forth in Section 2.02(a)(i).

“S-3 Shelf Notice” has the meaning set forth in Section 2.02(a)(i).

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

“Shelf Holder” has the meaning set forth in Section 2.02(c).

“Shelf Notice” has the meaning set forth in Section 2.02(a)(ii).

“Shelf Period” has the meaning set forth in Section 2.02(b).

“Shelf Registration” means a Registration effected pursuant to Section 2.02.

“Shelf Registration Statement” means a Registration Statement of the Company filed with the SEC on either (i) Form S-3 (or any successor form) or (ii) if the Company is not permitted to file a Registration Statement on Form S-3, an evergreen Registration Statement on Form S-1 (or any successor form), in each case for an offering to be made on a delayed or continuous basis pursuant to Rule 415 under the Securities Act (or any successor provision) covering all or any portion of the Registrable Securities, as applicable.

“Shelf Suspension” has the meaning set forth in Section 2.02(d).

“Shelf Take-Down” has the meaning set forth in Section 2.02(e).

“Short-Form Registration” has the meaning set forth in Section 2.01(a).

“Special Registration” has the meaning set forth in Section 2.12.

“T. Rowe Price” shall mean T. Rowe Price Associates, Inc. and any successor or affiliated registered investment adviser to the T. Rowe Price Investors.

“T. Rowe Price Investors” shall mean the Holders advised or subadvised by T. Rowe Price and any Permitted Assignees of such Holders.

“Underwritten Offering” means a Registration in which securities of the Company are sold to an underwriter or underwriters on a firm commitment basis for reoffering to the public.

“Underwritten Shelf Take-Down Notice” has the meaning set forth in Section 2.02(e).

“Vertical” means, collectively, Vertical Fund I, L.P. and Vertical Fund II, L.P., and any successor funds thereto, and their respective Affiliates (excluding the Company and any of its subsidiaries) and any Permitted Assignees to which Registrable Securities have been transferred or assigned, as long as such Person is a Holder.

“Warburg Pincus” means, collectively, Warburg Pincus Private Equity X, L.P., Warburg Pincus X Partners, L.P. and WP X Finance, L.P., and any successor funds thereto, and their respective Affiliates (excluding the Company and any of its subsidiaries) and any Permitted Assignees to which Registrable Securities have been transferred or assigned, as long as such Person is a Holder.

SECTION 1.02 Other Interpretive Provisions.

(a) In this Agreement, except as otherwise provided:

(i) A reference to an Article, Section, Schedule or Exhibit is a reference to an Article or Section of, or Schedule or Exhibit to, this Agreement, and references to this Agreement include any recital in or Schedule or Exhibit to this Agreement.

(ii) The Schedules and Exhibits form an integral part of and are hereby incorporated by reference into this Agreement.

(iii) Headings and the Table of Contents are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

(iv) Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing the masculine include the feminine and vice versa, and words importing persons include corporations, associations, partnerships, joint ventures and limited liability companies and vice versa.

(v) Unless the context otherwise requires, the words “hereof” and “herein”, and words of similar meaning refer to this Agreement as a whole and not to any particular Article, Section or clause. The words “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation.”

(vi) A reference to any legislation or to any provision of any legislation shall include any amendment, modification or re-enactment thereof and any legislative provision substituted therefor.

(vii) All determinations to be made by the Institutional Investors hereunder may be made by the Institutional Investors in their sole discretion, and the Institutional Investors may determine, in their sole discretion, whether or not to take actions that are permitted, but not required, by this Agreement to be taken by the Institutional Investors, including the giving of consents required hereunder.

(b) The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intention or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

ARTICLE II

REGISTRATION RIGHTS

SECTION 2.01 Demand Registration.

(a) **Demand by Institutional Investor.** At any time in the case of Warburg Pincus and at any time following one hundred eighty (180) days after an IPO in the case of Vertical and D1, any Institutional Investor (such Institutional Investor, a “**Demand Party**”) may, subject to Section 2.11, make a written request (a “**Demand Notice**”) to the Company for Registration of all or part of the Registrable Securities held by such Demand Party (i) on Form S-1 (a “**Long-Form Registration**”) or (ii) on Form S-3 (a “**Short-Form Registration**”) if the Company qualifies to use such short form (any such requested Long-Form Registration or Short-Form Registration, a “**Demand Registration**”). Each Demand Notice shall specify the aggregate amount of Registrable Securities of the Demand Party to be registered and the intended methods of disposition thereof. Subject to Section 2.11, after delivery of such Demand Notice, the Company (x) shall file promptly (and, in any event, within (i) ninety (90) days in the case of a request for a Long-Form Registration or (ii) thirty (30) days in the case of a request for a Short-Form Registration, in each case, following delivery of such Demand Notice) with the SEC a Registration Statement (which the Company shall designate as an automatically effective Registration Statement if the Company qualifies at such time to file such a Registration Statement) relating to such Demand Registration (a “**Demand Registration Statement**”), and (y) shall use its reasonable best efforts to cause such Demand Registration Statement to promptly be declared effective under (x) the Securities Act (if such Registration Statement is not automatically effective) and (y) the “**Blue Sky**” laws of such jurisdictions as any Participating Holder or any underwriter, if any, reasonably requests.

(b) **Demand Withdrawal.** A Demand Party may withdraw its Registrable Securities from a Demand Registration at any time prior to the effectiveness of the applicable Demand Registration Statement. Upon delivery of a notice by the Demand Party to such effect, the Company shall cease all efforts to secure effectiveness of the applicable Demand Registration Statement, and such Registration shall not be deemed to be a Demand Registration with respect to such Demand Party for purposes of Section 2.11.

(c) **Effective Registration.** The Company shall be deemed to have effected a Demand Registration with respect to the applicable Demand Party for purposes of Section 2.11 if the Demand Registration Statement is declared effective by the SEC and remains effective for not less than 180 days (or such shorter period as shall terminate when all Registrable Securities covered by such Registration Statement have been sold or withdrawn), or if such Registration Statement relates to an Underwritten Offering, such longer period as, in the opinion of counsel for the underwriter or underwriters, a Prospectus is required by law to be delivered in connection with sales of Registrable Securities by an underwriter or dealer (the applicable period, the “**Demand Period**”). No Demand Registration shall be deemed to have been effected for purposes of Section 2.11 if (i) during the Demand Period the ability of the Demand Party to distribute Registrable Securities in accordance with the plan of distribution set forth in the relevant Demand Notice is interfered with by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court, (ii) the conditions to closing specified in the underwriting agreement (including any condition relating to an over-allotment option), if any, entered into in connection with such Registration are not satisfied other than by reason of a wrongful act, misrepresentation or breach of such applicable underwriting agreement by a Demand Party or (iii) there is a Demand Suspension (as defined below).

(d) **Demand Company Notice.** Subject to Section 2.11, promptly upon delivery of any Demand Notice (but in no event more than five (5) Business Days thereafter), the Company shall deliver a written notice (a “**Demand Company Notice**”) of any such Registration request to all Holders (other than the Demand Party, and, if such Demand Notice is given prior to the IPO, the Company shall also not deliver a Demand Company Notice to any Holder which is neither a Mutual Fund Investor nor an Institutional Investor), and the Company shall include in such Demand Registration all such Registrable Securities of such Holders which the Company has received written requests for inclusion therein within ten (10) Business Days after the date that such Demand Company Notice has been delivered. All requests made pursuant to this Section 2.01(d) shall specify the aggregate amount of Registrable Securities of such Holder to be registered.

(e) **Delay in Filing; Suspension of Registration.** If the Company shall furnish to the Participating Holders a certificate signed by the Chief Executive Officer or equivalent senior executive officer of the Company stating that the filing, effectiveness or continued use of a Demand Registration Statement would require the Company to make an Adverse Disclosure, then the Company may delay the filing (but not the preparation of) or initial effectiveness of, or suspend use of, the Demand Registration Statement (a “**Demand Suspension**”); *provided, however*, that the Company, unless otherwise approved in writing by the Institutional Investors holding a majority of the then-outstanding Registrable Securities held by all Institutional Investors, shall not be permitted to exercise aggregate Demand Suspensions and Shelf Suspensions more than twice, or for more than an aggregate of 90 days, in each case, during any 12-month period; *provided, further*, that in the event of a Demand Suspension, such Demand Suspension shall terminate at such earlier time as the Company would no longer be required to make any Adverse Disclosure. Each Participating Holder shall keep confidential the fact that a Demand Suspension is in effect, the certificate referred to above and its contents unless and until otherwise notified by the Company, except (A) for disclosure to such Participating Holder’s employees, agents and professional advisers who reasonably need to know such information for purposes of assisting the Participating Holder with respect to its investment in the Company Shares and agree to keep it confidential, (B) for disclosures to the extent required in order to comply with reporting obligations to its limited partners or other direct or indirect investors who have agreed to keep such information confidential, (C) if and to the extent such matters are publicly disclosed by the Company or any of its Subsidiaries or any other Person that, to the actual knowledge of such Participating Holder, was not subject to an obligation or duty of confidentiality to the Company and its Subsidiaries and (D) as required by law, rule or regulation (including, without limitation, as required by a court order or an applicable governmental or regulatory authority). In the case of a Demand Suspension, the Participating Holders agree to suspend use of the applicable Prospectus and any Issuer Free

Writing Prospectus in connection with any sale or purchase of, or offer to sell or purchase, Registrable Securities, upon delivery of the notice referred to above. The Company shall immediately notify the Participating Holders upon the termination of any Demand Suspension, amend or supplement the Prospectus and any Issuer Free Writing Prospectus, if necessary, so it does not contain any untrue statement or omission and furnish to the Participating Holders such numbers of copies of the Prospectus and any Issuer Free Writing Prospectus as so amended or supplemented as the Participating Holders may reasonably request. The Company agrees, if necessary, to supplement or make amendments to the Demand Registration Statement if required by the registration form used by the Company for the applicable Registration or by the instructions applicable to such registration form or by the Securities Act or the rules or regulations promulgated thereunder, or as may reasonably be requested by any Demand Party.

(f) Underwritten Offering. If a Demand Party so requests, an offering of Registrable Securities pursuant to a Demand Registration shall be in the form of an Underwritten Offering, and such Demand Party shall have the right to select the managing underwriter or underwriters to administer the offering. If the Demand Party intends to sell the Registrable Securities covered by its demand by means of an Underwritten Offering, such Demand Party shall so advise the Company as part of its Demand Notice, and the Company shall include such information in the Demand Company Notice.

(g) Priority of Securities Registered Pursuant to Demand Registrations. If the managing underwriter or underwriters of a proposed Underwritten Offering of the Registrable Securities included in a Demand Registration advise the Board of Directors in writing (with a copy provided to the Institutional Investors that have requested participation in such Demand Registration) that, in its or their opinion, the number of securities requested to be included in such Demand Registration exceeds the number which can be sold in such offering without being likely to have a significant adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, the securities to be included in such Demand Registration (i) first, shall be allocated pro rata among the Institutional Investors and the Mutual Fund Investors that have requested to participate in such Demand Registration based on the relative number of Registrable Securities then held by each such Institutional Investor or Mutual Fund Investor (*provided* that any securities thereby allocated to an Institutional Investor or Mutual Fund Investor that exceed such Institutional Investor or Mutual Fund Investor's request shall be reallocated among the remaining requesting Institutional Investors and Mutual Fund Investors in like manner), (ii) second, and only if all the securities referred to in clause (i) have been included in such Registration, shall be allocated pro rata among the Holders (excluding the Institutional Investors and Mutual Fund Investors, as applicable) that have requested to participate in such Demand Registration based on the relative number of Registrable Securities then held by each such Holder (*provided* that any securities thereby allocated to a Holder that exceed such Holder's request shall be reallocated among the remaining requesting Holders in like manner), (iii) third, and only if all the securities referred to in clauses (i) and (ii) have been included in such Registration, the number of securities that the Company proposes to include in such Registration that, in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect and (iv) fourth, and only if all of the securities referred to in clause (iii) have been included in such Registration, any other securities eligible for inclusion in such Registration that, in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect.

SECTION 2.02 Shelf Registration.

(a) Filing.

(i) Following the IPO, the Company shall use its reasonable best efforts to qualify for Registration on Form S-3 for secondary sales. Promptly following the date on which the Company becomes eligible to Register on Form S-3 (the "**S-3 Eligibility Date**"), the Company shall notify, in writing, the Institutional Investors of such eligibility and its intention to file and maintain a Shelf

Registration Statement on Form S-3 covering the Registrable Securities held by the Institutional Investors (the “**Eligibility Notice**”). Promptly following receipt of such Eligibility Notice (but in no event more than ten (10) days after receipt of such Eligibility Notice), the Institutional Investors shall deliver a written notice to the Company, which notice shall specify the aggregate amount of Registrable Securities held by such Institutional Investor to be covered by such Shelf Registration Statement and the intended methods of distribution thereof (the “**S-3 Shelf Notice**” and such Institutional Investors, the “**Initial S-3 Holders**”). Following delivery of the S-3 Shelf Notices, the Company (x) shall file promptly (and, in any event, within the earlier of (i) thirty (30) days of receipt of the S-3 Shelf Notices and (ii) forty (40) days after delivery of the Eligibility Notice) with the SEC such Shelf Registration Statement (which shall be an automatic Shelf Registration Statement if the Company qualifies at such time to file such a Shelf Registration Statement) relating to the offer and sale of all Registrable Securities requested for inclusion therein by the Initial S-3 Holders and, to the extent requested under Section 2.02(c), the other Holders from time to time in accordance with the methods of distribution elected by such Holders (to the extent permitted in this Section 2.02) and set forth in the Shelf Registration Statement and (y) shall use its reasonable best efforts to cause such Shelf Registration Statement to be promptly declared effective under the Securities Act (including upon the filing thereof if the Company qualifies to file an automatic Shelf Registration Statement); *provided, however*, that if an Institutional Investor reasonably believes that the Company will become S-3 eligible and delivers a S-3 Shelf Notice following the IPO but prior to the S3 Eligibility Date, the Company shall not be obligated to file (but shall be obligated to prepare) such Shelf Registration Statement on Form S-3.

(ii) Subject to the right to deliver a Shelf Notice in the manner contemplated by the first proviso below, at any time following the first anniversary of the IPO, to the extent that the Company is not eligible to file or maintain a Shelf Registration Statement on Form S-3 as contemplated by Section 2.02(a)(i), any Institutional Investor (such Institutional Investor, the “**Initiating Holder**”) may, subject to Section 2.11, make a written request to the Company to file a Shelf Registration Statement on Form S-1 (a “**Shelf Notice**”), which Shelf Notice shall specify the aggregate amount of Registrable Securities of the Initiating Holder to be registered therein and the intended methods of distribution thereof. Following the delivery of a Shelf Notice, the Company (x) shall file promptly (and, in any event, within ninety (90) days following delivery of such Shelf Notice) with the SEC such Shelf Registration Statement relating to the offer and sale of all Registrable Securities requested for inclusion therein by the Initiating Holder and, to the extent requested under Section 2.02(c), the other Holders from time to time in accordance with the methods of distribution elected by such Holders (to the extent permitted in this Section 2.02) and set forth in the Shelf Registration Statement (*provided, however*, that if a Shelf Notice is delivered prior to the first anniversary of the IPO, the Company shall not be obligated to file (but shall be obligated to prepare) such Shelf Registration Statement prior to the first anniversary of the IPO) and (y) shall use its reasonable best efforts to cause such Shelf Registration Statement to be promptly declared effective under the Securities Act. If, on the date of any such request (or, in the event of a request that is delivered prior to the first anniversary of the IPO, on the date following the first anniversary of the IPO), the Company does not qualify to file a Shelf Registration Statement under the Securities Act, the provisions of this Section 2.02 shall not apply, and the provisions of Section 2.01 shall apply instead.

(b) **Continued Effectiveness.** The Company shall use its reasonable best efforts to keep any Shelf Registration Statement filed pursuant to Section 2.02(a) continuously effective under the Securities Act in order to permit the Prospectus forming a part thereof to be usable by Shelf Holders until the earliest of (i) the date as of which all Registrable Securities have been sold pursuant to the Shelf Registration Statement or another Registration Statement filed under the Securities Act (but in no event prior to the applicable period referred to in Section 4(a)(3) of the Securities Act and Rule 174 thereunder), (ii) the date as of which each of the Shelf Holders is permitted to sell its Registrable Securities without Registration pursuant to Rule 144 without volume limitation or other restrictions on transfer thereunder and (iii) such shorter period as the Institutional Investors holding a majority of the then-outstanding Registrable

Securities held by all Institutional Investors with respect to such Shelf Registration shall agree in writing (such period of effectiveness, the “**Shelf Period**”). Subject to Section 2.02(d), the Company shall not be deemed to have used its reasonable best efforts to keep the Shelf Registration Statement effective during the Shelf Period if the Company voluntarily takes any action or omits to take any action that would result in Shelf Holders not being able to offer and sell any Registrable Securities pursuant to such Shelf Registration Statement during the Shelf Period, unless such action or omission is (x) a Shelf Suspension permitted pursuant to Section 2.02(d) or (y) required by applicable law, rule or regulation.

(c) Company Notices. Promptly upon delivery of any Shelf Notice pursuant to Section 2.02(a)(ii) (but in no event more than five (5) Business Days thereafter), the Company shall deliver a written notice of such Shelf Notice to the Institutional Investors (other than the Initiating Holder) and the Company shall include in such Shelf Registration all such Registrable Securities of such other Institutional Investors which the Company has received a written request for inclusion therein within five (5) Business Days after such written notice is delivered to such other Institutional Investors. Promptly after (i) delivery of any such written request by the other Institutional Investors, as applicable, or (ii) after delivery of the S-3 Shelf Notices pursuant to Section 2.02(a) (but in no event more than ten (10) Business Days after delivery of the S-3 Shelf Notices or the Shelf Notice, as applicable), the Company shall deliver a written notice of the S-3 Shelf Notices or the Shelf Notice, as applicable, to all Holders other than the Institutional Investors (which notice shall specify the Pro Rata Participating Investor Shelf Percentage applicable to such Shelf Registration) and the Company shall include in such Shelf Registration all such Registrable Securities of such Holders which the Company has received written requests for inclusion therein within five (5) Business Days after such written notice is delivered to such Holders (each such Holder delivering such a request and the other Institutional Investors if Participating Investors, together with the Initiating Holder, if applicable, a “**Shelf Holder**”); *provided*, that, the Company shall not include in such Shelf Registration Registrable Securities of any Holder (other than an Institutional Investor) in an amount in excess of such Holder’s Pro Rata Shelf Percentage. If the Company is permitted by applicable law, rule or regulation to add selling stockholders to a Shelf Registration Statement without filing a post-effective amendment, a Holder may request the inclusion of an amount of such Holder’s Registrable Securities not to exceed, in the case of a Holder that is not an Institutional Investor, such Holder’s Pro Rata Shelf Percentage in such Shelf Registration Statement at any time or from time to time after the filing of a Shelf Registration Statement, and the Company shall add such Registrable Securities to the Shelf Registration Statement as promptly as reasonably practicable, and such Holder shall be deemed a Shelf Holder.

(d) Suspension of Registration. If the Company shall furnish to the Shelf Holders a certificate signed by the Chief Executive Officer or equivalent senior executive officer of the Company stating that the continued use of a Shelf Registration Statement filed pursuant to Section 2.02(a) would require the Company to make an Adverse Disclosure, then the Company may suspend use of the Shelf Registration Statement (a “**Shelf Suspension**”); *provided, however*, that the Company, unless otherwise approved in writing by the Institutional Investors holding a majority of the then-outstanding Registrable Securities held by all Institutional Investors, shall not be permitted to exercise aggregate Demand Suspensions and Shelf Suspensions more than twice, or for more than an aggregate of 90 days, in each case, during any 12-month period; *provided, further*, that in the event of a Shelf Suspension, such Shelf Suspension shall terminate at such earlier time as the Company would no longer be required to make any Adverse Disclosure. Each Shelf Holder shall keep confidential the fact that a Shelf Suspension is in effect, the certificate referred to above and its contents unless and until otherwise notified by the Company, except (A) for disclosure to such Shelf Holder’s employees, agents and professional advisers who reasonably need to know such information for purposes of assisting the Holder with respect to its investment in the Company Shares and agree to keep it confidential, (B) for disclosures to the extent required in order to comply with reporting obligations to its limited partners or other direct or indirect investors who have agreed to keep such information confidential, (C) if and to the extent such matters are publicly disclosed by the Company or any of its Subsidiaries or any other Person that, to the actual knowledge of such Shelf Holder, was not

subject to an obligation or duty of confidentiality to the Company and its Subsidiaries and (D) as required by law, rule or regulation (including, without limitation, as required by a court order or an applicable governmental or regulatory authority). In the case of a Shelf Suspension, the Holders agree to suspend use of the applicable Prospectus and any Issuer Free Writing Prospectus in connection with any sale or purchase of, or offer to sell or purchase, Registrable Securities, upon delivery of the notice referred to above. The Company shall immediately notify the Shelf Holders upon the termination of any Shelf Suspension, amend or supplement the Prospectus and any Issuer Free Writing Prospectus, if necessary, so it does not contain any untrue statement or omission and furnish to the Shelf Holders such numbers of copies of the Prospectus and any Issuer Free Writing Prospectus as so amended or supplemented as the Shelf Holders may reasonably request. The Company agrees, if necessary, to supplement or make amendments to the Shelf Registration Statement if required by the registration form used by the Company for the applicable Registration or by the instructions applicable to such registration form or by the Securities Act or the rules or regulations promulgated thereunder, or as may reasonably be requested by any Initiating Holder.

(e) Shelf Take-Downs.

(i) An offering or sale of Registrable Securities pursuant to a Shelf Registration Statement (each, a “**Shelf Take-Down**”) may be initiated only by an Institutional Investor (an “**Initiating Shelf Take-Down Holder**”). Except as set forth in Section 2.02(e)(iii) with respect to Marketed Underwritten Shelf Take-Downs, each such Initiating Shelf Take-Down Holder shall not be required to permit the offer and sale of Registrable Securities by other Shelf Holders in connection with any such Shelf Take-Down initiated by such Initiating Shelf Take-Down Holder. Subject to Section 2.04, any Shelf Holder that is listed as a selling stockholder in a Shelf Registration Statement may sell Registrable Securities from time to time under such Shelf Registration Statement in accordance with the plan of distribution included in such Shelf Registration Statement; *provided* that no such sale by a Shelf Holder other than an Institutional Investor shall require the filing of a prospectus supplement.

(ii) Subject to Section 2.11, if the Initiating Shelf Take-Down Holder elects by written request to the Company, a Shelf Take-Down shall be in the form of an Underwritten Offering (an “**Underwritten Shelf Take-Down Notice**”) and the Company shall amend or supplement the Shelf Registration Statement for such purpose as soon as practicable. Such Initiating Shelf Take-Down Holder shall have the right to select the managing underwriter or underwriters to administer such offering. The provisions of Section 2.01(g) shall apply to any Underwritten Offering pursuant to this Section 2.02(e).

(iii) If the plan of distribution set forth in any Underwritten Shelf Take-Down Notice includes a customary “road show” (including an “electronic road show”) or other substantial marketing effort by the Company and the underwriters over a period expected to exceed 48 hours (a “**Marketed Underwritten Shelf Take-Down**”), promptly upon delivery of such Underwritten Shelf Take-Down Notice (but in no event more than three (3) Business Days thereafter), the Company shall promptly deliver a written notice (a “**Marketed Underwritten Shelf Take-Down Notice**”) of such Marketed Underwritten Shelf Take-Down to all Shelf Holders (other than the Initiating Shelf Take-Down Holder), and the Company shall include in such Marketed Underwritten Shelf Take-Down all such Registrable Securities of such Shelf Holders that are Registered on such Shelf Registration Statement for which the Company has received written requests, which requests must specify the aggregate amount of such Registrable Securities of such Holder to be offered and sold pursuant to such Marketed Underwritten Shelf Take-Down, for inclusion therein within three (3) Business Days after the date that such Marketed Underwritten Shelf Take-Down Notice has been delivered.

SECTION 2.03 Piggyback Registration.

(a) Participation. If the Company at any time proposes to file a Registration Statement with respect to any offering of its equity securities for its own account or for the account of any

other Persons (other than (i) a Registration Statement proposed to be filed in connection with the IPO (excluding any Registration Statement proposed to be filed pursuant to Section 2.01), (ii) with respect to all Holders other than a Mutual Fund Investor, a Registration under Section 2.01 or 2.02 (excluding Shelf Take-Downs that are not Marketed Underwritten Shelf-Take Downs and with respect to Marketed Underwritten Shelf-Take Downs, *provided* the Mutual Fund Investor is a Shelf Holder, and in all cases, subject to terms and conditions of Section 2.01 and 2.02), it being understood that this clause (ii) does not limit the rights of Holders to make written requests pursuant to Sections 2.01 or 2.02 or otherwise limit the applicability thereof, (iii) a Registration Statement on Form S-4 or S-8 (or such other similar successor forms then in effect under the Securities Act), (iv) a registration of securities solely relating to an offering and sale to employees, directors or consultants of the Company or its Subsidiaries pursuant to any employee stock plan or other employee benefit plan arrangement, (v) a registration not otherwise covered by clause (iii) above pursuant to which the Company is offering to exchange its own securities for other securities, (vi) a Registration Statement relating solely to dividend reinvestment or similar plans or (vii) a Shelf Registration Statement pursuant to which only the initial purchasers and subsequent transferees of debt securities of the Company or any of its Subsidiaries that are convertible or exchangeable for Company Shares and that are initially issued pursuant to Rule 144A and/or Regulation S (or any successor provisions) of the Securities Act may resell such notes and sell the Company Shares into which such notes may be converted or exchanged) (a **“Company Public Sale”**), then, (A) as soon as practicable (but in no event less than thirty (30) days prior to the proposed date of filing of such Registration Statement), the Company shall give written notice of such proposed filing to the Institutional Investors, and such notice shall offer each Institutional Investor the opportunity to Register under such Registration Statement such number of Registrable Securities as such Institutional Investor may request in writing delivered to the Company within ten (10) days of delivery of such written notice by the Company, and (B) subject to Section 2.03(c), as soon as practicable after the expiration of such 10-day period (but in no event less than fifteen (15) days prior to the proposed date of filing of such Registration Statement), the Company shall give written notice of such proposed filing to the Holders (other than the Institutional Investors, and if such Registration Statement is proposed to be filed in connection with an IPO pursuant to Section 2.01 hereof, the Company shall also not give written notice of the proposed filing to any Holder who is not a Mutual Fund Investor and such Holder shall not have any right to have its Registrable Securities included in such a Registration Statement), and such notice shall offer each such Holder the opportunity to Register under such Registration Statement such number of Registrable Securities as such Holder may request in writing within ten (10) days of delivery of such written notice by the Company. Subject to Sections 2.03(b) and (c), the Company shall include in such Registration Statement all such Registrable Securities that are requested by Holders to be included therein in compliance with the immediately foregoing sentence (a **“Piggyback Registration”**); *provided* that if at any time after giving written notice of its intention to Register any equity securities and prior to the effective date of the Registration Statement filed in connection with such Piggyback Registration, the Company shall determine for any reason not to Register or to delay Registration of the equity securities covered by such Piggyback Registration, the Company shall give written notice of such determination to each Holder that had requested to Register its, his or her Registrable Securities in such Registration Statement and, thereupon, (1) in the case of a determination not to Register, shall be relieved of its obligation to Register any Registrable Securities in connection with such Registration (but not from its obligation to pay the Registration Expenses in connection therewith, to the extent payable), without prejudice, however, to the rights of the Institutional Investors to request that such Registration be effected as a Demand Registration under Section 2.01, and (2) in the case of a determination to delay Registering, in the absence of a request by the Institutional Investors to request that such Registration be effected as a Demand Registration under Section 2.01, shall be permitted to delay Registering any Registrable Securities, for the same period as the delay in Registering the other equity securities covered by such Piggyback Registration. If the offering pursuant to such Registration Statement is to be underwritten, the Company shall so advise the Holders as a part of the written notice given pursuant this Section 2.03(a), and each Holder making a request for a Piggyback Registration pursuant to this Section 2.03(a) must, and the Company shall make such arrangements with the managing underwriter or underwriters so that each such

Holder may, participate in such Underwritten Offering, subject to the conditions of Section 2.03(b) and (c). If the offering pursuant to such Registration Statement is to be on any other basis, the Company shall so advise the Holders as part of the written notice given pursuant to this Section 2.03(a), and each Holder making a request for a Piggyback Registration pursuant to this Section 2.03(a) must, and the Company shall make such arrangements so that each such Holder may, participate in such offering on such basis, subject to the conditions of Section 2.03(b) and (c). Each Holder shall be permitted to withdraw all or part of its Registrable Securities from a Piggyback Registration at any time prior to the effectiveness of such Registration Statement.

(b) Priority of Piggyback Registration. If the managing underwriter or underwriters of any proposed Underwritten Offering of Registrable Securities included in a Piggyback Registration informs the Company and the Holders that have requested to participate in such Piggyback Registration in writing that, in its or their opinion, the number of securities which such Holders and any other Persons intend to include in such offering exceeds the number which can be sold in such offering without being likely to have a significant adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, then the securities to be included in such Registration shall be (i) first, 100% of the securities that the Company or (subject to Section 2.07) any Person (other than a Holder) exercising a contractual right to demand Registration, as the case may be, proposes to sell, (ii) second, and only if all the securities referred to in clause (i) have been included, the number of Registrable Securities that, in the opinion of such managing underwriter or underwriters, can be sold without having such adverse effect in such Registration, which such number shall be allocated pro rata among the Institutional Investors and Mutual Fund Investors that have requested to participate in such Registration based on the relative number of Registrable Securities then held by each such Institutional Investor or Mutual Fund Investor (*provided* that any securities thereby allocated to an Institutional Investor or Mutual Fund Investor that exceed such Institutional Investor or Mutual Fund Investor's request shall be reallocated among the remaining requesting Institutional Investors and Mutual Fund Investors in like manner), (iii) third, and only if all the securities referred to in clause (ii) have been included, the number of Registrable Securities that, in the opinion of such managing underwriter or underwriters, can be sold without having such adverse effect in such Registration, which such number shall be allocated pro rata among the Holders (excluding the Institutional Investors and Mutual Fund Investors) that have requested to participate in such Registration based on the relative number of Registrable Securities then held by each such Holder (*provided* that any securities thereby allocated to a Holder that exceed such Holder's request shall be reallocated among the remaining requesting Holders in like manner) and (iv) fourth, and only if all of the Registrable Securities referred to in clause (iii) have been included in such Registration, any other securities eligible for inclusion in such Registration that, in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect in such Registration.

(c) Restrictions on Non-Institutional Investors and Non-Mutual Fund Investors. Notwithstanding any provisions contained herein, Holders other than the Institutional Investors and the Mutual Fund Investors shall not be able to exercise the right to a Piggyback Registration unless at least one Institutional Investor exercises its rights with respect to such Piggyback Registration.

(d) No Effect on Demand Registrations. No Registration of Registrable Securities effected pursuant to a request under this Section 2.03 shall be deemed to have been effected pursuant to Section 2.01 or 2.02 or shall relieve the Company of its obligations under Section 2.01 or 2.02.

SECTION 2.04 Black-out Periods.

(a) Black-out Periods for Holders. In the event of a Company Public Sale of the Company's equity securities in an Underwritten Offering, each of the Holders agrees, if requested by the managing underwriter or underwriters in such Underwritten Offering (and, with respect to the Institutional

Investors in the event of a Company Public Sale other than the IPO, if and only if the Institutional Investors holding a majority of the then-outstanding Registrable Securities held by all Institutional Investors agree to such request), not to (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any Person at any time in the future of) any Company Shares (including Company Shares that may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the SEC and Company Shares that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for Company Shares, (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of Company Shares, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Company Shares or other securities, in cash or otherwise, (3) make any demand for or exercise any right or cause to be filed a Registration Statement, including any amendments thereto, with respect to the registration of any Company Shares or securities convertible into or exercisable or exchangeable for Company Shares or any other securities of the Company or (4) publicly disclose the intention to do any of the foregoing without the prior written consent of the Company, in each case, during the period beginning seven (7) days before and ending 180 days (in the event of the IPO) or 90 days (in the event of any other Company Public Sale) (or, in each case other than the IPO, such other period as may be reasonably requested by the Company or the managing underwriter or underwriters to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in the FINRA rules or any successor provisions or amendments thereto) after the date of the underwriting agreement entered into in connection with such Company Public Sale, to the extent timely notified in writing by the Company or the managing underwriter or underwriters; *provided*, that (A) no Holder that is a Mutual Fund Investor shall be subject to any such blackout period of longer duration than that applicable to any Institutional Investor, any then-current holder of more than two percent (2%) of all of the Company's outstanding Common Shares (after giving effect to conversion into Common Shares of all outstanding Preferred Shares) or any then-current director or executive officer of the Company who holds shares of the Company's capital stock, (B) if the Company Public Sale is the IPO, the foregoing restrictions shall not apply to a Holder that is an Institutional Investor or a Mutual Fund Investor with respect to Company Shares purchased by such Holder in connection with, or on the open market subsequent to, the IPO, (C) if any of the obligations described in this Section 2.04(a) are waived or terminated with respect to any Company Shares held by an Institutional Investor, any holder of more than two percent (2%) of all of the Company's outstanding Common Shares (after giving effect to conversion into Common Shares of all outstanding Preferred Shares) or any director or executive officer of the Company (the "**Released Securities**"), the foregoing provisions shall be waived or terminated, as applicable, to the same extent and with respect to the same percentage of Company Shares held by a Holder that is a Mutual Fund Investor as the percentage of Released Securities represent with respect to the Company Shares held by the applicable Institutional Investor, holder of more than two percent (2%) of all of the Company's outstanding Common Shares (after giving effect to conversion into Common Shares of all outstanding Preferred Shares) or any director or executive officer of the Company, as applicable, and (D) if the Company Public Sale is not an IPO, the foregoing restrictions shall only apply to a Holder that is not a Mutual Fund Investor. If requested by the managing underwriter or underwriters of any such Company Public Sale (and, with respect to the Institutional Investors in the event of a Company Public Sale other than the IPO, if and only if each Institutional Investor agrees to such request, the Holders shall execute a separate agreement to the foregoing effect. The Company may impose stop-transfer instructions with respect to the Company Shares (or other securities) subject to the foregoing restriction until the end of the period referenced above.

(b) Black-out Period for the Company and Others. In the case of an offering of Registrable Securities pursuant to Section 2.01 (other than the IPO) or 2.02 that is a Marketed Underwritten Offering, the Company and each of the Holders (other than the Mutual Fund Investors) agree, if requested by a Participating Investor or the managing underwriter or underwriters with respect to such Marketed Underwritten Offering, not to (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any

transaction or device that is designed to, or could be expected to, result in the disposition by any Person at any time in the future of) any Company Shares (including Company Shares that may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the SEC and Company Shares that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for Company Shares, (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of Company Shares, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Company Shares or other securities, in cash or otherwise, (3) make any demand for or exercise any right or cause to be filed a Registration Statement, including any amendments thereto, with respect to the registration of any Company Shares or securities convertible into or exercisable or exchangeable for Company Shares or any other securities of the Company or (4) publicly disclose the intention to do any of the foregoing without the prior written consent of the Company, in each case, during the period beginning seven (7) days before, and ending 90 days (or such lesser period as may be agreed by a Participating Investor or, if applicable, the managing underwriter or underwriters) (or such other period as may be reasonably requested by a Participating Investor or the managing underwriter or underwriters to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in the FINRA rules or any successor provisions or amendments thereto) after, the date of the underwriting agreement entered into in connection with such Marketed Underwritten Offering, to the extent timely notified in writing by a Participating Investor or the managing underwriter or underwriters, as the case may be; *provided* that no Holder shall be subject to any such black-out period of longer duration than that applicable to any Participating Investor. Notwithstanding the foregoing, the Company may effect a public sale or distribution of securities of the type described above and during the periods described above if such sale or distribution is made pursuant to Registrations on Form S-4 or S-8 or any successor form to such Forms or as part of any Registration of securities for offering and sale to employees, directors or consultants of the Company and its Subsidiaries pursuant to any employee stock plan or other employee benefit plan arrangement. The Company agrees to use its reasonable best efforts to obtain from each of its directors and officers and each other holder of restricted securities of the Company which securities are the same as or similar to the Registrable Securities being Registered, or any restricted securities convertible into or exchangeable or exercisable for any of such securities, an agreement not to effect any public sale or distribution of such securities during any such period referred to in this paragraph, except as part of any such Registration, if permitted. Without limiting the foregoing (but subject to Section 2.07), if after the date hereof the Company or any of its Subsidiaries grants any Person (other than a Holder) any rights to demand or participate in a Registration, the Company shall, and shall cause its Subsidiaries to, provide that the agreement with respect thereto shall include such Person's agreement to comply with any black-out period required by this Section as if it were a Holder hereunder. If requested by the managing underwriter or underwriters of any such Marketed Underwritten Offering, the Holders shall execute a separate agreement to the foregoing effect. The Company may impose stop-transfer instructions with respect to the Company Shares (or other securities) subject to the foregoing restriction until the end of the period referenced above.

SECTION 2.05 Registration Procedures.

(a) In connection with the Company's Registration obligations under Sections 2.01, 2.02 and 2.03 and subject to the applicable terms and conditions set forth therein, the Company shall use its reasonable best efforts to effect such Registration to permit the sale of such Registrable Securities in accordance with the intended method or methods of distribution thereof as expeditiously as reasonably practicable, and in connection therewith the Company shall:

(i) prepare the required Registration Statement including all exhibits and financial statements required under the Securities Act to be filed therewith, and before filing a Registration

Statement, Prospectus or any Issuer Free Writing Prospectus, or any amendments or supplements thereto, (x) furnish to the underwriters, if any, and the Participating Investors, if any, copies of all documents prepared to be filed, which documents shall be subject to the review of such underwriters and the Participating Investors and their respective counsel and (y) except in the case of a Registration under Section 2.03, not file any Registration Statement or Prospectus or amendments or supplements thereto to which any Participating Investor or the underwriters, if any, shall reasonably object;

(ii) as promptly as practicable file with the SEC a Registration Statement relating to the Registrable Securities including all exhibits and financial statements required by the SEC to be filed therewith, and use its reasonable best efforts to cause such Registration Statement to become effective under the Securities Act as soon as practicable;

(iii) prepare and file with the SEC such pre- and post-effective amendments to such Registration Statement, supplements to the Prospectus and such amendments or supplements to any Issuer Free Writing Prospectus as may be (x) reasonably requested by any Participating Investor, (y) reasonably requested by any other Participating Holder (to the extent such request relates to information relating to such Participating Holder), or (z) necessary to keep such Registration effective for the period of time required by this Agreement, and comply with provisions of the applicable securities laws with respect to the sale or other disposition of all securities covered by such Registration Statement during such period in accordance with the intended method or methods of disposition by the sellers thereof set forth in such Registration Statement;

(iv) promptly notify the Participating Holders and the managing underwriter or underwriters, if any, and (if requested) confirm such advice in writing and provide copies of the relevant documents, as soon as reasonably practicable after notice thereof is received by the Company (A) when the applicable Registration Statement or any amendment thereto has been filed or becomes effective, and when the applicable Prospectus or Issuer Free Writing Prospectus or any amendment or supplement thereto has been filed, (B) of any written comments by the SEC or any request by the SEC or any other federal or state governmental authority for amendments or supplements to such Registration Statement, Prospectus or Issuer Free Writing Prospectus or for additional information, (C) of the issuance by the SEC of any stop order suspending the effectiveness of such Registration Statement or any order by the SEC or any other regulatory authority preventing or suspending the use of any preliminary or final Prospectus or any Issuer Free Writing Prospectus or the initiation or threatening of any proceedings for such purposes, (D) if, at any time, the representations and warranties of the Company in any applicable underwriting agreement cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for offering or sale in any jurisdiction and (F) of the receipt by the Company of any notification with respect to the initiation or threatening of any proceeding for the suspension of the qualification of the Registrable Securities for offering or sale in any jurisdiction;

(v) promptly notify the Participating Holders and the managing underwriter or underwriters, if any, when the Company becomes aware of the happening of any event as a result of which the applicable Registration Statement, the Prospectus included in such Registration Statement (as then in effect) or any Issuer Free Writing Prospectus contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein (in the case of such Prospectus, any preliminary Prospectus or any Issuer Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, when any Issuer Free Writing Prospectus includes information that may conflict with the information contained in the Registration Statement, or, if for any other reason it shall be necessary during such time period to amend or supplement such Registration Statement, Prospectus or Issuer Free Writing Prospectus in order to comply with the Securities Act and, in either case as promptly as reasonably practicable thereafter, prepare and file with the SEC, and furnish without charge to the

Participating Holders and the managing underwriter or underwriters, if any, an amendment or supplement to such Registration Statement, Prospectus or Issuer Free Writing Prospectus which shall correct such misstatement or omission or effect such compliance;

(vi) use its reasonable best efforts to prevent, or obtain the withdrawal of, any stop order or other order suspending the use of any preliminary or final Prospectus or any Issuer Free Writing Prospectus;

(vii) promptly incorporate in a Prospectus supplement, Issuer Free Writing Prospectus or post-effective amendment to the applicable Registration Statement such information as the managing underwriter or underwriters and the Participating Investor(s) agree should be included therein relating to the plan of distribution with respect to such Registrable Securities, and make all required filings of such Prospectus supplement, Issuer Free Writing Prospectus or post-effective amendment as soon as reasonably practicable after being notified of the matters to be incorporated in such Prospectus supplement, Issuer Free Writing Prospectus or post-effective amendment;

(viii) furnish to each Participating Holder and each underwriter, if any, without charge, as many conformed copies as such Participating Holder or underwriter may reasonably request of the applicable Registration Statement and any amendment or post effective amendment thereto, including financial statements and schedules, all documents incorporated therein by reference and all exhibits (including those incorporated by reference);

(ix) deliver to each Participating Holder and each underwriter, if any, without charge, as many copies of the applicable Prospectus (including each preliminary Prospectus), any Issuer Free Writing Prospectus and any amendment or supplement thereto as such Participating Holder or underwriter may reasonably request (it being understood that the Company consents to the use of such Prospectus, any Issuer Free Writing Prospectus and any amendment or supplement thereto by such Participating Holder and the underwriters, if any, in connection with the offering and sale of the Registrable Securities thereby) and such other documents as such Participating Holder or underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities by such Participating Holder or underwriter;

(x) on or prior to the date on which the applicable Registration Statement is declared effective, use its reasonable best efforts to register or qualify, and cooperate with the Participating Holders, the managing underwriter or underwriters, if any, and their respective counsel, in connection with the registration or qualification of such Registrable Securities for offer and sale under the securities or “*Blue Sky*” laws of each state and other jurisdiction of the United States as any Participating Holder or managing underwriter or underwriters, if any, or their respective counsel reasonably request in writing and do any and all other acts or things reasonably necessary or advisable to keep such registration or qualification in effect for such period as required by Section 2.01(c) or 2.02(b), whichever is applicable, *provided* that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified or to take any action which would subject it to taxation or general service of process in any such jurisdiction where it is not then so subject;

(xi) cooperate with the Participating Holders and the managing underwriter or underwriters, if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends, and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters may request at least two (2) Business Days prior to any sale of Registrable Securities to the underwriters;

(xii) use its reasonable best efforts to cause the Registrable Securities covered by the applicable Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the seller or sellers thereof or the underwriter or underwriters, if any, to consummate the disposition of such Registrable Securities;

- (xiii)** not later than the effective date of the applicable Registration Statement, provide a CUSIP number for all Registrable Securities and provide the applicable transfer agent with printed certificates for the Registrable Securities which are in a form eligible for deposit with The Depository Trust Company or any other required depository;
- (xiv)** make such representations and warranties to the Participating Holders and the underwriters or agents, if any, in form, substance and scope as are customarily made by issuers in secondary underwritten public offerings;
- (xv)** enter into such customary agreements (including underwriting and indemnification agreements) and take all such other actions as any Institutional Investor or the managing underwriter or underwriters, if any, reasonably request in order to expedite or facilitate the registration and disposition of such Registrable Securities;
- (xvi)** obtain for delivery to the Participating Holders and to the underwriter or underwriters, if any, an opinion or opinions from counsel for the Company dated the effective date of the Registration Statement or, in the event of an Underwritten Offering, the date of the closing under the underwriting agreement, in customary form, scope and substance, which opinions shall be reasonably satisfactory to such Participating Holders or underwriters, as the case may be, and their respective counsel;
- (xvii)** in the case of an Underwritten Offering, obtain for delivery to the Company and the managing underwriter or underwriters, with copies to the Participating Holders, a cold comfort letter from the Company's independent certified public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters as the managing underwriter or underwriters reasonably request, dated the date of execution of the underwriting agreement and brought down to the closing under the underwriting agreement;
- (xviii)** cooperate with each Participating Holder and each underwriter, if any, participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with the FINRA;
- (xix)** use its reasonable best efforts to comply with all applicable securities laws and make available to its security holders, as soon as reasonably practicable, an earnings statement satisfying the provisions of Section 11(a) of the Securities Act and the rules and regulations promulgated thereunder;
- (xx)** provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by the applicable Registration Statement from and after a date not later than the effective date of such Registration Statement;
- (xxi)** use its reasonable best efforts to cause all Registrable Securities covered by the applicable Registration Statement to be listed on each securities exchange on which any of the Company Shares are then listed or quoted and on each inter-dealer quotation system on which any of the Company Shares are then quoted;
- (xxii)** make available upon reasonable notice at reasonable times and for reasonable periods for inspection by any Participating Investor, by any underwriter participating in any disposition to be effected pursuant to such Registration Statement and by any attorney, accountant or other agent retained by such Participating Investor(s) or any such underwriter, all pertinent financial and other

records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees and the independent public accountants who have certified its financial statements to make themselves available to discuss the business of the Company and to supply all information reasonably requested by any such Person in connection with such Registration Statement as shall be necessary to enable them to exercise their due diligence responsibility; *provided*, that, any such Person gaining access to information regarding the Company pursuant to this Section 2.05(a)(xxii) shall agree to hold in strict confidence and shall not make any disclosure or use any information regarding the Company that the Company determines in good faith to be confidential, and of which determination such Person is notified, unless (w) the release of such information is requested or required by law or by deposition, interrogatory, requests for information or documents by a governmental entity, subpoena or similar process, (x) such information is or becomes publicly known other than through a breach of this or any other agreement of which such Person has actual knowledge, (y) such information is or becomes available to such Person on a non-confidential basis from a source other than the Company or (z) such information is independently developed by such Person; and

(xxiii) in the case of an Underwritten Offering, cause the senior executive officers of the Company to participate in the customary "road show" presentations that may be reasonably requested by the managing underwriter or underwriters in any such Underwritten Offering and otherwise to facilitate, cooperate with, and participate in each proposed offering contemplated herein and customary selling efforts related thereto.

(b) The Company may require each Participating Holder to furnish to the Company such information regarding the distribution of such securities and such other information relating to such Participating Holder and its ownership of Registrable Securities as the Company may from time to time reasonably request in writing. Each Participating Holder agrees to furnish such information to the Company and to cooperate with the Company as reasonably necessary to enable the Company to comply with the provisions of this Agreement.

(c) Each Participating Holder agrees that, upon delivery of any notice by the Company of the happening of any event of the kind described in Section 2.05(a)(iv)(C), (D), or (E) or Section 2.05(a)(v), such Participating Holder will forthwith discontinue disposition of Registrable Securities pursuant to such Registration Statement until (i) such Participating Holder's receipt of the copies of the supplemented or amended Prospectus or Issuer Free Writing Prospectus contemplated by Section 2.05(a)(v), (ii) such Participating Holder is advised in writing by the Company that the use of the Prospectus or Issuer Free Writing Prospectus, as the case may be, may be resumed, (iii) such Participating Holder is advised in writing by the Company of the termination, expiration or cessation of such order or suspension referenced in Section 2.05(a)(iv)(C) or (E) or (iv) such Participating Holder is advised in writing by the Company that the representations and warranties of the Company in such applicable underwriting agreement are true and correct in all material respects. If so directed by the Company, such Participating Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Participating Holder's possession, of the Prospectus or any Issuer Free Writing Prospectus covering such Registrable Securities current at the time of delivery of such notice. In the event the Company shall give any such notice, the period during which the applicable Registration Statement is required to be maintained effective shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of Registrable Securities covered by such Registration Statement either receives the copies of the supplemented or amended Prospectus or Issuer Free Writing Prospectus contemplated by Section 2.05(a)(v) or is advised in writing by the Company that the use of the Prospectus or Issuer Free Writing Prospectus may be resumed.

SECTION 2.06 Underwritten Offerings.

(a) Demand and Shelf Registrations. If requested by the underwriters for any Underwritten Offering requested by any Participating Investor pursuant to a Registration under Section 2.01 or Section 2.02, the Company shall enter into an underwriting agreement with such underwriters for such offering, such agreement to be reasonably satisfactory in substance and form to the Company, each Participating Investor and the underwriters, and to contain such representations and warranties by the Company and such other terms as are generally prevailing in agreements of that type, including indemnities no less favorable to the recipient thereof than those provided in Section 2.09. Each Participating Investor shall cooperate with the Company in the negotiation of such underwriting agreement and shall give consideration to the reasonable suggestions of the Company regarding the form thereof. The Participating Holders shall be parties to such underwriting agreement, which underwriting agreement shall (i) contain such representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such Participating Holders as are customarily made by issuers to selling stockholders in secondary underwritten public offerings and (ii) provide that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement also shall be conditions precedent to the obligations of such Participating Holders. Any such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters in connection with such underwriting agreement other than representations, warranties or agreements regarding such Participating Holder, such Participating Holder's title to the Registrable Securities, such Participating Holder's authority to sell the Registrable Securities, such Participating Holder's intended method of distribution, absence of liens with respect to the Registrable Securities, enforceability of the applicable underwriting agreement as against such Participating Holder, receipt of all consents and approvals with respect to the entry into such underwriting agreement and the sale of such Registrable Securities and any other representations required to be made by such Participating Holder under applicable law, rule or regulation, and the aggregate amount of the liability of such Participating Holder in connection with such underwriting agreement shall not exceed such Participating Holder's net proceeds from such Underwritten Offering.

(b) Piggyback Registrations. If the Company proposes to register any of its securities under the Securities Act as contemplated by Section 2.03 and such securities are to be distributed in an Underwritten Offering through one or more underwriters, the Company shall, if requested by any Holder pursuant to Section 2.03 and subject to the provisions of Sections 2.03(b) and (c), use its reasonable best efforts to arrange for such underwriters to include on the same terms and conditions that apply to the other sellers in such Registration all the Registrable Securities to be offered and sold by such Holder among the securities of the Company to be distributed by such underwriters in such Registration. The Participating Holders shall be parties to the underwriting agreement between the Company and such underwriters, which underwriting agreement shall (i) contain such representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such Participating Holders as are customarily made by issuers to selling stockholders in secondary underwritten public offerings and (ii) provide that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement also shall be conditions precedent to the obligations of such Participating Holders. Any such Participating Holder shall not be required to make any representations or warranties to, or agreements with the Company or the underwriters in connection with such underwriting agreement other than representations, warranties or agreements regarding such Participating Holder, such Participating Holder's title to the Registrable Securities, such Participating Holder's authority to sell the Registrable Securities, such Holder's intended method of distribution, absence of liens with respect to the Registrable Securities, enforceability of the applicable underwriting agreement as against such Participating Holder, receipt of all consents and approvals with respect to the entry into such underwriting agreement and the sale of such Registrable Securities or any other representations required to be made by such Participating Holder under applicable law, rule or regulation, and the aggregate amount of the liability of such Participating Holder in connection with such underwriting agreement shall not exceed such Participating Holder's net proceeds from such Underwritten Offering.

(c) Participation in Underwritten Registrations. Subject to the provisions of Sections 2.06(a) and (b) above, no Person may participate in any Underwritten Offering hereunder unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Persons entitled to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements.

(d) Price and Underwriting Discounts. In the case of an Underwritten Offering under Section 2.01 or 2.02, the price, underwriting discount and other financial terms for the Registrable Securities shall be determined by the Participating Investor(s) in such Registration.

SECTION 2.07 No Inconsistent Agreements; Additional Rights. The Company is not currently a party to, and shall not hereafter enter into without the prior written consent of the Institutional Investors holding a majority of the then-outstanding Registrable Securities held by all Institutional Investors, any agreement with respect to its securities that is inconsistent with the rights granted to the Holders by this Agreement, including allowing any other holder or prospective holder of any securities of the Company (a) registration rights in the nature or substantially in the nature of those set forth in Section 2.01, Section 2.02 or Section 2.03 that would have priority over the Registrable Securities with respect to the inclusion of such securities in any Registration (except to the extent such registration rights are solely related to registrations of the type contemplated by Section 2.03(a)(iii) and (iv)) or (b) demand registration rights in the nature or substantially in the nature of those set forth in Section 2.01 or Section 2.02 that are exercisable prior to such time as the Institutional Investors can first exercise their rights under Section 2.01 or Section 2.02.

SECTION 2.08 Registration Expenses. All expenses incident to the Company's performance of or compliance with this Agreement shall be paid by the Company, including (i) all registration and filing fees, and any other fees and expenses associated with filings required to be made with the SEC, FINRA and if applicable, the fees and expenses of any "qualified independent underwriter," as such term is defined in FINRA Rule 5121 (or any successor provision), and of its counsel, (ii) all fees and expenses in connection with compliance with any securities or "**Blue Sky**" laws (including fees and disbursements of counsel for the underwriters in connection with "**Blue Sky**" qualifications of the Registrable Securities), (iii) all printing, duplicating, word processing, messenger, telephone, facsimile and delivery expenses (including expenses of printing certificates for the Registrable Securities in a form eligible for deposit with The Depository Trust Company or any other required depositories and of printing Prospectuses and Issuer Free Writing Prospectuses), (iv) all fees and disbursements of counsel for the Company and of all independent certified public accountants of the Company (including the expenses of any special audit and cold comfort letters required by or incident to such performance), (v) Securities Act liability insurance or similar insurance if the Company so desires or the underwriters so require in accordance with then-customary underwriting practice, (vi) all fees and expenses incurred in connection with the listing of Registrable Securities on any securities exchange or quotation of the Registrable Securities on any inter-dealer quotation system, (vii) all applicable rating agency fees with respect to the Registrable Securities, (viii) all reasonable fees and disbursements of one legal counsel and one accounting firm as selected by the holders of a majority of the Registrable Securities included in such Registration, (ix) any reasonable fees and disbursements of underwriters customarily paid by issuers or sellers of securities, (x) all fees and expenses of any special experts or other Persons retained by the Company in connection with any Registration, (xi) all of the Company's internal expenses (including all salaries and expenses of its officers and employees performing legal or accounting duties), (xii) all expenses related to the "road-show" for any Underwritten Offering, including all travel, meals and lodging and (xiii) any other

fees and disbursements customarily paid by the issuers of securities. All such expenses are referred to herein as “**Registration Expenses.**” The Company shall not be required to pay any underwriting discounts and commissions and transfer taxes, if any, attributable to the sale of Registrable Securities, which fees shall be borne by the Holders selling Registrable Securities in proportion to the number of Registrable Securities sold in the offering by each such Holder. In addition, in connection with each Registration or offering made pursuant to this Agreement, the Company shall pay the reasonable fees and expenses of the Institutional Investors’ counsel.

SECTION 2.09 Indemnification.

(a) Indemnification by the Company. The Company agrees to indemnify and hold harmless, to the full extent permitted by law, each of the Holders, each of their respective direct or indirect partners, members or shareholders and each of such partner’s, member’s or shareholder’s partners, members or shareholders and, with respect to all of the foregoing Persons, each of their respective Affiliates, employees, directors, officers, trustees, investment advisers or agents and each Person who controls (within the meaning of the Securities Act or the Exchange Act) such Persons and each of their respective Representatives from and against any and all losses, penalties, judgments, suits, costs, claims, damages, liabilities and expenses, joint or several (including reasonable costs of investigation and legal expenses) (each, a “**Loss**” and collectively, “**Losses**”) arising out of or based upon (i) any untrue or alleged untrue statement of a material fact contained in any Registration Statement under which such Registrable Securities were Registered under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment or supplement thereto or any documents incorporated by reference therein), any Issuer Free Writing Prospectus or amendment or supplement thereto, or any other disclosure document produced by or on behalf of the Company or any of its Subsidiaries including reports and other documents filed under the Exchange Act, (ii) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, preliminary Prospectus or Issuer Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, (iii) any violation or alleged violation by the Company of any federal, state or common law rule or regulation applicable to the Company or any of its Subsidiaries in connection with any such registration, qualification, compliance or sale of Registrable Securities, (iv) any failure to register or qualify Registrable Securities in any state where the Company or its agents have affirmatively undertaken or agreed in writing that the Company (the undertaking of any underwriter being attributed to the Company) will undertake such registration or qualification on behalf of the Holders of such Registrable Securities (*provided*, that, in such instance the Company shall not be so liable if it has undertaken its reasonable best efforts to so register or qualify such Registrable Securities) or (v) any actions or inactions or proceedings in respect of the foregoing whether or not such indemnified party is a party thereto, and the Company will reimburse, as incurred, each such Holder and each of their respective direct or indirect partners, members or shareholders and each of such partner’s, member’s or shareholder’s partners members or shareholders and, with respect to all of the foregoing Persons, each of their respective Affiliates, employees, directors, officers, trustees, investment advisers or agents and controlling Persons and each of their respective Representatives, for any legal and any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action; *provided*, that, the Company shall not be liable to any particular indemnified party to the extent that any such Loss arises out of or is based upon (A) an untrue statement or alleged untrue statement or omission or alleged omission made in any such Registration Statement or other document in reliance upon and in conformity with written information furnished to the Company by such indemnified party expressly for use in the preparation thereof or (B) an untrue statement or omission in a preliminary Prospectus relating to Registrable Securities, if a Prospectus (as then amended or supplemented) that would have cured the defect was furnished to the indemnified party from whom the Person asserting the claim giving rise to such Loss purchased Registrable Securities at least five (5) days prior to the written confirmation of the sale of the Registrable Securities to such Person and a copy of such Prospectus (as amended and supplemented) was not sent or given by or on

behalf of such indemnified party to such Person at or prior to the written confirmation of the sale of the Registrable Securities to such Person. This indemnity shall be in addition to any liability the Company may otherwise have. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Holder or any indemnified party and shall survive the transfer of such securities by such Holder. The Company shall also indemnify underwriters, selling brokers, dealer managers and similar securities industry professionals participating in the distribution, their officers and directors and each Person who controls such Persons (within the meaning of the Securities Act and the Exchange Act) to the same extent as provided above with respect to the indemnification of the indemnified parties.

(b) Indemnification by the Participating Holders. Each Participating Holder agrees (severally and not jointly) to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors and officers and each Person who controls the Company (within the meaning of the Securities Act or the Exchange Act), and each other Holder, each of such other Holder's respective direct or indirect partners, members or shareholders and each of such partner's, member's or shareholder's partners, members or shareholders and, with respect to all of the foregoing Persons, each of their respective Affiliates, employees, directors, officers, trustees or agents and each Person who controls (within the meaning of the Securities Act or the Exchange Act) such Persons and each of their respective Representatives from and against any Losses resulting from (i) any untrue statement of a material fact in any Registration Statement under which such Registrable Securities were Registered under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment or supplement thereto or any documents incorporated by reference therein) or any Issuer Free Writing Prospectus or amendment or supplement thereto, or (ii) any omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, preliminary Prospectus or Issuer Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission is contained in any information furnished in writing by such Holder to the Company specifically for inclusion in such Registration Statement and has not been corrected in a subsequent writing prior to or concurrently with the sale of the Registrable Securities to the Person asserting the claim, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) was made in such Registration Statement, Prospectus, offering circular, Issuer Free Writing Prospectus or other document, in reliance upon and in conformity with written information furnished to the Company by such Holder expressly for use therein. In no event shall the liability of such Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder under the sale of Registrable Securities giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. Any Person entitled to indemnification under this Section 2.09 shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (*provided*, that, any delay or failure to so notify the indemnifying party shall relieve the indemnifying party of its obligations hereunder only to the extent, if at all, that it is actually and materially prejudiced by reason of such delay or failure) and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; *provided*, that, any Person entitled to indemnification hereunder shall have the right to select and employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (A) the indemnifying party has agreed in writing to pay such fees or expenses, (B) the indemnifying party shall have failed to assume the defense of such claim within a reasonable time after delivery of notice of such claim from the Person entitled to indemnification hereunder and employ counsel reasonably satisfactory to such Person, (C) the indemnified party has reasonably concluded (based upon advice of its counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, or (D) in the reasonable judgment of any such Person (based upon advice of its counsel) a conflict of interest may exist between such Person and the indemnifying party with respect to such claims (in which

case, if the Person notifies the indemnifying party in writing that such Person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such Person). If the indemnifying party assumes the defense, the indemnifying party shall not have the right to settle such action, consent to entry of any judgment or enter into any settlement, in each case without the prior written consent of the indemnified party, unless the entry of such judgment or settlement (i) includes as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of an unconditional release from all liability in respect to such claim or litigation and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such indemnified party, and *provided*, that, any sums payable in connection with such settlement are paid in full by the indemnifying party. If such defense is not assumed by the indemnifying party, the indemnifying party will not be subject to any liability for any settlement made without its prior written consent, but such consent may not be unreasonably withheld. It is understood that the indemnifying party or parties shall not, except as specifically set forth in this Section 2.09(c), in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements or other charges of more than one separate firm admitted to practice in such jurisdiction at any one time unless (x) the employment of more than one counsel has been authorized in writing by the indemnifying party or parties, (y) an indemnified party has reasonably concluded (based on the advice of counsel) that there may be legal defenses available to it that are different from or in addition to those available to the other indemnified parties, or (z) a conflict or potential conflict exists or may exist (based upon advice of counsel to an indemnified party) between such indemnified party and the other indemnified parties, in each of which cases the indemnifying party shall be obligated to pay the reasonable fees and expenses of such additional counsel or counsels.

(d) Contribution. If for any reason the indemnification provided for in paragraphs (a) and (b) of this Section 2.09 is unavailable to an indemnified party or insufficient in respect of any Losses referred to therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such Loss in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party or parties on the other hand in connection with the acts, statements or omissions that resulted in such losses, as well as any other relevant equitable considerations. In connection with any Registration Statement filed with the SEC by the Company, the relative fault of the indemnifying party on the one hand and the indemnified party on the other hand shall be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the 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. The parties hereto agree that it would not be just or equitable if contribution pursuant to this Section 2.09(d) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in this Section 2.09(d). No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The amount paid or payable by an indemnified party as a result of the Losses referred to in Sections 2.09(a) and 2.09(b) shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 2.09(d), in connection with any Registration Statement filed by the Company, a Participating Holder shall not be required to contribute any amount in excess of the dollar amount of the net proceeds received by such Holder under the sale of Registrable Securities giving rise to such contribution obligation less any amount paid by such Holders pursuant to Section 2.09(b). If indemnification is available under this Section 2.09, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Sections 2.09(a) and 2.09(b) hereof without regard to the provisions of this Section 2.09(d).

(e) **No Exclusivity.** The remedies provided for in this Section 2.09 are not exclusive and shall not limit any rights or remedies which may be available to any indemnified party at law or in equity or pursuant to any other agreement.

(f) **Survival.** The indemnities provided in this Section 2.09 shall survive the transfer of any Registrable Securities by such Holder.

SECTION 2.10 Rules 144 and 144A and Regulation S. The Company covenants that it will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder (or, if the Company is not required to file such reports, it will, upon the reasonable request of an Institutional Investor or a Mutual Fund Investor, make publicly available such necessary information for so long as necessary to permit sales pursuant to Rules 144, 144A or Regulation S under the Securities Act), and it will take such further action as any Institutional Investor or Mutual Fund Investor may reasonably request, all to the extent required from time to time to enable the Holders, following the IPO, to sell Registrable Securities without Registration under the Securities Act within the limitation of the exemptions provided by (i) Rules 144, 144A or Regulation S under the Securities Act, as such Rules may be amended from time to time, or (ii) any similar rule or regulation hereafter adopted by the SEC. Upon the reasonable request of a Holder, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements and, if not, the specifics thereof.

SECTION 2.11 Limitation on Registrations and Underwritten Offerings.

(a) Notwithstanding the rights and obligations set forth in Sections 2.01 and 2.02, in no event shall the Company be obligated to take any action to effect any Demand Registration at the request of the Institutional Investors (and its Affiliates their Permitted Assignees) after the Company has effected such number of Demand Registrations at the request of the Institutional Investors and their Affiliates and Permitted Assignees equal to the number of Institutional Investor Registration Demands.

(b) Notwithstanding the rights and obligations set forth in Sections 2.01 and 2.02, in no event shall the Company be obligated to take any action to (i) effect more than one Marketed Underwritten Offering in any consecutive 90-day period or (ii) effect any Underwritten Offering unless the Institutional Investor initiating such Underwritten Offering proposes to sell Registrable Securities in such Underwritten Offering having a reasonably anticipated gross aggregate price (before deduction of underwriter commissions and offering expenses) of at least \$10,000,000.

(c) For purposes of this Agreement, “**Institutional Investor Registration Demands**” means (i) with respect to Warburg Pincus, three (3), (ii) with respect to Vertical, one (1) and (iii) with respect to D1, one (1); *provided, however*, that with respect to Registrations pursuant to Section 2.02(a), if the Company is eligible to file a Short Form Registration, such Short Form Registrations (and any Shelf Take-Downs, including any Marketed Underwritten Shelf Take-Downs) shall not be limited and shall not count as an Institutional Investor Registration Demand for purposes of Section 2.11(a).

SECTION 2.12 Clear Market. With respect to any Underwritten Offerings of Registrable Securities by an Institutional Investor, the Company agrees not to effect (other than pursuant to the Registration applicable to such Underwritten Offering or pursuant to a Special Registration or pursuant to the exercise by another Institutional Investor of any of its rights under Section 2.01 or Section 2.02) any public sale or distribution, or to file any Registration Statement (other than pursuant to the Registration applicable to such Underwritten Offering or pursuant to a Special Registration or pursuant to the exercise by an Institutional Investor of any of its rights under Section 2.01 or Section 2.02) covering any of its equity securities or any securities convertible into or exchangeable or exercisable for such securities, during the period not to exceed ten (10) days prior and sixty (60) days following the effective date of such offering or

such longer period up to ninety (90) days as may be requested by the managing underwriter for such Underwritten Offering. “**Special Registration**” means the registration of (A) equity securities and/or options or other rights in respect thereof solely registered on Form S-4 or Form S-8 (or successor form) or (B) shares of equity securities and/or options or other rights in respect thereof to be offered to directors, employees, consultants, customers, lenders or vendors of the Company or its Subsidiaries or in connection with dividend reinvestment plans.

SECTION 2.13 In-Kind Distributions. If any Holder seeks to effectuate an in-kind distribution of all or part of its Company Shares to its direct or indirect equityholders, the Company will reasonably cooperate with and assist such Holder, such equityholders and the Company’s transfer agent to facilitate such in-kind distribution in the manner reasonably requested by such Holder (including the delivery of instruction letters by the Company or its counsel to the Company’s transfer agent, the delivery of customary legal opinions by counsel to the Company and the delivery of Company Shares without restrictive legends, to the extent no longer applicable).

ARTICLE III

MISCELLANEOUS

SECTION 3.01 Term. This Agreement shall terminate with respect to any Holder (a) with the prior written consent of the Institutional Investors holding a majority of the then-outstanding Registrable Securities held by all Institutional Investors in connection with the consummation of a Change of Control (including any Deemed Liquidation Event (as defined in the certificate of incorporation of the Company)), (b) following the IPO, for those Holders (other than the Institutional Investors) that beneficially own less than five percent (5%) of the Company’s outstanding Company Shares (determined on an as-converted basis), if all of the Registrable Securities then owned by such Holder could be sold in any ninety (90)-day period pursuant to Rule 144 (assuming for this purpose that such Holder is an Affiliate of the Company), (c) as to any Holder, if all of the Registrable Securities held by such Holder have been sold or otherwise transferred in a Registration pursuant to the Securities Act or pursuant to an exemption therefrom, or (d) with respect to any Holder that is an officer, director, employee or consultant of the Company or any of its Subsidiaries, on the date on which such Holder ceases to be an employee of the Company or its Subsidiaries. Notwithstanding the foregoing, the provisions of Sections 2.09, 2.10 and 2.13 and all of this Article III shall survive any such termination. Upon the written request of the Company, each Holder agrees to promptly deliver a certificate to the Company setting forth the number of Registrable Securities then beneficially owned by such Holder.

SECTION 3.02 Injunctive Relief. It is hereby agreed and acknowledged that it will be impossible to measure in money the damage that would be suffered if the parties fail to comply with any of the obligations herein imposed on them and that in the event of any such failure, an aggrieved Person will be irreparably damaged and will not have an adequate remedy at law. Any such Person shall, therefore, be entitled (in addition to any other remedy to which it may be entitled in law or in equity) to injunctive relief, including specific performance, to enforce such obligations, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law.

SECTION 3.03 Attorneys’ Fees. In any action or proceeding brought to enforce any provision of this Agreement or where any provision hereof is validly asserted as a defense, the successful party shall, to the extent permitted by applicable law, be entitled to recover reasonable attorneys’ fees in addition to any other available remedy.

SECTION 3.04 Notices. Unless otherwise specified herein, all notices, consents, approvals, reports, designations, requests, waivers, elections and other communications authorized or

required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered, (b) when transmitted via facsimile to the number set out below or on **SCHEDULE A** or **SCHEDULE B**, as applicable, if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid), (c) the day following the day (except if not a Business Day then the next Business Day) on which the same has been delivered prepaid to a reputable national overnight air courier service, (d) when transmitted via email (including via attached pdf document) to the email address set out below or on Schedule A or Schedule B, as applicable, if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid) or (e) the third Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case to the respective parties as applicable, at the address, facsimile number or email address set forth on **SCHEDULE A** or **SCHEDULE B**, as applicable (or such other address, facsimile number or email address as such Holder may specify by notice to the Company in accordance with this Section 3.04), and the Company at the following address:

Outset Medical, Inc.
1830 Bering Drive
San Jose, CA 95112
Fax: (669) 231-8201
Attention: Leslie Trigg, Chief Executive Officer
Email: ltrigg@outsetmedical.com

with copies (which shall not constitute notice) to:

Cooley LLP
3175 Hanover Street
Palo Alto, CA 94304
Attention: Frank Rahmani
Email: rahmaniff@cooley.com

SECTION 3.05 Publicity and Confidentiality. Each of the parties hereto shall keep confidential this Agreement and the transactions contemplated hereby, and any nonpublic information received pursuant hereto, and shall not disclose, issue any press release or otherwise make any public statement relating hereto or thereto without the prior written consent of the Company and the Institutional Investors holding a majority of the then-outstanding Registrable Securities held by all Institutional Investors unless so required by applicable law or any governmental authority or unless such information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.05 by such party), (b) is or has been independently developed or conceived by such party without use of the non-public information received pursuant hereto, or (c) is or has been made known or disclosed to such party by a third party without a breach of any obligation of confidentiality such third party may have to the Company; *provided* that no such written consent shall be required (and each party shall be free to release such information) for disclosures (a) to each party's partners, members, advisors, employees, agents, accountants, trustee, attorneys, Affiliates and investment vehicles managed or advised by such party or the partners, members, advisors, employees, agents, accountants, trustee or attorneys of such Affiliates or managed or advised investment vehicles, in each case so long as such Persons agree to keep such information confidential or (b) to the extent required by law, rule or regulation (including, without limitation, as required by a court order or an applicable governmental or regulatory authority). Notwithstanding anything in this Section 3.05 to the contrary, Fidelity Management & Research Company ("**Fidelity**") and T. Rowe Price and their respective Affiliates (including, without limitation, the T. Rowe Price Investors) shall have the right to publicly disclose their investment in the Company (including the name of the company, the type and number of the shares purchased, and the size of the investment).

SECTION 3.06 Amendment. The terms and provisions of this Agreement may only be amended, modified or waived at any time and from time to time by a writing executed by the Company and the Institutional Investors holding a majority of the then-outstanding Registrable Securities held by all Institutional Investors; *provided*, that, any amendment, modification or waiver that would affect the rights, benefits or obligations of any Holder (other than an Institutional Investor or a Mutual Fund Investor (except for Mubadala)) or group of Holders (other than Institutional Investors or the Mutual Fund Investors (except for Mubadala)) shall require the written consent of such Holder or the majority of such group of Holders, as applicable, only if such amendment, modification or waiver would materially and adversely affect such rights, benefits or obligations of such Holder or such group of Holders in a materially worse manner than the manner in which such amendment or waiver treats the non-affected Holders (other than Institutional Investors and the Mutual Fund Investors (except for Mubadala)); and *provided, further*, (i) that any amendment, termination or waiver of Section 2.04 that is adverse to a Mutual Fund Investor shall require the prior written consent of such Mutual Fund Investor and (ii) any amendment, modification or waiver of any other provision or Section of this Agreement, that would affect the rights, benefits or obligations of any Mutual Fund Investor shall require the written consent of such Mutual Fund Investor only if such amendment, modification or waiver would adversely affect such rights, benefits or obligations of such Mutual Fund Investor in a worse manner than the manner in which such amendment or waiver treats the non-affected Holders.

SECTION 3.07 Successors, Assigns and Transferees. The rights and obligations of each party hereto may not be assigned, in whole or in part, without the written consent of (i) the Company and (ii) the Institutional Investors holding a majority of the then-outstanding Registrable Securities held by all Institutional Investors; *provided, however*, that notwithstanding the foregoing, the rights and obligations set forth herein may be assigned, in whole or in part, by any Institutional Investor or any Mutual Fund Investor to any transferee of Registrable Securities that holds (after giving effect to such transfer) in excess of one percent (1%) of the then-outstanding Registrable Securities (or, if less, all of the Registrable Securities held by such Institutional Investor or Mutual Fund Investor, as applicable), and such transferee shall, with the consent of the transferring Institutional Investor or Mutual Fund Investor, be treated as an Institutional Investor or Mutual Fund Investor, as applicable, for all purposes of this Agreement (each Person to whom the rights and obligations are assigned in compliance with this Section 3.07 is a “*Permitted Assignee*” and all such Persons, collectively, are “*Permitted Assignees*”); *provided further*, that such transferee shall only be admitted as a party hereunder upon its, his or her execution and delivery of a joinder agreement, in form and substance acceptable to each Institutional Investor, agreeing to be bound by the terms and conditions of this Agreement as if such Person were a party hereto (together with any other documents the Institutional Investors determine are necessary to make such Person a party hereto), whereupon such Person will be treated as a Holder for all purposes of this Agreement, with the same rights, benefits and obligations hereunder as the transferring Holder with respect to the transferred Registrable Securities (except that if the transferee was a Holder prior to such transfer, such transferee shall have the same rights, benefits and obligations with respect to the such transferred Registrable Securities as were applicable to Registrable Securities held by such transferee prior to such transfer). Nothing herein shall operate to permit a transfer of Registrable Securities otherwise restricted by the Company Stockholders Agreement or any other agreement to which any Holder may be a party.

SECTION 3.08 Binding Effect. Except as otherwise provided in this Agreement, the terms and provisions of this Agreement shall be binding on and inure to the benefit of each of the parties hereto and their respective successors.

SECTION 3.09 Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any Person not a party hereto (other than those Persons entitled to indemnity or contribution under Section 2.09, each of whom shall be a third party beneficiary thereof) any right, remedy or claim under or by virtue of this Agreement.

SECTION 3.10 Governing Law; Jurisdiction. THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES THEREOF. ANY ACTION OR PROCEEDING AGAINST THE PARTIES RELATING IN ANY WAY TO THIS AGREEMENT MAY BE BROUGHT AND ENFORCED EXCLUSIVELY IN THE COURTS OF THE STATE OF DELAWARE OR (TO THE EXTENT SUBJECT MATTER JURISDICTION EXISTS THEREFOR) THE U.S. DISTRICT COURT FOR THE DISTRICT OF DELAWARE, AND THE PARTIES IRREVOCABLY SUBMIT TO THE JURISDICTION OF BOTH SUCH COURTS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING.

SECTION 3.11 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY. EACH OF THE PARTIES HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 3.11.

SECTION 3.12 Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 3.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement.

SECTION 3.14 Headings. The heading references herein and in the table of contents hereto are for convenience purposes only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

SECTION 3.15 Joinder. Any Person that holds Company Shares may, with the prior written consent of each Institutional Investor, be admitted as a party to this Agreement upon its execution and delivery of a joinder agreement, in form and substance acceptable to the Institutional Investors, agreeing to be bound by the terms and conditions of this Agreement as if such Person were a party hereto (together with any other documents the Institutional Investors determine are necessary to make such Person a party hereto), whereupon such Person will be treated as a Holder for all purposes of this Agreement.

SECTION 3.16 Alternative IPO Entities. If the entity registering equity securities in connection with the IPO is a parent company or subsidiary of the Company (such entity, the “**Alternative IPO Entity**”) rather than the Company, whether as a result of a reorganization of the Company or otherwise, the Company and Holders shall take such action as may be necessary to cause the Alternative IPO Entity to become a party hereto, with the rights, benefits and obligations of the Company hereunder or, to the extent the Institutional Investors deem appropriate, enter into a registration rights agreement with respect to the equity securities of the Alternative IPO Entity with terms that are substantially similar (to the extent practicable) to, mutatis mutandis, the terms of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

OUTSET MEDICAL, INC.

By: _____/s/ Leslie Trigg
Name: Leslie Trigg
Title: President and Chief Executive Officer

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

AURORA INVESTMENT COMPANY LLC

By: /s/ Andre N
Name: Andre N
Title: Authorised Signatory

By: /s/ Camilla Macapili Languille
Name: Camilla Macapili Languille
Title: Authorised Signatory

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

D1 CAPITAL PARTNERS MASTERS LP

By: D1 Capital Partners GP Sub LLC, its General Partner

By: /s/ Dan Sundheim
Name: Dan Sundheim
Title: Founder & CEO

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**FIDELITY SELECT PORTFOLIOS: HEALTH CARE
PORTFOLIO**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

**FIDELITY SELECT PORTFOLIOS: SELECT
MEDICAL TECHNOLOGY AND DEVICES PORTFOLIO**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**FIDELITY ADVISOR SERIES VII: FIDELITY ADVISOR
HEALTH CARE FUND**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

VARIABLE INSURANCE PRODUCTS FUND IV: HEALTH
CARE PORTFOLIO

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**FIDELITY MT. VERNON STREET TRUST; FIDELITY
SERIES GROWTH COMPANY FUND**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

**FIDELITY MT. VERNON STREET TRUST; FIDELITY
GROWTH COMPANY FUND**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

**FIDELITY MT. VERNON STREET TRUST; FIDELITY
GROWTH COMPANY FUND K6 FUND**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written. .

FIDELITY GROWTH COMPANY COMMINGLED POOL

By: Fidelity Management Trust Company, as Trustee

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

FIDELITY CENTRAL INVESTMENT PORTFOLIOS LLC:
FIDELITY HEALTH CARE CENTRAL FUND

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PERCEPTIVE LIFE SCIENCES MASTER FUND LTD

By: /s/ James H Mannix
Name: James H Mannix
Title: COO

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

T. ROWE PRICE HEALTH SCIENCE FUND, INC.
TD MUTUAL FUNDS - TD HEALTH SCIENCES FUND
VALIC COMPANY I - HEALTH SCIENCES FUND
T. ROWE PRICE HEALTH SCIENCES PORTFOLIO
Each account, severally and not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or
Subadviser, as applicable

By: /s/ Jon Wood
Name: Jon Wood
Title: Vice President

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

T. ROWE PRICE NEW HORIZONS FUND, INC.
T. ROWE PRICE NEW HORIZONS TRUST
T. ROWE PRICE U.S. EQUITIES TRUST
MASSMUTUAL SELECT FUNDS – MASSMUTUAL
SELECT T. ROWE PRICE SMALL AND MID CAP BLEND
FUND

Each account, severally and not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or
Subadviser, as applicable

By: /s/ Francisco Alonso
Name: Francisco Alonso
Title: Vice President

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PFM HEALTHCARE MASTER FUND, L.P.

By: Partner Fund Management, L.P., its investment adviser

By: _____/s/ Yuan Dubord
Name: Yuan Dubord
Title: CFO

PFM HEALTHCARE PRINCIPALS FUND, L.P.

By: Partner Investment Management, L.P., its investment adviser

By: _____/s/ Yuan Dubord
Name: Yuan Dubord
Title: CFO

PARTNER INVESTMENT, L.P.

By: Partner Fund Management, L.P., its investment adviser

By: _____/s/ Yuan Dubord
Name: Yuan Dubord
Title: CFO

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

WARBURG PINCUS X PARTNERS, L.P.

By: Warburg Pincus X, L.P., its General Partner

By: Warburg Pincus X GP L.P., its General Partner

By: WPP GP LLC, its General Partner

By: Warburg Pincus Partners, L.P., its Managing Member

By: Warburg Pincus Partners GP LLC, its General Partner

By: Warburg Pincus & Co., its Managing Member

By: /s/ Steven Glenn

Name: Steven Glenn

Title: Partner

WP X FINANCE, L.P.

By: WPX GP, L.P., its Managing General Partner

By: Warburg Pincus Private Equity X, L.P., its General Partner

By: Warburg Pincus X, L.P., its General Partner

By: Warburg Pincus X GP L.P., its General Partner

By: WPP GP LLC, its General Partner

By: Warburg Pincus Partners, L.P., its Managing Member

By: Warburg Pincus Partners GP LLC, its General Partner

By: Warburg Pincus & Co., its Managing Member

By: /s/ Steven Glenn

Name: Steven Glenn

Title: Partner

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

THIS WARRANT, AND THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT, HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT, OR ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT AGREEMENT

To Purchase Shares of Preferred Stock of

HOME DIALYSIS PLUS, LTD.

Dated as of (the “Effective Date”)

WHEREAS, Home Dialysis Plus, Ltd., a Delaware corporation, has entered into a Loan and Security Agreement of even date herewith (the “Loan Agreement”) with Hercules Technology Growth Capital, Inc., a Maryland corporation (the “Warrantholder”);

WHEREAS, the Company (as defined below) desires to grant to Warrantholder, in consideration for, among other things, the financial accommodations provided for in the Loan Agreement, the right to purchase shares of Preferred Stock (as defined below) pursuant to this Warrant Agreement (the “Agreement”);

NOW, THEREFORE, in consideration of the Warrantholder executing and delivering the Loan Agreement and providing the financial accommodations contemplated therein, and in consideration of the mutual covenants and agreements contained herein, the Company and Warrantholder agree as follows:

SECTION 1. GRANT OF THE RIGHT TO PURCHASE PREFERRED STOCK.

For value received, the Company hereby grants to the Warrantholder, and the Warrantholder is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase, from the Company, an aggregate number of fully paid and non-assessable shares of the Preferred Stock equal to the quotient derived by dividing (a) \$300,000.00 by (b) the Exercise Price (defined below).

As used herein, the following terms shall have the following meanings:

“Act” means the Securities Act of 1933, as amended.

“Company” means Home Dialysis Plus, Ltd., a Delaware corporation, and any successor or surviving entity that assumes the obligations of the Company under this Agreement pursuant to Section 8(a).

“Charter” means the Company’s Certificate of Incorporation or other constitutional document, as may be amended from time to time.

“Common Stock” means the Company’s common stock, \$.001 par value per share;

“Equity Round” means any non-public offering of equity securities by the Company, after the Effective Date but prior to the consummation of an Initial Public Offering, in a transaction or series of related transactions principally for equity financing purposes in which cash is received by the Company and/or debt of the Company is cancelled or converted in exchange for equity securities of the Company; provided that Equity Round shall not include additional closings of the Company’s Series A Preferred Stock round of financing.

“Exercise Price” means (a) if Preferred Stock means Series A Preferred Stock, \$1.00 per share, or (b) if Preferred Stock means Next Round Stock, the lowest price per share of Next Round Stock paid by investors in the Next Round, in either case subject to adjustment pursuant to Section 8.

“Initial Public Offering” means the initial public offering of the Company’s Common Stock pursuant to a registration statement under the Act, which public offering has been declared effective by the Securities and Exchange Commission (“SEC”);

“Merger Event” means any sale, lease or other transfer of all or substantially all assets of the Company or any merger or consolidation involving the Company in which the Company is not the surviving entity, or in which the outstanding shares of the Company’s capital stock are otherwise converted into or exchanged for shares of preferred stock, other securities or property of another entity;

“Next Round” means the next Equity Round in which the Company issues and sells shares of its preferred stock;

“Preferred Stock” means (A) initially, the Series A Preferred Stock of the Company or (B) upon the closing of the Next Round, and pursuant to any election made under Section 8, the class and series of the preferred stock of the Company issued in Next Round (such stock, the “Next Round Stock”), and, to the extent provided in Sections 8(a) and (b), any other stock into or for which such Preferred Stock may be converted or exchanged; provided that upon and after the occurrence of an event which results in the automatic or voluntary conversion, redemption or retirement of all (but not less than all) of the outstanding shares of such Preferred Stock, including, without limitation, the consummation of an Initial Public Offering of the Common Stock in which such a conversion occurs, then from and after the date upon which such outstanding shares are so converted, redeemed or retired, “Preferred Stock” shall mean the Common Stock; and

“Purchase Price” means, with respect to any exercise of this Agreement, an amount equal to the Exercise Price as of the relevant time multiplied by the number of shares of Preferred Stock requested to be exercised under this Agreement pursuant to such exercise.

“Rights Agreement” means that certain Registration Rights Agreement dated February 22, 2010 by and among the Company and certain of its stockholders, as may be amended or restated from time to time.

“Stockholders Agreement” means that certain Stockholders Agreement dated February 22, 2010 by and among the Company and certain of its stockholders.

SECTION 2. TERM OF THE AGREEMENT.

Except as otherwise provided for herein, the term of this Agreement and the right to purchase Preferred Stock as granted herein (the “Warrant”) shall commence on the Effective Date and shall be exercisable for a period ending upon the later to occur of (i) ten (10) years from the Effective Date; or (ii) five (5) years after the Initial Public Offering.

SECTION 3. EXERCISE OF THE PURCHASE RIGHTS.

(a) Exercise. The purchase rights set forth in this Agreement are exercisable by the Warrantholder, in whole or in part, at any time, or from time to time, prior to the expiration of the term set forth in Section 2, by tendering to the Company at its principal office a notice of exercise in the form attached hereto as Exhibit I (the “Notice of Exercise”), duly completed and executed. Promptly upon receipt of the Notice of Exercise and the payment of the Purchase Price in accordance with the terms set forth below, and in no event later than three (3) days thereafter, the Company shall issue to the Warrantholder a certificate for the number of shares of Preferred Stock purchased and shall execute the acknowledgment of exercise in the form attached hereto as Exhibit II (the “Acknowledgment of Exercise”) indicating the number of shares which remain subject to future purchases, if any.

The Purchase Price may be paid at the Warrantholder’s election either (i) by cash or check, or (ii) by surrender of all or a portion of the Warrant for shares of Preferred Stock to be exercised under this Agreement and, if applicable, an amended Agreement representing the remaining number of shares purchasable hereunder, as determined below (“Net Issuance”). If the Warrantholder elects the Net Issuance method, the Company will issue Preferred Stock in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

- X = the number of shares of Preferred Stock to be issued to the Warrantholder.
- Y = the number of shares of Preferred Stock requested to be exercised under this Agreement.
- A = the fair market value of one (1) share of Preferred Stock at the time of issuance of such shares of Preferred Stock.
- B = the Exercise Price.

For purposes of the above calculation, current fair market value of Preferred Stock shall mean with respect to each share of Preferred Stock:

- (i) if the exercise is in connection with an Initial Public Offering, and if the Company's Registration Statement relating to such Initial Public Offering has been declared effective by the SEC, then the fair market value per share shall be the product of (x) the initial "Price to Public" of the Common Stock specified in the final prospectus with respect to the offering and (y) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise;
- (ii) if the exercise is after, and not in connection with an Initial Public Offering, and:
 - (A) if the Common Stock is traded on a securities exchange, the fair market value shall be deemed to be the product of (x) the average of the closing prices over a five (5) day period ending three days before the day the current fair market value of the securities is being determined and (y) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise; or
 - (B) if the Common Stock is traded over-the-counter, the fair market value shall be deemed to be the product of (x) the average of the closing bid and asked prices quoted on the NASDAQ system (or similar system) over the five (5) day period ending three days before the day the current fair market value of the securities is being determined and (y) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise;
- (iii) if at any time the Common Stock is not listed on any securities exchange or quoted in the NASDAQ National Market or the over-the-counter market, the current fair market value of Preferred Stock shall be the product of (x) the highest price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by its Board of Directors and (y) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise, unless the Company shall become subject to a Merger Event, in which case the fair market value of Preferred Stock shall be deemed to be the per share value received by the holders of the Company's Preferred Stock on a common equivalent basis pursuant to such Merger Event.

Upon partial exercise by either cash or Net Issuance, the Company shall promptly issue an amended Agreement representing the remaining number of shares purchasable hereunder. All other terms and conditions of such amended Agreement shall be identical to those contained herein, including, but not limited to the Effective Date hereof.

(b) Exercise Prior to Expiration. To the extent this Agreement is not previously exercised as to all Preferred Stock subject hereto, and if the fair market value of one share of the Preferred Stock is greater than the Exercise Price then in effect, this Agreement shall be deemed automatically exercised pursuant to Section 3(a) (even if not surrendered) immediately before its expiration. For purposes of such automatic exercise, the fair market value of one share of the Preferred Stock upon such expiration shall be determined pursuant to Section 3(a). To the extent this Agreement or any portion thereof is deemed automatically exercised pursuant to this Section 3(b), the Company agrees to promptly notify the Warrantholder of the number of shares of Preferred Stock, if any, the Warrantholder is to receive by reason of such automatic exercise.

SECTION 4. RESERVATION OF SHARES.

During the term of this Agreement, the Company will at all times have authorized and reserved a sufficient number of shares of its Preferred Stock to provide for the exercise of the rights to purchase Preferred Stock as provided for herein, and shall have authorized and reserved a sufficient number of shares of its Common Stock to provide for the conversion of the Preferred Shares available hereunder.

SECTION 5. NO FRACTIONAL SHARES OR SCRIP.

No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Agreement, but in lieu of such fractional shares the Company shall make a cash payment therefor upon the basis of the Exercise Price then in effect.

SECTION 6. NO RIGHTS AS STOCKHOLDER.

This Agreement does not entitle the Warrantholder to any voting rights or other rights as a stockholder of the Company prior to the exercise of this Agreement.

SECTION 7. WARRANTHOLDER REGISTRY.

The Company shall maintain a registry showing the name and address of the registered holder of this Agreement. Warrantholder's initial address, for purposes of such registry, is set forth below Warrantholder's signature on this Agreement. Warrantholder may change such address by giving written notice of such changed address to the Company.

SECTION 8. ADJUSTMENT RIGHTS.

The Exercise Price and the number of shares of Preferred Stock purchasable hereunder are subject to adjustment, as follows:

(a) Merger Event. If at any time there shall be Merger Event, then, as a part of such Merger Event, lawful provision shall be made so that the Warrantholder shall thereafter be entitled to receive, upon exercise of this Agreement, the number of shares of preferred stock or other securities or property (collectively, "Reference Property") that the Warrantholder would have received in connection with such Merger Event if Warrantholder had exercised this Agreement immediately prior to the Merger Event. In any such case, appropriate adjustment (as

determined in good faith by the Company's Board of Directors) shall be made in the application of the provisions of this Agreement with respect to the rights and interests of the Warrantholder after the Merger Event to the end that the provisions of this Agreement (including adjustments of the Exercise Price and adjustments to ensure that the provisions of this Section 8 shall thereafter be applicable, as nearly as possible, to the purchase rights under this Agreement in relation to any Reference Property thereafter acquirable upon exercise of such purchase rights) shall continue to be applicable in their entirety, and to the greatest extent possible. Without limiting the foregoing, in connection with any Merger Event, upon the closing thereof, the successor or surviving entity shall assume the obligations of this Agreement; provided that if the Reference Property includes shares of stock or other securities and assets of an entity other than the successor or purchasing company, as the case may be, in such Merger Event, then such other entity shall assume the obligations under this Agreement and any such assumption shall contain such additional provisions to protect the interests of the Warrantholder as reasonably necessary by reason of the foregoing (as determined in good faith by the Company's Board of Directors); notwithstanding the above, if the Reference property is cash or shares of stock of a publicly traded company with a value on the date of the closing of the Merger Event of not less than two (2) times the aggregate Purchase Price, Warrantholder shall exercise its purchase right under this Agreement and such exercise will be deemed effective immediately prior to the closing of such Merger Event. In connection with a Merger Event and upon Warrantholder's written election to the Company, the Company shall cause this Warrant Agreement to be exchanged for the consideration that Warrantholder would have received if Warrantholder had chosen to exercise its right to have shares issued pursuant to the Net Issuance provisions of this Warrant Agreement without actually exercising such right, acquiring such shares and exchanging such shares for such consideration. The provisions of this Section 8(a) shall similarly apply to successive Merger Events.

(b) Reclassification of Shares. Except for Merger Events subject to Section 8(a), and subject to Section 8(f), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Agreement exist into the same or a different number of securities of any other class or classes, this Agreement shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Agreement immediately prior to such combination, reclassification, exchange, subdivision or other change. The provisions of this Section 8(b) shall similarly apply to successive combination, reclassification, exchange, subdivision or other change.

(c) Subdivision or Combination of Shares. If the Company at any time shall combine or subdivide its Preferred Stock, (i) in the case of a subdivision, the Exercise Price shall be proportionately decreased, and the number of shares of Preferred Stock issuable upon exercise of this Agreement shall be proportionately increased, or (ii) in the case of a combination, the Exercise Price shall be proportionately increased, and the number of shares of Preferred Stock issuable upon the exercise of this Agreement shall be proportionately decreased.

(d) Stock Dividends. If the Company at any time while this Agreement is outstanding and unexpired shall:

(i) pay a dividend with respect to the Preferred Stock payable in Preferred Stock, then the Exercise Price shall be adjusted, from and after the date of determination of stockholders entitled to receive such dividend or distribution, to that price determined by multiplying the Exercise Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Preferred Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Preferred Stock outstanding immediately after such dividend or distribution; or

(ii) make any other distribution with respect to Preferred Stock (or stock into which the Preferred Stock is convertible), except any distribution specifically provided for in any other clause of this Section 8, then, in each such case, provision shall be made by the Company such that the Warrantholder shall receive upon exercise or conversion of this Warrant a proportionate share of any such distribution as though it were the holder of the Preferred Stock (or other stock for which the Preferred Stock is convertible) as of the record date fixed for the determination of the stockholders of the Company entitled to receive such distribution.

(e) Antidilution Rights. Additional antidilution rights applicable to the Preferred Stock purchasable hereunder are as set forth in the Charter and shall be applicable with respect to the Preferred Stock issuable hereunder. The Company shall promptly provide the Warrantholder with any restatement, amendment, modification or waiver of the Charter; provided, that no such amendment, modification or waiver shall impair or reduce the antidilution rights applicable to the Preferred Stock as of the date hereof unless such amendment, modification or waiver affects the rights of Warrantholder with respect to the Preferred Stock in the same manner as it affects all other holders of Preferred Stock. The Company shall provide Warrantholder with prior written notice of any issuance of its stock or other equity security to occur after the Effective Date of this Agreement if such issuance results in an adjustment under the antidilution rights set forth in the Charter, which notice shall include (a) the price at which such stock or security is to be sold, (b) the number of shares to be issued, and (c) such other information as necessary for Warrantholder to determine if a dilutive event has occurred. For the avoidance of doubt, there shall be no duplicate anti-dilution adjustment pursuant to this subsection (e), the forgoing subsection (d) and the Charter.

(f) Notice of Adjustments. If: (i) the Company shall declare any dividend or distribution upon its stock, whether in stock, cash, property or other securities; (ii) the Company shall offer for subscription prorata to the holders of any class of its Preferred Stock or other capital stock any additional shares of stock of any class or other rights; (iii) there shall be any Merger Event; (iv) there shall be an Initial Public Offering; (v) the Company shall sell, lease, license or otherwise transfer all or substantially all of its assets; or (vi) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall send to the Warrantholder: (A) at least thirty (30) days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such dividend, distribution, subscription rights (specifying the date on which the holders of Preferred Stock shall be entitled thereto) or for determining rights to vote in respect of

such Merger Event, dissolution, liquidation or winding up; (B) in the case of any such Merger Event, sale, lease, license or other transfer of all or substantially all assets, dissolution, liquidation or winding up, at least thirty (30) days' prior written notice of the date when the same shall take place (and specifying the date on which the holders of Preferred Stock shall be entitled to exchange their Preferred Stock for securities or other property deliverable upon such Merger Event, dissolution, liquidation or winding up); and (C) in the case of an Initial Public Offering, the Company shall give the Warrantholder at least thirty (30) days' written notice prior to the effective date thereof. If the Company conducts a Next Round, the Company shall provide prompt written notice thereof to the Warrantholder, and upon Warrantholder's receipt of such notice, Warrantholder shall provide a written election to the Company within thirty (30) days' thereafter whether to treat the Preferred Stock as Series A Preferred Stock or Next Round Stock. If the Company does not receive Warrantholder's written election, the Company shall be entitled to make such election on behalf of Warrantholder for the series of stock that is most economically advantageous to Warrantholder, as determined by the Company in its good faith determination, and the Company shall provide Warrantholder notice of such election.

Each such written notice shall set forth, in reasonable detail, (i) the event requiring the notice, and (ii) if any adjustment is required to be made, (A) the amount of such adjustment, (B) the method by which such adjustment was calculated, (C) the adjusted Exercise Price (if the Exercise Price has been adjusted), and (D) the number of shares subject to purchase hereunder after giving effect to such adjustment, and shall be given by first class mail, postage prepaid, or by reputable overnight courier with all charges prepaid, addressed to the Warrantholder at the address for Warrantholder set forth in the registry referred to in Section 7.

(g) Timely Notice. Failure to timely provide such notice required by subsection (f) above shall entitle Warrantholder to retain the benefit of the applicable notice period notwithstanding anything to the contrary contained in any insufficient notice received by Warrantholder. For purposes of this subsection (g), and notwithstanding anything to the contrary in Section 12(g), the notice period shall begin on the date Warrantholder actually receives a written notice containing all the information required to be provided in such subsection (f).

SECTION 9. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY.

(a) Reservation of Preferred Stock. The Preferred Stock issuable upon exercise of the Warrantholder's rights has been or, in the case of Preferred Stock issuable in the Next Round, will be duly and validly reserved and, when issued in accordance with the provisions of this Agreement, will be validly issued, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Preferred Stock issuable pursuant to this Agreement may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to the Warrantholder true, correct and complete copies of its Charter and current bylaws. The issuance of certificates for shares of Preferred Stock upon exercise of this Agreement shall be made without charge to the Warrantholder for any issuance tax in respect thereof, or other cost incurred by the Company in connection with such exercise and the related issuance of shares of Preferred Stock; provided, that the Company shall not be required to pay any tax which may be payable in respect of any transfer and the issuance and delivery of any certificate in a name other than that of the Warrantholder.

(b) Due Authority. The execution and delivery by the Company of this Agreement and the performance of all obligations of the Company hereunder, including the issuance to Warrantholder of the right to acquire the shares of Preferred Stock and the Common Stock into which it may be converted, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (1) does not violate the Company's Charter or current bylaws; (2) does not contravene any law or governmental rule, regulation or order applicable to it; and (3) does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which it is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity relating to enforceability).

(c) Consents and Approvals. No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Agreement, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) Issued Securities. All issued and outstanding shares of Common Stock, Preferred Stock or any other securities of the Company have been duly authorized and validly issued and are fully paid and nonassessable. All outstanding shares of Common Stock, Preferred Stock and any other securities were issued in full compliance with all federal and state securities laws. In addition, as of the date immediately preceding the date of this Agreement:

(i) The authorized capital of the Company consists of (A) 66,000,000 shares of Common Stock, of which 1,476,654 shares are issued and outstanding, and (B) 55,000,000 shares of Preferred Stock, of which 43,641,111 shares are issued and outstanding and are convertible into 43,641,111 shares of Common Stock.

(ii) The Company has reserved 7,782,559 shares of Common Stock for issuance under its Stock Option Plan(s), under which 4,663,466 options are outstanding. The Company has reserved 70,000 shares of Common Stock for issuance upon the exercise of warrants to purchase Common Stock. The Company has reserved 400,000 shares of Preferred Stock and 400,000 shares of Common Stock for issuance upon the exercise of warrants to purchase Preferred Stock. There are no other options, warrants, conversion privileges or other rights presently outstanding to purchase or otherwise acquire any authorized but unissued shares of the Company's capital stock or other securities of the Company. The Company has no outstanding loans to any employee, officer or director of the Company, and the Company agrees not to enter into any such loan or otherwise guarantee the payment of any loan made to an employee, officer or director by a third party.

(iii) Except in accordance with the Company's Charter and the Stockholders Agreement, no stockholder of the Company has preemptive rights to purchase new issuances of the Company's capital stock.

(e) Insurance. The Company has in full force and effect insurance policies, with extended coverage, insuring the Company and its property and business against such losses and risks, and in such amounts, as are customary for corporations engaged in a similar business and similarly situated and as otherwise may be required pursuant to the terms of any other contract or agreement.

(f) Other Commitments to Register Securities. Except as set forth in this Agreement and the Rights Agreement, the Company is not, pursuant to the terms of any other agreement currently in existence, under any obligation to register under the Act any of its presently outstanding securities or any of its securities which may hereafter be issued. The piggyback registration rights set forth in Section 2(b) of the Rights Agreement as specified therein shall be applicable to the Warrantholder as if the Warrantholder were an Other Stockholder (as defined in the Rights Agreement). The obligations in the Rights Agreement relating to the Investors (as defined in the Rights Agreement) as specified therein shall be applicable to the Warrantholder as if the Warrantholder were a holder of Registrable Securities (as defined in the Rights Agreement)

(g) Exempt Transaction. Subject to the accuracy of the Warrantholder's representations in Section 10, the issuance of the Preferred Stock upon exercise of this Agreement, and the issuance of the Common Stock upon conversion of the Preferred Stock, will each constitute a transaction exempt from (i) the registration requirements of Section 5 of the Act, in reliance upon Section 4(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(h) Compliance with Rule 144. If the Warrantholder proposes to sell Preferred Stock issuable upon the exercise of this Agreement, or the Common Stock into which it is convertible, in compliance with Rule 144 promulgated by the SEC, then, upon Warrantholder's written request to the Company, the Company shall furnish to the Warrantholder, within ten days after receipt of such request, a written statement confirming the Company's compliance with the filing requirements of the SEC as set forth in such Rule, as such Rule may be amended from time to time.

(i) Information Rights. During the term of this Warrant, Warrantholder shall be entitled to the information rights contained in Section 6.2 of the Loan Agreement, and Section 6.2 of the Loan Agreement is hereby incorporated into this Agreement by this reference as though fully set forth herein, provided, however, that the Company shall not be required to deliver a Compliance Certificate once all Indebtedness (as defined in the Loan Agreement) owed by the Company to Warrantholder has been repaid. Notwithstanding anything to the contrary herein, the rights under this subsection (i) are not transferable to any person or entity that is a competitor of the Company (as determined in good faith by the Company's board of directors)

SECTION 10. REPRESENTATIONS AND COVENANTS OF THE WARRANTHOLDER.

This Agreement has been entered into by the Company in reliance upon the following representations and covenants of the Warrantholder:

- (a) Investment Purpose. The right to acquire Preferred Stock is being acquired for investment and not with a view to the sale or distribution of any part thereof, and the Warrantholder has no present intention of selling or engaging in any public distribution of such rights or the Preferred Stock except pursuant to an effective registration statement or an exemption from the registration requirements of the Act.
- (b) Private Issue. The Warrantholder understands (i) that the Preferred Stock issuable upon exercise of this Agreement is not registered under the Act or qualified under applicable state securities laws on the ground that the issuance contemplated by this Agreement will be exempt from the registration and qualifications requirements thereof, and (ii) that the Company's reliance on such exemption is predicated on the representations set forth in this Section 10.
- (c) Financial Risk. The Warrantholder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment, and has the ability to bear the economic risks of its investment.
- (d) Risk of No Registration. The Warrantholder understands that if the Company does not register with the SEC pursuant to Section 12 of the Securities Exchange Act of 1934 (the "1934 Act"), or file reports pursuant to Section 15(d) of the 1934 Act, or if a registration statement covering the securities under the Act is not in effect when it desires to sell (i) the rights to purchase Preferred Stock pursuant to this Agreement or (ii) the Preferred Stock issuable upon exercise of the right to purchase, it may be required to hold such securities for an indefinite period. The Warrantholder also understands that any sale of (A) its rights hereunder to purchase Preferred Stock or (B) Preferred Stock issued or issuable hereunder which might be made by it in reliance upon Rule 144 under the Act may be made only in accordance with the terms and conditions of that Rule.
- (e) Accredited Investor. Warrantholder is an "accredited investor" within the meaning of the Securities and Exchange Rule 501 of Regulation D, as presently in effect.
- (f) Stockholder Agreement Restrictions. Upon acceptance of this Agreement, Warrantholder (and its transferees) agrees (i) to be bound by the terms and conditions of Sections 1(a), 3(c), 3(d), 4, 5 and 6 (the "Applicable Sections") of that certain Stockholder Agreement dated as of February 22, 2010 by and among the Company and the Investors listed on Schedules I and II thereto (the "Stockholder Agreement") as an "Investor" (as defined in the Stockholder Agreement) and (ii) that all shares of Common Stock, Preferred Stock, Reference Property and any other Company securities acquired upon exercise of this Agreement or distributed with respect thereto (the "Warrant Shares") shall be deemed to be "Shares" (as defined in the Stockholder Agreement) for purposes of the Applicable Sections.

SECTION 11. TRANSFERS.

Subject to compliance with applicable federal and state securities laws, this Agreement and all rights hereunder are transferable, in whole or in part, without charge to the holder hereof (except for transfer taxes) upon surrender of this Agreement properly endorsed, provided that without the prior written consent of the Company, not to be unreasonably withheld, unless the proposed transfer is to a competitor of the Company (as determined in good faith by the Company's board of directors). Subject to the foregoing, each taker and holder of this Agreement, by taking or holding the same, consents and agrees that this Agreement, when endorsed in blank, shall be deemed negotiable, and that the holder hereof, when this Agreement shall have been so endorsed and its transfer recorded on the Company's books, shall be treated by the Company and all other persons dealing with this Agreement as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented by this Agreement. The transfer of this Agreement shall be recorded on the books of the Company upon receipt by the Company of a notice of transfer in the form attached hereto as Exhibit III (the "Transfer Notice"), at its principal offices and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. Until the Company receives such Transfer Notice, the Company may treat the registered owner hereof as the owner for all purposes.

SECTION 12. MISCELLANEOUS.

(a) Effective Date. The provisions of this Agreement shall be construed and shall be given effect in all respects as if it had been executed and delivered by the Company on the date hereof. This Agreement shall be binding upon any successors or assigns of the Company.

(b) Remedies. In the event of any default hereunder, the non-defaulting party may proceed to protect and enforce its rights either by suit in equity and/or by action at law, including but not limited to an action for damages as a result of any such default, and/or an action for specific performance for any default where the non-defaulting party will not have an adequate remedy at law and where damages will not be readily ascertainable. The Company expressly agrees that it shall not oppose an application by the Warrantholder or any other person entitled to the benefit of this Agreement requiring specific performance of any or all provisions hereof or enjoining the Company from continuing to commit any such breach of this Agreement.

(c) No Impairment of Rights. The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of the Warrantholder against impairment.

(d) Additional Documents. The Company, upon execution of this Agreement, shall provide the Warrantholder with such other documents as the Warrantholder may from time to time reasonably request.

(e) Attorney's Fees. In any litigation, arbitration or court proceeding between the Company and the Warrantholder relating hereto, the prevailing party shall be entitled to

attorneys' fees and expenses and all costs of proceedings incurred in enforcing this Agreement. For the purposes of this Section 12(e), attorneys' fees shall include without limitation fees incurred in connection with the following: (i) contempt proceedings; (ii) discovery; (iii) any motion, proceeding or other activity of any kind in connection with an insolvency proceeding; (iv) garnishment, levy, and debtor and third party examinations; and (v) post-judgment motions and proceedings of any kind, including without limitation any activity taken to collect or enforce any judgment.

(f) Severability. In the event any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision, which comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

(g) Notices. Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration, service of process or other communication that is required, contemplated, or permitted under this Agreement or with respect to the subject matter hereof shall be in writing, and shall be deemed to have been validly served, given, delivered, and received upon the earlier of: (i) the day of transmission by facsimile or hand delivery if transmission or delivery occurs on a business day at or before 5:00 pm in the time zone of the recipient, or, if transmission or delivery occurs on a non-business day or after such time, the first business day thereafter, or the first business day after deposit with an overnight express service or overnight mail delivery service; or (ii) the third calendar day after deposit in the United States mails, with proper first class postage prepaid, and shall be addressed to the party to be notified as follows:

If to Warrantholder:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.
Legal Department
Attention: Chief Legal Officer and Manuel Henriquez
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
Facsimile: 650-473-9194
Telephone: 650-289-3060

(i) If to the Company:

HOME DIALYSIS PLUS, LTD.
Attention: Chief Executive Officer
257 Humboldt Court
Sunnyvale, CA 94089
Facsimile: 408-329-9091
Telephone: 408-329-9087

or to such other address as each party may designate for itself by like notice.

(h) Entire Agreement; Amendments. This Agreement constitute the entire agreement and understanding of the parties hereto in respect of the subject matter hereof, and supersede and replace in their entirety any prior proposals, term sheets, letters, negotiations or other documents or agreements, whether written or oral, with respect to the subject matter hereof (including Lender's proposal letter dated August 26, 2013). None of the terms of this Agreement may be amended except by an instrument executed by each of the parties hereto.

(i) Headings. The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provisions hereof.

(j) Advice of Counsel. Each of the parties represents to each other party hereto that it has discussed (or had an opportunity to discuss) with its counsel this Agreement and, specifically, the provisions of Sections 12(n), 12(o), 12(p), 12(q) and 12(r).

(k) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(l) No Waiver. No omission or delay by Warrantholder at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Company at any time designated, shall be a waiver of any such right or remedy to which Warrantholder is entitled, nor shall it in any way affect the right of Warrantholder to enforce such provisions thereafter.

(m) Survival. All agreements, representations and warranties contained in this Agreement or in any document delivered pursuant hereto shall be for the benefit of Warrantholder and shall survive the execution and delivery of this Agreement and the expiration or other termination of this Agreement.

(n) Governing Law. This Agreement have been negotiated and delivered to Warrantholder in the State of California, and shall have been accepted by Warrantholder in the State of California. Delivery of Preferred Stock to Warrantholder by the Company under this Agreement is due in the State of California. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

(o) Consent to Jurisdiction and Venue. All judicial proceedings arising in or under or related to this Agreement may be brought in any state or federal court of competent jurisdiction located in the State of California. By execution and delivery of this Agreement, each party hereto generally and unconditionally: (a) consents to personal jurisdiction in Santa Clara County, State of California; (b) waives any objection as to jurisdiction or venue in Santa Clara County, State of California; (c) agrees not to assert any defense based on lack of jurisdiction or venue in the aforesaid courts; and (d) irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Service of process on any party hereto in any action

arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in Section 12(g), and shall be deemed effective and received as set forth in Section 12(g). Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of either party to bring proceedings in the courts of any other jurisdiction.

(p) Mutual Waiver of Jury Trial. Because disputes arising in connection with complex financial transactions are most quickly and economically resolved by an experienced and expert person and the parties wish applicable state and federal laws to apply (rather than arbitration rules), the parties desire that their disputes be resolved by a judge applying such applicable laws. EACH OF THE COMPANY AND WARRANTHOLDER SPECIFICALLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, CROSS-CLAIM, COUNTERCLAIM, THIRD PARTY CLAIM OR ANY OTHER CLAIM (COLLECTIVELY, "CLAIMS") ASSERTED BY THE COMPANY AGAINST WARRANTHOLDER OR ITS ASSIGNEE OR BY WARRANTHOLDER OR ITS ASSIGNEE AGAINST THE COMPANY. This waiver extends to all such Claims, including Claims that involve Persons other than Borrower and Lender; Claims that arise out of or are in any way connected to the relationship between the Company and Warrantholder; and any Claims for damages, breach of contract, specific performance, or any equitable or legal relief of any kind, arising out of this Agreement.

(q) Judicial Reference. If the waiver of jury trial set forth above is ineffective or unenforceable, the parties agree that all Claims shall be resolved by reference to a private judge sitting without a jury, pursuant to Code of Civil Procedure Section 638, before a mutually acceptable referee or, if the parties cannot agree, a referee selected by the Presiding Judge of Santa Clara County, California. Such proceeding shall be conducted in Santa Clara County, California, with California rules of evidence and discovery applicable to such proceeding.

(r) Prejudgment Relief. In the event Claims are to be resolved by arbitration, either party may seek from a court of competent jurisdiction identified in Section 12(o), any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by law notwithstanding that all Claims are otherwise subject to resolution by judicial reference.

(s) Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument.

(t) Specific Performance. The parties hereto hereby declare that it is impossible to measure in money the damages which will accrue to Warrantholder by reason of the Company's failure to perform any of the obligations under this Agreement and agree that the terms of this Agreement shall be specifically enforceable by Warrantholder. If Warrantholder institutes any action or proceeding to specifically enforce the provisions hereof, any person against whom such action or proceeding is brought hereby waives the claim or defense therein that Warrantholder has an adequate remedy at law, and such person shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by its officers thereunto duly authorized as of the Effective Date.

COMPANY:

HOME DIALYSIS PLUS, LTD.

By: _____
Name: _____
Title _____

WARRANTHOLDER:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

By: _____
Name: _____
Title: _____

[Signature Page to Warrant]

EXHIBIT I

NOTICE OF EXERCISE

To: HOME DIALYSIS PLUS, LTD.

- (1) The undersigned Warrantholder hereby elects to purchase [] shares of the Series [] Preferred Stock of Home Dialysis Plus, Ltd., pursuant to the terms of the Agreement dated the [] day of September, 2013 (the “Agreement”) between Home Dialysis Plus, Ltd. and the Warrantholder, and [CASH PAYMENT: tenders herewith payment of the Purchase Price in full, together with all applicable transfer taxes, if any.] [NET ISSUANCE: elects pursuant to Section 3(a) of the Agreement to effect a Net Issuance.]
- (2) Please issue a certificate or certificates representing said shares of Series [] Preferred Stock in the name of the undersigned or in such other name as is specified below.

(Name)

(Address)

WARRANTHOLDER:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT II

ACKNOWLEDGMENT OF EXERCISE

The undersigned [], hereby acknowledge receipt of the “Notice of Exercise” from Hercules Technology Growth Capital, Inc. to purchase [] shares of the Series [] Preferred Stock of Home Dialysis Plus, Ltd., pursuant to the terms of the Agreement, and further acknowledges that [] shares remain subject to purchase under the terms of the Agreement.

COMPANY:

HOME DIALYSIS PLUS, LTD.

By: _____

Title: _____

Date: _____

EXHIBIT III

TRANSFER NOTICE

(To transfer or assign the foregoing Agreement, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Agreement and all rights evidenced thereby are hereby transferred and assigned to

(Please Print)

whose address is _____

Dated:

Holder's Signature:

Holder's Address:

Signature Guaranteed:

NOTE: The signature to this Transfer Notice must correspond with the name as it appears on the face of the Agreement, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Agreement.

THIS WARRANT, AND THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT, HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT, OR ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT AGREEMENT

To Purchase Shares of Preferred Stock of

HOME DIALYSIS PLUS, LTD.

Dated as of (the “Effective Date”)

WHEREAS, Home Dialysis Plus, Ltd., a Delaware corporation, has entered into a Loan and Security Agreement dated as of September 27, 2013 (as amended, the “Loan Agreement”) with Hercules Technology Growth Capital, Inc., a Maryland corporation (the “Warrantholder”);

WHEREAS, the Company (as defined below) desires to grant to Warrantholder, in consideration for, among other things, the financial accommodations provided for in the Loan Agreement, the right to purchase shares of Preferred Stock (as defined below) pursuant to this Warrant Agreement (the “Agreement”);

NOW, THEREFORE, in consideration of the Warrantholder executing and delivering the Loan Agreement and providing the financial accommodations contemplated therein, and in consideration of the mutual covenants and agreements contained herein, the Company and Warrantholder agree as follows:

SECTION 1. GRANT OF THE RIGHT TO PURCHASE PREFERRED STOCK.

For value received, the Company hereby grants to the Warrantholder, and the Warrantholder is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase, from the Company, an aggregate number of fully paid and non-assessable shares of the Preferred Stock equal to the quotient derived by dividing (a) \$200,000.00 by (b) the Exercise Price (defined below).

As used herein, the following terms shall have the following meanings:

“Act” means the Securities Act of 1933, as amended.

“Company” means Home Dialysis Plus, Ltd., a Delaware corporation, and any successor or surviving entity that assumes the obligations of the Company under this Agreement pursuant to Section 8(a).

“Charter” means the Company’s Certificate of Incorporation or other constitutional document, as may be amended from time to time.

“Common Stock” means the Company’s common stock, \$.001 par value per share;

“Equity Round” means any non-public offering of equity securities by the Company, after the Effective Date but prior to the consummation of an Initial Public Offering, in a transaction or series of related transactions principally for equity financing purposes in which cash is received by the Company and/or debt of the Company is cancelled or converted in exchange for equity securities of the Company; provided that Equity Round shall not include additional closings of the Company’s Series A Preferred Stock round of financing.

“Exercise Price” means (a) if Preferred Stock means Series A Preferred Stock, \$1.00 per share, or (b) if Preferred Stock means Next Round Stock, the lowest price per share of Next Round Stock paid by investors in the Next Round, in either case subject to adjustment pursuant to Section 8.

“Initial Public Offering” means the initial public offering of the Company’s Common Stock pursuant to a registration statement under the Act, which public offering has been declared effective by the Securities and Exchange Commission (“SEC”);

“Merger Event” means any sale, lease or other transfer of all or substantially all assets of the Company or any merger or consolidation involving the Company in which the Company is not the surviving entity, or in which the outstanding shares of the Company’s capital stock are otherwise converted into or exchanged for shares of preferred stock, other securities or property of another entity;

“Next Round” means the next Equity Round in which the Company issues and sells shares of its preferred stock;

“Preferred Stock” means (A) initially, the Series A Preferred Stock of the Company or (B) upon the closing of the Next Round, and pursuant to any election made under Section 8, the class and series of the preferred stock of the Company issued in Next Round (such stock, the “Next Round Stock”), and, to the extent provided in Sections 8(a) and (b), any other stock into or for which such Preferred Stock may be converted or exchanged; provided that upon and after the occurrence of an event which results in the automatic or voluntary conversion, redemption or retirement of all (but not less than all) of the outstanding shares of such Preferred Stock, including, without limitation, the consummation of an Initial Public Offering of the Common Stock in which such a conversion occurs, then from and after the date upon which such outstanding shares are so converted, redeemed or retired, “Preferred Stock” shall mean the Common Stock; and

“Purchase Price” means, with respect to any exercise of this Agreement, an amount equal to the Exercise Price as of the relevant time multiplied by the number of shares of Preferred Stock requested to be exercised under this Agreement pursuant to such exercise.

“Rights Agreement” means that certain Registration Rights Agreement dated February 22, 2010 by and among the Company and certain of its stockholders, as may be amended or restated from time to time.

“Stockholders Agreement” means that certain Stockholders Agreement dated February 22, 2010 by and among the Company and certain of its stockholders.

SECTION 2. TERM OF THE AGREEMENT.

Except as otherwise provided for herein, the term of this Agreement and the right to purchase Preferred Stock as granted herein (the “Warrant”) shall commence on the Effective Date and shall be exercisable for a period ending upon the later to occur of (i) ten (10) years from the Effective Date; or (ii) five (5) years after the Initial Public Offering.

SECTION 3. EXERCISE OF THE PURCHASE RIGHTS.

(a) Exercise. The purchase rights set forth in this Agreement are exercisable by the Warrantholder, in whole or in part, at any time, or from time to time, prior to the expiration of the term set forth in Section 2, by tendering to the Company at its principal office a notice of exercise in the form attached hereto as Exhibit I (the “Notice of Exercise”), duly completed and executed. Promptly upon receipt of the Notice of Exercise and the payment of the Purchase Price in accordance with the terms set forth below, and in no event later than three (3) days thereafter, the Company shall issue to the Warrantholder a certificate for the number of shares of Preferred Stock purchased and shall execute the acknowledgment of exercise in the form attached hereto as Exhibit II (the “Acknowledgment of Exercise”) indicating the number of shares which remain subject to future purchases, if any.

The Purchase Price may be paid at the Warrantholder’s election either (i) by cash or check, or (ii) by surrender of all or a portion of the Warrant for shares of Preferred Stock to be exercised under this Agreement and, if applicable, an amended Agreement representing the remaining number of shares purchasable hereunder, as determined below (“Net Issuance”). If the Warrantholder elects the Net Issuance method, the Company will issue Preferred Stock in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

- X = the number of shares of Preferred Stock to be issued to the Warrantholder.
- Y = the number of shares of Preferred Stock requested to be exercised under this Agreement.
- A = the fair market value of one (1) share of Preferred Stock at the time of issuance of such shares of Preferred Stock.
- B = the Exercise Price.

For purposes of the above calculation, current fair market value of Preferred Stock shall mean with respect to each share of Preferred Stock:

- (i) if the exercise is in connection with an Initial Public Offering, and if the Company's Registration Statement relating to such Initial Public Offering has been declared effective by the SEC, then the fair market value per share shall be the product of (x) the initial "Price to Public" of the Common Stock specified in the final prospectus with respect to the offering and (y) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise;
- (ii) if the exercise is after, and not in connection with an Initial Public Offering, and:
 - (A) if the Common Stock is traded on a securities exchange, the fair market value shall be deemed to be the product of (x) the average of the closing prices over a five (5) day period ending three days before the day the current fair market value of the securities is being determined and (y) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise; or
 - (B) if the Common Stock is traded over-the-counter, the fair market value shall be deemed to be the product of (x) the average of the closing bid and asked prices quoted on the NASDAQ system (or similar system) over the five (5) day period ending three days before the day the current fair market value of the securities is being determined and (y) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise;
- (iii) if at any time the Common Stock is not listed on any securities exchange or quoted in the NASDAQ National Market or the over-the-counter market, the current fair market value of Preferred Stock shall be the product of (x) the highest price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by its Board of Directors and (y) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise, unless the Company shall become subject to a Merger Event, in which case the fair market value of Preferred Stock shall be deemed to be the per share value received by the holders of the Company's Preferred Stock on a common equivalent basis pursuant to such Merger Event.

Upon partial exercise by either cash or Net Issuance, the Company shall promptly issue an amended Agreement representing the remaining number of shares purchasable hereunder. All other terms and conditions of such amended Agreement shall be identical to those contained herein, including, but not limited to the Effective Date hereof.

(b) Exercise Prior to Expiration. To the extent this Agreement is not previously exercised as to all Preferred Stock subject hereto, and if the fair market value of one share of the Preferred Stock is greater than the Exercise Price then in effect, this Agreement shall be deemed automatically exercised pursuant to Section 3(a) (even if not surrendered) immediately before its expiration. For purposes of such automatic exercise, the fair market value of one share of the Preferred Stock upon such expiration shall be determined pursuant to Section 3(a). To the extent this Agreement or any portion thereof is deemed automatically exercised pursuant to this Section 3(b), the Company agrees to promptly notify the Warrantholder of the number of shares of Preferred Stock, if any, the Warrantholder is to receive by reason of such automatic exercise.

SECTION 4. RESERVATION OF SHARES.

During the term of this Agreement, the Company will at all times have authorized and reserved a sufficient number of shares of its Preferred Stock to provide for the exercise of the rights to purchase Preferred Stock as provided for herein, and shall have authorized and reserved a sufficient number of shares of its Common Stock to provide for the conversion of the Preferred Shares available hereunder.

SECTION 5. NO FRACTIONAL SHARES OR SCRIP.

No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Agreement, but in lieu of such fractional shares the Company shall make a cash payment therefor upon the basis of the Exercise Price then in effect.

SECTION 6. NO RIGHTS AS STOCKHOLDER.

This Agreement does not entitle the Warrantholder to any voting rights or other rights as a stockholder of the Company prior to the exercise of this Agreement.

SECTION 7. WARRANTHOLDER REGISTRY.

The Company shall maintain a registry showing the name and address of the registered holder of this Agreement. Warrantholder's initial address, for purposes of such registry, is set forth below Warrantholder's signature on this Agreement. Warrantholder may change such address by giving written notice of such changed address to the Company.

SECTION 8. ADJUSTMENT RIGHTS.

The Exercise Price and the number of shares of Preferred Stock purchasable hereunder are subject to adjustment, as follows:

(a) Merger Event. If at any time there shall be Merger Event, then, as a part of such Merger Event, lawful provision shall be made so that the Warrantholder shall thereafter be entitled to receive, upon exercise of this Agreement, the number of shares of preferred stock or other securities or property (collectively, "Reference Property") that the Warrantholder would have received in connection with such Merger Event if Warrantholder had exercised this Agreement immediately prior to the Merger Event. In any such case, appropriate adjustment (as

determined in good faith by the Company's Board of Directors) shall be made in the application of the provisions of this Agreement with respect to the rights and interests of the Warrantholder after the Merger Event to the end that the provisions of this Agreement (including adjustments of the Exercise Price and adjustments to ensure that the provisions of this Section 8 shall thereafter be applicable, as nearly as possible, to the purchase rights under this Agreement in relation to any Reference Property thereafter acquirable upon exercise of such purchase rights) shall continue to be applicable in their entirety, and to the greatest extent possible. Without limiting the foregoing, in connection with any Merger Event, upon the closing thereof, the successor or surviving entity shall assume the obligations of this Agreement; provided that if the Reference Property includes shares of stock or other securities and assets of an entity other than the successor or purchasing company, as the case may be, in such Merger Event, then such other entity shall assume the obligations under this Agreement and any such assumption shall contain such additional provisions to protect the interests of the Warrantholder as reasonably necessary by reason of the foregoing (as determined in good faith by the Company's Board of Directors); notwithstanding the above, if the Reference property is cash or shares of stock of a publicly traded company with a value on the date of the closing of the Merger Event of not less than two (2) times the aggregate Purchase Price, Warrantholder shall exercise its purchase right under this Agreement and such exercise will be deemed effective immediately prior to the closing of such Merger Event. In connection with a Merger Event and upon Warrantholder's written election to the Company, the Company shall cause this Warrant Agreement to be exchanged for the consideration that Warrantholder would have received if Warrantholder had chosen to exercise its right to have shares issued pursuant to the Net Issuance provisions of this Warrant Agreement without actually exercising such right, acquiring such shares and exchanging such shares for such consideration. The provisions of this Section 8(a) shall similarly apply to successive Merger Events.

(b) Reclassification of Shares. Except for Merger Events subject to Section 8(a), and subject to Section 8(f), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Agreement exist into the same or a different number of securities of any other class or classes, this Agreement shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Agreement immediately prior to such combination, reclassification, exchange, subdivision or other change. The provisions of this Section 8(b) shall similarly apply to successive combination, reclassification, exchange, subdivision or other change.

(c) Subdivision or Combination of Shares. If the Company at any time shall combine or subdivide its Preferred Stock, (i) in the case of a subdivision, the Exercise Price shall be proportionately decreased, and the number of shares of Preferred Stock issuable upon exercise of this Agreement shall be proportionately increased, or (ii) in the case of a combination, the Exercise Price shall be proportionately increased, and the number of shares of Preferred Stock issuable upon the exercise of this Agreement shall be proportionately decreased.

(d) Stock Dividends. If the Company at any time while this Agreement is outstanding and unexpired shall:

(i) pay a dividend with respect to the Preferred Stock payable in Preferred Stock, then the Exercise Price shall be adjusted, from and after the date of determination of stockholders entitled to receive such dividend or distribution, to that price determined by multiplying the Exercise Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Preferred Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Preferred Stock outstanding immediately after such dividend or distribution; or

(ii) make any other distribution with respect to Preferred Stock (or stock into which the Preferred Stock is convertible), except any distribution specifically provided for in any other clause of this Section 8, then, in each such case, provision shall be made by the Company such that the Warrantholder shall receive upon exercise or conversion of this Warrant a proportionate share of any such distribution as though it were the holder of the Preferred Stock (or other stock for which the Preferred Stock is convertible) as of the record date fixed for the determination of the stockholders of the Company entitled to receive such distribution.

(e) Antidilution Rights. Additional antidilution rights applicable to the Preferred Stock purchasable hereunder are as set forth in the Charter and shall be applicable with respect to the Preferred Stock issuable hereunder. The Company shall promptly provide the Warrantholder with any restatement, amendment, modification or waiver of the Charter; provided, that no such amendment, modification or waiver shall impair or reduce the antidilution rights applicable to the Preferred Stock as of the date hereof unless such amendment, modification or waiver affects the rights of Warrantholder with respect to the Preferred Stock in the same manner as it affects all other holders of Preferred Stock. The Company shall provide Warrantholder with prior written notice of any issuance of its stock or other equity security to occur after the Effective Date of this Agreement if such issuance results in an adjustment under the antidilution rights set forth in the Charter, which notice shall include (a) the price at which such stock or security is to be sold, (b) the number of shares to be issued, and (c) such other information as necessary for Warrantholder to determine if a dilutive event has occurred. For the avoidance of doubt, there shall be no duplicate anti-dilution adjustment pursuant to this subsection (e), the forgoing subsection (d) and the Charter.

(f) Notice of Adjustments. If: (i) the Company shall declare any dividend or distribution upon its stock, whether in stock, cash, property or other securities; (ii) the Company shall offer for subscription prorata to the holders of any class of its Preferred Stock or other capital stock any additional shares of stock of any class or other rights; (iii) there shall be any Merger Event; (iv) there shall be an Initial Public Offering; (v) the Company shall sell, lease, license or otherwise transfer all or substantially all of its assets; or (vi) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall send to the Warrantholder: (A) at least thirty (30) days' prior written notice of the date on which the books of the Company shall close or a record shall be taken for such dividend, distribution, subscription rights (specifying the date on which the holders of Preferred Stock shall be entitled thereto) or for determining rights to vote in respect of

such Merger Event, dissolution, liquidation or winding up; (B) in the case of any such Merger Event, sale, lease, license or other transfer of all or substantially all assets, dissolution, liquidation or winding up, at least thirty (30) days' prior written notice of the date when the same shall take place (and specifying the date on which the holders of Preferred Stock shall be entitled to exchange their Preferred Stock for securities or other property deliverable upon such Merger Event, dissolution, liquidation or winding up); and (C) in the case of an Initial Public Offering, the Company shall give the Warrantholder at least thirty (30) days' written notice prior to the effective date thereof. If the Company conducts a Next Round, the Company shall provide prompt written notice thereof to the Warrantholder, and upon Warrantholder's receipt of such notice, Warrantholder shall provide a written election to the Company within thirty (30) days' thereafter whether to treat the Preferred Stock as Series A Preferred Stock or Next Round Stock. If the Company does not receive Warrantholder's written election, the Company shall be entitled to make such election on behalf of Warrantholder for the series of stock that is most economically advantageous to Warrantholder, as determined by the Company in its good faith determination, and the Company shall provide Warrantholder notice of such election.

Each such written notice shall set forth, in reasonable detail, (i) the event requiring the notice, and (ii) if any adjustment is required to be made, (A) the amount of such adjustment, (B) the method by which such adjustment was calculated, (C) the adjusted Exercise Price (if the Exercise Price has been adjusted), and (D) the number of shares subject to purchase hereunder after giving effect to such adjustment, and shall be given by first class mail, postage prepaid, or by reputable overnight courier with all charges prepaid, addressed to the Warrantholder at the address for Warrantholder set forth in the registry referred to in Section 7.

(g) Timely Notice. Failure to timely provide such notice required by subsection (f) above shall entitle Warrantholder to retain the benefit of the applicable notice period notwithstanding anything to the contrary contained in any insufficient notice received by Warrantholder. For purposes of this subsection (g), and notwithstanding anything to the contrary in Section 12(g), the notice period shall begin on the date Warrantholder actually receives a written notice containing all the information required to be provided in such subsection (f).

SECTION 9. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY.

(a) Reservation of Preferred Stock. The Preferred Stock issuable upon exercise of the Warrantholder's rights has been or, in the case of Preferred Stock issuable in the Next Round, will be duly and validly reserved and, when issued in accordance with the provisions of this Agreement, will be validly issued, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Preferred Stock issuable pursuant to this Agreement may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to the Warrantholder true, correct and complete copies of its Charter and current bylaws. The issuance of certificates for shares of Preferred Stock upon exercise of this Agreement shall be made without charge to the Warrantholder for any issuance tax in respect thereof, or other cost incurred by the Company in connection with such exercise and the related issuance of shares of Preferred Stock; provided, that the Company shall not be required to pay any tax which may be payable in respect of any transfer and the issuance and delivery of any certificate in a name other than that of the Warrantholder.

(b) Due Authority. The execution and delivery by the Company of this Agreement and the performance of all obligations of the Company hereunder, including the issuance to Warrantholder of the right to acquire the shares of Preferred Stock and the Common Stock into which it may be converted, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (1) does not violate the Company's Charter or current bylaws; (2) does not contravene any law or governmental rule, regulation or order applicable to it; and (3) does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which it is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity relating to enforceability).

(c) Consents and Approvals. No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Agreement, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) Issued Securities. All issued and outstanding shares of Common Stock, Preferred Stock or any other securities of the Company have been duly authorized and validly issued and are fully paid and nonassessable. All outstanding shares of Common Stock, Preferred Stock and any other securities were issued in full compliance with all federal and state securities laws. In addition, as of the date immediately preceding the date of this Agreement:

(i) The authorized capital of the Company consists of (A) 66,000,000 shares of Common Stock, of which 1,476,654 shares are issued and outstanding, and (B) 55,000,000 shares of Preferred Stock, of which 43,641,111 shares are issued and outstanding and are convertible into 43,641,111 shares of Common Stock.

(ii) The Company has reserved 7,782,559 shares of Common Stock for issuance under its Stock Option Plan(s), under which 4,663,466 options are outstanding. The Company has reserved 70,000 shares of Common Stock for issuance upon the exercise of warrants to purchase Common Stock. The Company has reserved 400,000 shares of Preferred Stock and 400,000 shares of Common Stock for issuance upon the exercise of warrants to purchase Preferred Stock. There are no other options, warrants, conversion privileges or other rights presently outstanding to purchase or otherwise acquire any authorized but unissued shares of the Company's capital stock or other securities of the Company. The Company has no outstanding loans to any employee, officer or director of the Company, and the Company agrees not to enter into any such loan or otherwise guarantee the payment of any loan made to an employee, officer or director by a third party.

(iii) Except in accordance with the Company's Charter and the Stockholders Agreement, no stockholder of the Company has preemptive rights to purchase new issuances of the Company's capital stock.

(e) Insurance. The Company has in full force and effect insurance policies, with extended coverage, insuring the Company and its property and business against such losses and risks, and in such amounts, as are customary for corporations engaged in a similar business and similarly situated and as otherwise may be required pursuant to the terms of any other contract or agreement.

(f) [Intentionally omitted.]

(g) Exempt Transaction. Subject to the accuracy of the Warrantholder's representations in Section 10, the issuance of the Preferred Stock upon exercise of this Agreement, and the issuance of the Common Stock upon conversion of the Preferred Stock, will each constitute a transaction exempt from (i) the registration requirements of Section 5 of the Act, in reliance upon Section 4(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(h) Compliance with Rule 144. If the Warrantholder proposes to sell Preferred Stock issuable upon the exercise of this Agreement, or the Common Stock into which it is convertible, in compliance with Rule 144 promulgated by the SEC, then, upon Warrantholder's written request to the Company, the Company shall furnish to the Warrantholder, within ten days after receipt of such request, a written statement confirming the Company's compliance with the filing requirements of the SEC as set forth in such Rule, as such Rule may be amended from time to time.

(i) Information Rights. During the term of this Warrant, Warrantholder shall be entitled to the information rights contained in Section 6.2 of the Loan Agreement, and Section 6.2 of the Loan Agreement is hereby incorporated into this Agreement by this reference as though fully set forth herein, provided, however, that the Company shall not be required to deliver a Compliance Certificate once all Indebtedness (as defined in the Loan Agreement) owed by the Company to Warrantholder has been repaid. Notwithstanding anything to the contrary herein, the rights under this subsection (i) are not transferable to any person or entity that is a competitor of the Company (as determined in good faith by the Company's board of directors)

SECTION 10. REPRESENTATIONS AND COVENANTS OF THE WARRANTHOLDER.

This Agreement has been entered into by the Company in reliance upon the following representations and covenants of the Warrantholder:

(a) Investment Purpose. The right to acquire Preferred Stock is being acquired for investment and not with a view to the sale or distribution of any part thereof, and the Warrantholder has no present intention of selling or engaging in any public distribution of such rights or the Preferred Stock except pursuant to an effective registration statement or an exemption from the registration requirements of the Act.

(b) Private Issue. The Warrantholder understands (i) that the Preferred Stock issuable upon exercise of this Agreement is not registered under the Act or qualified under applicable state securities laws on the ground that the issuance contemplated by this Agreement will be exempt from the registration and qualifications requirements thereof, and (ii) that the Company's reliance on such exemption is predicated on the representations set forth in this Section 10.

(c) Financial Risk. The Warrantholder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment, and has the ability to bear the economic risks of its investment.

(d) Risk of No Registration. The Warrantholder understands that if the Company does not register with the SEC pursuant to Section 12 of the Securities Exchange Act of 1934 (the "1934 Act"), or file reports pursuant to Section 15(d) of the 1934 Act, or if a registration statement covering the securities under the Act is not in effect when it desires to sell (i) the rights to purchase Preferred Stock pursuant to this Agreement or (ii) the Preferred Stock issuable upon exercise of the right to purchase, it may be required to hold such securities for an indefinite period. The Warrantholder also understands that any sale of (A) its rights hereunder to purchase Preferred Stock or (B) Preferred Stock issued or issuable hereunder which might be made by it in reliance upon Rule 144 under the Act may be made only in accordance with the terms and conditions of that Rule.

(e) Accredited Investor. Warrantholder is an "accredited investor" within the meaning of the Securities and Exchange Rule 501 of Regulation D, as presently in effect.

(f) Stockholder Agreement Restrictions. Upon acceptance of this Agreement, Warrantholder (and its transferees) agrees (i) to be bound by the terms and conditions of Sections 1(a), 3(c), 3(d), 4, 5 and 6 (the "Applicable Sections") of that certain Stockholder Agreement dated as of February 22, 2010 by and among the Company and the Investors listed on Schedules I and II thereto (the "Stockholder Agreement") as an "Investor" (as defined in the Stockholder Agreement) and (ii) that all shares of Common Stock, Preferred Stock, Reference Property and any other Company securities acquired upon exercise of this Agreement or distributed with respect thereto (the "Warrant Shares") shall be deemed to be "Shares" (as defined in the Stockholder Agreement) for purposes of the Applicable Sections.

SECTION 11. TRANSFERS.

Subject to compliance with applicable federal and state securities laws, this Agreement and all rights hereunder are transferable, in whole or in part, without charge to the holder hereof (except for transfer taxes) upon surrender of this Agreement properly endorsed, provided that without the prior written consent of the Company, not to be unreasonably withheld, unless the proposed transfer is to a competitor of the Company (as determined in good faith by the Company's board of directors), this Warrant may be transferred only to an affiliate of the Warrantholder. Subject to the foregoing, each taker and holder of this Agreement, by taking or holding the same,

consents and agrees that this Agreement, when endorsed in blank, shall be deemed negotiable, and that the holder hereof, when this Agreement shall have been so endorsed and its transfer recorded on the Company's books, shall be treated by the Company and all other persons dealing with this Agreement as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented by this Agreement. The transfer of this Agreement shall be recorded on the books of the Company upon receipt by the Company of a notice of transfer in the form attached hereto as Exhibit III (the "Transfer Notice"), at its principal offices and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. Until the Company receives such Transfer Notice, the Company may treat the registered owner hereof as the owner for all purposes.

SECTION 12. MISCELLANEOUS.

(a) Effective Date. The provisions of this Agreement shall be construed and shall be given effect in all respects as if it had been executed and delivered by the Company on the date hereof. This Agreement shall be binding upon any successors or assigns of the Company.

(b) Remedies. In the event of any default hereunder, the non-defaulting party may proceed to protect and enforce its rights either by suit in equity and/or by action at law, including but not limited to an action for damages as a result of any such default, and/or an action for specific performance for any default where the non-defaulting party will not have an adequate remedy at law and where damages will not be readily ascertainable. The Company expressly agrees that it shall not oppose an application by the Warrantholder or any other person entitled to the benefit of this Agreement requiring specific performance of any or all provisions hereof or enjoining the Company from continuing to commit any such breach of this Agreement.

(c) No Impairment of Rights. The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of the Warrantholder against impairment.

(d) Additional Documents. The Company, upon execution of this Agreement, shall provide the Warrantholder with such other documents as the Warrantholder may from time to time reasonably request.

(e) Attorney's Fees. In any litigation, arbitration or court proceeding between the Company and the Warrantholder relating hereto, the prevailing party shall be entitled to attorneys' fees and expenses and all costs of proceedings incurred in enforcing this Agreement. For the purposes of this Section 12(e), attorneys' fees shall include without limitation fees incurred in connection with the following: (i) contempt proceedings; (ii) discovery; (iii) any motion, proceeding or other activity of any kind in connection with an insolvency proceeding; (iv) garnishment, levy, and debtor and third party examinations; and (v) post-judgment motions and proceedings of any kind, including without limitation any activity taken to collect or enforce any judgment.

(f) Severability. In the event any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision, which comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

(g) Notices. Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration, service of process or other communication that is required, contemplated, or permitted under this Agreement or with respect to the subject matter hereof shall be in writing, and shall be deemed to have been validly served, given, delivered, and received upon the earlier of: (i) the day of transmission by facsimile or hand delivery if transmission or delivery occurs on a business day at or before 5:00 pm in the time zone of the recipient, or, if transmission or delivery occurs on a non-business day or after such time, the first business day thereafter, or the first business day after deposit with an overnight express service or overnight mail delivery service; or (ii) the third calendar day after deposit in the United States mails, with proper first class postage prepaid, and shall be addressed to the party to be notified as follows:

If to Warrantholder:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.
Legal Department
Attention: Chief Legal Officer
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
Facsimile: 650-473-9194
Telephone: 650-289-3060

(i) If to the Company:

HOME DIALYSIS PLUS, LTD.
Attention: Chief Executive Officer
257 Humboldt Court
Sunnyvale, CA 94089
Facsimile: 408-329-9091
Telephone: 408-329-9087

or to such other address as each party may designate for itself by like notice.

(h) Entire Agreement; Amendments. This Agreement constitute the entire agreement and understanding of the parties hereto in respect of the subject matter hereof, and supersede and replace in their entirety any prior proposals, term sheets, letters, negotiations or other documents or agreements, whether written or oral, with respect to the subject matter hereof (including Lender's proposal letter dated August 6, 2014). None of the terms of this Agreement may be amended except by an instrument executed by each of the parties hereto.

(i) Headings. The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provisions hereof.

(j) Advice of Counsel. Each of the parties represents to each other party hereto that it has discussed (or had an opportunity to discuss) with its counsel this Agreement and, specifically, the provisions of Sections 12(n), 12(o), 12(p), 12(q) and 12(r).

(k) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(l) No Waiver. No omission or delay by Warrantholder at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Company at any time designated, shall be a waiver of any such right or remedy to which Warrantholder is entitled, nor shall it in any way affect the right of Warrantholder to enforce such provisions thereafter.

(m) Survival. All agreements, representations and warranties contained in this Agreement or in any document delivered pursuant hereto shall be for the benefit of Warrantholder and shall survive the execution and delivery of this Agreement and the expiration or other termination of this Agreement.

(n) Governing Law. This Agreement have been negotiated and delivered to Warrantholder in the State of California, and shall have been accepted by Warrantholder in the State of California. Delivery of Preferred Stock to Warrantholder by the Company under this Agreement is due in the State of California. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

(o) Consent to Jurisdiction and Venue. All judicial proceedings arising in or under or related to this Agreement may be brought in any state or federal court of competent jurisdiction located in the State of California. By execution and delivery of this Agreement, each party hereto generally and unconditionally: (a) consents to personal jurisdiction in Santa Clara County, State of California; (b) waives any objection as to jurisdiction or venue in Santa Clara County, State of California; (c) agrees not to assert any defense based on lack of jurisdiction or venue in the aforesaid courts; and (d) irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Service of process on any party hereto in any action arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in Section 12(g), and shall be deemed effective and received as set forth in Section 12(g). Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of either party to bring proceedings in the courts of any other jurisdiction.

(p) Mutual Waiver of Jury Trial. Because disputes arising in connection with complex financial transactions are most quickly and economically resolved by an experienced and expert person and the parties wish applicable state and federal laws to apply (rather than arbitration rules), the parties desire that their disputes be resolved by a judge applying such applicable laws. EACH OF THE COMPANY AND WARRANTHOLDER SPECIFICALLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, CROSS-CLAIM, COUNTERCLAIM, THIRD PARTY CLAIM OR ANY OTHER CLAIM (COLLECTIVELY, “CLAIMS”) ASSERTED BY THE COMPANY AGAINST WARRANTHOLDER OR ITS ASSIGNEE OR BY WARRANTHOLDER OR ITS ASSIGNEE AGAINST THE COMPANY. This waiver extends to all such Claims, including Claims that involve Persons other than Borrower and Lender; Claims that arise out of or are in any way connected to the relationship between the Company and Warrantholder; and any Claims for damages, breach of contract, specific performance, or any equitable or legal relief of any kind, arising out of this Agreement.

(q) Judicial Reference. If the waiver of jury trial set forth above is ineffective or unenforceable, the parties agree that all Claims shall be resolved by reference to a private judge sitting without a jury, pursuant to Code of Civil Procedure Section 638, before a mutually acceptable referee or, if the parties cannot agree, a referee selected by the Presiding Judge of Santa Clara County, California. Such proceeding shall be conducted in Santa Clara County, California, with California rules of evidence and discovery applicable to such proceeding.

(r) Prejudgment Relief. In the event Claims are to be resolved by arbitration, either party may seek from a court of competent jurisdiction identified in Section 12(o), any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by law notwithstanding that all Claims are otherwise subject to resolution by judicial reference.

(s) Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument.

(t) Specific Performance. The parties hereto hereby declare that it is impossible to measure in money the damages which will accrue to Warrantholder by reason of the Company’s failure to perform any of the obligations under this Agreement and agree that the terms of this Agreement shall be specifically enforceable by Warrantholder. If Warrantholder institutes any action or proceeding to specifically enforce the provisions hereof, any person against whom such action or proceeding is brought hereby waives the claim or defense therein that Warrantholder has an adequate remedy at law, and such person shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by its officers thereunto duly authorized as of the Effective Date.

COMPANY:

HOME DIALYSIS PLUS, LTD.

By: _____
Name: _____
Title _____

WARRANTHOLDER:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

By: _____
Name: _____
Title: _____

[Signature Page to Warrant]

EXHIBIT I

NOTICE OF EXERCISE

To: HOME DIALYSIS PLUS, LTD.

- (1) The undersigned Warrantholder hereby elects to purchase [] shares of the Series [] Preferred Stock of Home Dialysis Plus, Ltd., pursuant to the terms of the Agreement dated the 5th day of September, 2014 (the “Agreement”) between Home Dialysis Plus, Ltd. and the Warrantholder, and [CASH PAYMENT: tenders herewith payment of the Purchase Price in full, together with all applicable transfer taxes, if any.] [NET ISSUANCE: elects pursuant to Section 3(a) of the Agreement to effect a Net Issuance.]
- (2) Please issue a certificate or certificates representing said shares of Series [] Preferred Stock in the name of the undersigned or in such other name as is specified below.

(Name)

(Address)

WARRANTHOLDER:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT II

ACKNOWLEDGMENT OF EXERCISE

The undersigned [], hereby acknowledge receipt of the “Notice of Exercise” from Hercules Technology Growth Capital, Inc. to purchase [] shares of the Series [] Preferred Stock of Home Dialysis Plus, Ltd., pursuant to the terms of the Agreement, and further acknowledges that [] shares remain subject to purchase under the terms of the Agreement.

COMPANY:

HOME DIALYSIS PLUS, LTD.

By: _____

Title: _____

Date: _____

EXHIBIT III

TRANSFER NOTICE

(To transfer or assign the foregoing Agreement, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Agreement and all rights evidenced thereby are hereby transferred and assigned to

(Please Print)

whose address is _____

Holder's Signature: _____

Holder's Address: _____

Signature Guaranteed: _____

NOTE: The signature to this Transfer Notice must correspond with the name as it appears on the face of the Agreement, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Agreement.

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

WARRANT TO PURCHASE SHARES OF SERIES B PREFERRED STOCK
of
OUTSET MEDICAL, INC.

Dated as of June 5, 2015
Void after the date specified in Section 8

Warrant to Purchase
Shares of
Series B Preferred Stock
(subject to adjustment)

THIS CERTIFIES THAT, for value received, _____, or its registered assigns (the “**Holder**”), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from Outset Medical, Inc., a Delaware corporation (the “**Company**”), shares of the Company’s Series B Preferred Stock, \$0.001 par value per share (the “**Shares**”), in the amounts, at such times and at the price per share set forth in Section 1. The term “**Warrant**” as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein. This Warrant is issued in connection with the transactions described in the Term Loan Agreement, dated as of June 5, 2015, by and among the Company, CRG Partners III L.P., CRG Partners III - Parallel Fund “B” (Cayman) L.P. and CRG Partners III (Cayman) L.P.

The following is a statement of the rights of the Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1. Number and Price of Shares; Exercise Period.

(a) **Number of Shares.** Subject to any previous exercise of the Warrant, the Holder shall have the right to purchase up to Shares, as may be adjusted pursuant hereto prior to (or in connection with) the expiration of this Warrant as provided in Section 8.

(b) **Exercise Price.** The exercise price per Share shall be equal to \$2.2674, subject to adjustment pursuant hereto (the “**Exercise Price**”).

(c) **Exercise Period.** This Warrant shall be exercisable, in whole or in part, prior to (or in connection with) the expiration of this Warrant as set forth in Section 8.

2. Exercise of the Warrant.

(a) **Exercise.** The purchase rights represented by this Warrant may be exercised at the election of the Holder, in whole or in part, in accordance with Section 1, by:

(i) the tender to the Company at its principal office (or such other office or agency as the Company may designate) of a notice of exercise in the form of Exhibit A (the “**Notice of Exercise**”), duly completed and executed by or on behalf of the Holder, together with the surrender of this Warrant; and

(ii) the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of Shares being purchased, by wire transfer or certified, cashier’s or other check acceptable to the Company and payable to the order of the Company.

(b) **Net Issue Exercise.** In lieu of exercising this Warrant pursuant to Section 2(a)(ii), if the fair market value of one Share is greater than the Exercise Price (at the date of calculation as set forth below), the Holder may elect to receive a number of Shares equal to the value of this Warrant (or of any portion of this Warrant being canceled) by surrender of this Warrant at the principal office of the Company (or such other office or agency as the Company may designate) together with a properly completed and executed Notice of Exercise reflecting such election, in which event the Company shall issue to the Holder that number of Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = The number of Shares to be issued to the Holder

Y = The number of Shares purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = The fair market value of one Share (at the date of such calculation)

B = The Exercise Price (as adjusted to the date of such calculation)

For purposes of the calculation above, the fair market value of one Share shall be determined by the Board of Directors of the Company, acting in good faith; *provided, however*, that:

(i) where a public market exists for the Company’s common stock at the time of such exercise, the fair market value per Share shall be the average of the closing bid prices of the common stock or the closing price quoted on the national securities exchange on which the common stock is listed as published in the *Wall Street Journal*, as applicable, for the ten (10) trading day period ending five (5) trading days prior to the date of determination of fair market value; and

(ii) if the Warrant is exercised in connection with the Company's initial public offering of common stock, the fair market value per Share shall be the per share offering price to the public of the Company's initial public offering.

(c) **Stock Certificates.** The rights under this Warrant shall be deemed to have been exercised and the Shares issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Shares issuable upon such exercise shall be treated for all purposes as the holder of record of such Shares as of the close of business on such date. As promptly as reasonably practicable on or after such date, the Company shall issue and deliver to the person or persons entitled to receive the same a certificate or certificates for that number of shares issuable upon such exercise. In the event that the rights under this Warrant are exercised in part and have not expired, the Company shall execute and deliver a new Warrant reflecting the number of Shares that remain subject to this Warrant.

(d) **No Fractional Shares or Scrip.** No fractional shares or scrip representing fractional shares shall be issued upon the exercise of the rights under this Warrant. In lieu of such fractional share to which the Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(e) **Conditional Exercise.** The Holder may exercise this Warrant conditioned upon (and effective immediately prior to) consummation of any transaction that would cause the expiration of this Warrant pursuant to Section 8 by so indicating in the notice of exercise.

(f) **Reservation of Stock.** The Company agrees during the term the rights under this Warrant are exercisable to reserve and keep available from its authorized and unissued shares of Series B Preferred Stock for the purpose of effecting the exercise of this Warrant such number of shares (and shares of common stock for issuance on conversion of such shares) as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued shares of Series B Preferred Stock (and shares of common stock for issuance on conversion of such shares) shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms and the conversion of the Shares, without limitation of such other remedies as may be available to the Holder, the Company will use all reasonable efforts to take such corporate action as may be necessary to increase its authorized and unissued shares of its Series B Preferred Stock (and shares of common stock for issuance on conversion of such shares) to a number of shares as shall be sufficient for such purposes. The Company represents and warrants that all shares that may be issued upon the exercise of this Warrant will, when issued in accordance with the terms hereof, be validly issued, fully paid and nonassessable.

3. **Replacement of the Warrant.** Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company at the expense of the Holder shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4. Transfer of the Warrant.

(a) **Warrant Register.** The Company shall maintain a register (the “**Warrant Register**”) containing the name and address of the Holder or Holders. Until this Warrant is transferred on the Warrant Register in accordance herewith, the Company may treat the Holder as shown on the Warrant Register as the absolute owner of this Warrant for all purposes, notwithstanding any notice to the contrary. Any Holder of this Warrant (or of any portion of this Warrant) may change its address as shown on the Warrant Register by written notice to the Company requesting a change.

(b) **Warrant Agent.** The Company may appoint an agent for the purpose of maintaining the Warrant Register referred to in Section 4(a), issuing the Shares or other securities then issuable upon the exercise of the rights under this Warrant, exchanging this Warrant, replacing this Warrant or conducting related activities.

(c) **Transferability of the Warrant.** Subject to the provisions of this Warrant with respect to compliance with the Securities Act of 1933, as amended (the “**Securities Act**”) and limitations on assignments and transfers, including without limitation compliance with the restrictions on transfer set forth in Section 5, title to this Warrant may be transferred by endorsement (by the transferor and the transferee executing the assignment form attached as Exhibit B (the “**Assignment Form**”)) and delivery in the same manner as a negotiable instrument transferable by endorsement and delivery.

(d) **Exchange of the Warrant upon a Transfer.** On surrender of this Warrant (and a properly endorsed Assignment Form) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act and limitations on assignments and transfers, the Company shall issue to or on the order of the Holder a new warrant or warrants of like tenor, in the name of the Holder or as the Holder (on payment by the Holder of any applicable transfer taxes) may direct, for the number of shares issuable upon exercise hereof, and the Company shall register any such transfer upon the Warrant Register. This Warrant (and the securities issuable upon exercise of the rights under this Warrant) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale, pledge, hypothecation or other transfer of any interest in any of the securities represented hereby.

(e) **Minimum Transfer.** This Warrant may not be transferred in part unless such transfer is to a transferee who, pursuant to such transfer, receives the right to purchase at least one hundred thousand (100,000) Shares hereunder (as adjusted from time to time in accordance with Section 5(h)).

(f) **Taxes.** In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate in a name other than that of the Holder, and the Company shall not be required to issue or deliver any such certificate unless and until the person or persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or is not payable.

5. **Restrictions on Transfer of the Warrant and Shares; Compliance with Securities Laws.** By acceptance of this Warrant, the Holder agrees to comply with the following:

(a) **Restrictions on Transfers.** Subject to Section 5(b), this Warrant may not be transferred or assigned in whole or in part without the Company's prior written consent (which shall not be unreasonably withheld), and any attempt by Holder to transfer or assign any rights, duties or obligations that arise under this Warrant without such permission shall be void. Any transfer of this Warrant or the Shares or the shares of common stock issuable upon conversion of the Shares (the "**Securities**") must be in compliance with all applicable federal and state securities laws. The Holder agrees not to make any sale, assignment, transfer, pledge or other disposition of all or any portion of the Securities, or any beneficial interest therein, unless and until the transferee thereof has agreed in writing for the benefit of the Company to take and hold such Securities subject to, and to be bound by, the terms and conditions set forth in this Warrant to the same extent as if the transferee were the original Holder hereunder, and

(i) there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement, or

(ii) (A) such Holder shall have given prior written notice to the Company of such Holder's intention to make such disposition and shall have furnished the Company with a detailed description of the manner and circumstances of the proposed disposition, (B) the transferee shall have confirmed to the satisfaction of the Company in writing, substantially in the form of Exhibit A-1, that the Securities are being acquired (i) solely for the transferee's own account and not as a nominee for any other party, (ii) for investment and (iii) not with a view toward distribution or resale, and shall have confirmed such other matters related thereto as may be reasonably requested by the Company, and (C) if requested by the Company, such Holder shall have furnished the Company, at the Holder's expense, with (i) evidence reasonably satisfactory to the Company that such disposition will not require registration of such Securities under the Securities Act or (ii) a "no action" letter from the Securities and Exchange Commission to the effect that the transfer of such Securities without registration will not result in a recommendation by the staff of the Securities and Exchange Commission that action be taken with respect thereto, whereupon such Holder shall be entitled to transfer such Securities in accordance with the terms of the notice delivered by the Holder to the Company.

(b) **Permitted Transfers.** Permitted transfers with respect to Section 5(a) include (i) a transfer not involving a change in beneficial ownership, or (ii) transactions involving the distribution without consideration of Securities by any Holder to (x) a parent, subsidiary or other affiliate of a Holder that is a corporation, (y) any of the Holder's partners, members or other equity owners, or retired partners or members, or to the estate of any of its partners, members or other equity owners or retired partners or members, or (z) a venture capital fund that is controlled by or under common control with one or more general partners or managing members of, or shares the same management company with, the Holder; *provided*, however, that the Holder may not effect a transfer under this Section 5(b) to any entity reasonably determined by the Company to be

a competitor of the Company and that, in each case, the Holder shall give written notice to the Company of the Holder's intention to effect such disposition and shall have furnished the Company with a detailed description of the manner and circumstances of the proposed disposition.

(c) **Investment Representation Statement.** Unless the rights under this Warrant are exercised pursuant to an effective registration statement under the Securities Act that includes the Shares with respect to which the Warrant was exercised, it shall be a condition to any exercise of the rights under this Warrant that the Holder shall have confirmed to the satisfaction of the Company in writing, substantially in the form of Exhibit A-1, that the Shares so purchased are being acquired solely for the Holder's own account and not as a nominee for any other party, for investment and not with a view toward distribution or resale and that the Holder shall have confirmed such other matters related thereto as may be reasonably requested by the Company.

(d) **Securities Law Legend.** The Securities shall (unless otherwise permitted by the provisions of this Warrant) be stamped or imprinted with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(e) **Market Stand-off Legend.** The Shares and common stock issued upon exercise hereof or conversion thereof shall also be stamped or imprinted with a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD IN THE EVENT OF A PUBLIC OFFERING, AS SET FORTH IN THE WARRANT PURSUANT TO WHICH THESE SHARES WERE ISSUED, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY.

(f) **Instructions Regarding Transfer Restrictions.** The Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 5.

(g) **Removal of Legend.** The legend referring to federal and state securities laws identified in Section 5(d) stamped on a certificate evidencing the Shares (and the common stock issuable upon conversion thereof) and the stock transfer instructions and record notations with respect to such securities shall be removed and the Company shall issue a certificate without such legend to the holder of such securities if (i) such securities are registered under the Securities Act, or (ii) such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such securities may be made without registration or qualification.

(h) **No Transfers to Bad Actors; Notice of Bad Actor Status.** The Holder agrees not to sell, assign, transfer, pledge or otherwise dispose of any securities of the Company, or any beneficial interest therein, to any person (other than the Company) unless and until the proposed transferee confirms to the reasonable satisfaction of the Company that neither the proposed transferee nor any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members nor any person that would be deemed a beneficial owner of those securities (in accordance with Rule 506(d) of the Securities Act) is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the transfer, in writing in reasonable detail to the Company. The Holder will promptly notify the Company in writing if the Holder or, to the Holder’s knowledge, any person specified in Rule 506(d)(1) under the Securities Act becomes subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act.

6. **Adjustments.** Subject to the expiration of this Warrant pursuant to Section 8, the number and kind of shares purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) **Merger or Reorganization.** If at any time there shall be any reorganization, recapitalization, merger or consolidation (a “**Reorganization**”) involving the Company (other than as otherwise provided for herein or as would cause the expiration of this Warrant under Section 8) in which shares of the Company’s stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

(b) **Reclassification of Shares.** If the securities issuable upon exercise of this Warrant are changed into the same or a different number of securities of any other class or classes by reclassification, capital reorganization, conversion of all outstanding shares of the relevant class

or series (other than as would cause the expiration of this Warrant pursuant to Section 8) or otherwise (other than as otherwise provided for herein) (a "**Reclassification**"), then, in any such event, in lieu of the number of Shares which the Holder would otherwise have been entitled to receive, the Holder shall have the right thereafter to exercise this Warrant for a number of shares of such other class or classes of stock that a holder of the number of securities deliverable upon exercise of this Warrant immediately before that change would have been entitled to receive in such Reclassification, all subject to further adjustment as provided herein with respect to such other shares.

(c) **Subdivisions and Combinations.** In the event that the outstanding shares of Series B Preferred Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding shares of Series B Preferred Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) **Redemption.** In the event that all of the outstanding shares of the securities issuable upon exercise of this Warrant are redeemed in accordance with the Company's certificate of incorporation, this Warrant shall thereafter be exercisable for a number of shares of the Company's common stock equal to the number of shares of common stock that would have been received if this Warrant had been exercised in full immediately prior to such redemption and the preferred stock received thereupon had been simultaneously converted into common stock.

(e) **Notice of Adjustments.** Upon any adjustment in accordance with this Section 5(h), the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Exercise Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

7. **Notification of Certain Events.** Prior to the expiration of this Warrant pursuant to Section 8, in the event that the Company shall authorize:

(a) the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 5(h), (ii) repurchases of common stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase; (iii) repurchases of common stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries pursuant to rights of first refusal or first offer contained in agreements providing for such rights; or (iv) repurchases of capital stock of the Company in connection with the settlement of disputes with any stockholder), whether in cash, property, stock or other securities;

- (b) the voluntary liquidation, dissolution or winding up of the Company; or
- (c) any transaction resulting in the expiration of this Warrant pursuant to Section 8(b) or 8(c);

the Company shall send to the Holder of this Warrant at least ten (10) calendar days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause (a) or the expected effective date of any such other event specified in clause (b) or (c), as applicable. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder of this Warrant.

8. Expiration of the Warrant. This Warrant shall expire and shall no longer be exercisable as of the earlier of:

- (a) 5:00 p.m., Pacific time, on June 5, 2025;

(b) (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company's jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, as a result of shares in the Company held by such holders prior to such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary of the Company; or

(c) Immediately prior to the closing of a firm commitment underwritten initial public offering pursuant to an effective registration statement filed under the Securities Act covering the offering and sale of the Company's common stock.

9. No Rights as a Stockholder. Nothing contained herein shall entitle the Holder to any rights as a stockholder of the Company or to be deemed the holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon the Holder, as such, any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or any other rights of a stockholder of the Company until the rights under the Warrant shall have been exercised and the Shares purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

10. **Market Stand-off.** The Holder of this Warrant hereby agrees that such Holder shall not sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any common stock (or other securities) of the Company held by the Holder (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the registration statement for the Company's initial public offering filed under the Securities Act (or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this section shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each certificate with a legend as substantially set forth in Section 5(e) with respect to the shares of common stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day (or other) period. The Holder agrees to execute a market stand-off agreement with the underwriters in the offering in customary form consistent with the provisions of this section.

11. **Representations and Warranties of the Holder.** By acceptance of this Warrant, the Holder represents and warrants to the Company as follows:

(a) **No Registration.** The Holder understands that the Securities 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, the availability of which depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of the Holder's representations as expressed herein or otherwise made pursuant hereto.

(b) **Investment Intent.** The Holder is acquiring the Securities for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. The Holder has no present intention of selling, granting any participation in, or otherwise distributing the Securities, nor does it have any contract, undertaking, agreement or arrangement for the same.

(c) **Investment Experience.** The Holder has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.

(d) **Speculative Nature of Investment.** The Holder understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. The Holder can bear the economic risk of its investment and is able, without impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

(e) **Access to Data.** The Holder has had an opportunity to ask questions of officers of the Company, which questions were answered to its satisfaction. The Holder believes that it has received all the information that it considers necessary or appropriate for deciding whether to acquire the Securities. The Holder understands that any such discussions, as well as any information issued by the Company, were intended to describe certain aspects of the Company's business and prospects, but were not necessarily a thorough or exhaustive description. The Holder acknowledges that any business plans prepared by the Company have been, and continue to be, subject to change and that any projections included in such business plans or otherwise are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results.

(f) **Accredited Investor.** The Holder is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Holder has furnished or made available any and all information requested by the Company or otherwise necessary to satisfy any applicable verification requirements as to "accredited investor" status. Any such information is true, correct, timely and complete.

(g) **Residency.** The residency of the Holder (or, in the case of a partnership or corporation, such entity's principal place of business) is correctly set forth on the signature page hereto.

(h) **Restrictions on Resales.** The Holder acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. The Holder is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of shares purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a "broker's transaction," a transaction directly with a "market maker" or a "riskless principal transaction" (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. The Holder acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time the Holder wishes to sell the Securities and that, in such event, the Holder may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. The Holder acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Securities. The Holder understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered

offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(i) **No Public Market.** The Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities.

(j) **Brokers and Finders.** The Holder has not engaged any brokers, finders or agents in connection with the Securities, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by the Holder, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with the Securities.

(k) **Legal Counsel.** The Holder has had the opportunity to review this Warrant, the exhibits and schedules attached hereto and the transactions contemplated by this Warrant with its own legal counsel. The Holder is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by this Warrant.

(l) **Tax Advisors.** The Holder has reviewed with its own tax advisors the U.S. federal, state and local and non-U.S. tax consequences of this investment and the transactions contemplated by this Warrant. With respect to such matters, the Holder relies solely on any such advisors and not on any statements or representations of the Company or any of its agents, written or oral. The Holder understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment and the transactions contemplated by this Warrant.

(m) **No "Bad Actor" Disqualification.** Neither (i) the Holder, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company's voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by the Holder is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the acceptance of this Warrant, in writing in reasonable detail to the Company.

12. Miscellaneous.

(a) **Amendments.** Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and the Holder of this Warrant.

(b) **Waivers.** No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid,

sent by facsimile or electronic mail (if to the Holder) or otherwise delivered by hand, messenger or courier service addressed:

(i) if to the Holder, to the Holder at the Holder's address, facsimile number or electronic mail address as shown in the Company's records, as may be updated in accordance with the provisions hereof, or until any such Holder so furnishes an address, facsimile number or electronic mail address to the Company, then to and at the address, facsimile number or electronic mail address of the last holder of this Warrant for which the Company has contact information in its records; or

(ii) if to the Company, to the attention of the President or Chief Financial Officer of the Company at the Company's address as shown on the signature page hereto, or at such other current address as the Company shall have furnished to the Holder, with a copy (which shall not constitute notice) to Philip H. Oettinger, Wilson Sonsini Goodrich & Rosati, P.C., 650 Page Mill Road, Palo Alto, CA 94304.

Each such notice or other communication shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or (iii) if sent via facsimile, upon confirmation of facsimile transfer or, if sent via electronic mail, upon confirmation of delivery when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day. In the event of any conflict between the Company's books and records and this Warrant or any notice delivered hereunder, the Company's books and records will control absent fraud or error.

(d) **Governing Law.** This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions of the State of Delaware, or of any other state.

(e) **Jurisdiction and Venue.** Each of the Holder and the Company irrevocably consents to the exclusive jurisdiction and venue of any court within Santa Clara County, State of California, in connection with any matter based upon or arising out of this Warrant or the matters contemplated herein, and agrees that process may be served upon them in any manner authorized by the laws of the State of California for such persons.

(f) **Titles and Subtitles.** The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(g) **Severability.** If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or

such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(h) **Waiver of Jury Trial.** EACH OF THE HOLDER AND THE COMPANY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS WARRANT. If the waiver of jury trial set forth in this paragraph is not enforceable, then any claim or cause of action arising out of or relating to this Warrant shall be settled by judicial reference pursuant to California Code of Civil Procedure Section 638 *et seq.* before a referee sitting without a jury, such referee to be mutually acceptable to the parties or, if no agreement is reached, by a referee appointed by the Presiding Judge of the California Superior Court for Santa Clara County. This paragraph shall not restrict the Holder or the Company from exercising remedies under the Uniform Commercial Code or from exercising pre-judgment remedies under applicable law.

(i) **California Corporate Securities Law.** THE SALE OF THE SECURITIES THAT ARE THE SUBJECT OF THIS WARRANT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102, OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS WARRANT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

(j) **Saturdays, Sundays and Holidays.** If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday, Sunday or U.S. federal holiday, then such action may be taken or such right may be exercised on the next succeeding day that is not a Saturday, Sunday or U.S. federal holiday.

(k) **Rights and Obligations Survive Exercise of the Warrant.** Except as otherwise provided herein, the rights and obligations of the Company and the Holder under this Warrant shall survive exercise of this Warrant.

(l) **Entire Agreement.** Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and the Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(signature page follows)

The Company and the Holder sign this Warrant as of the date stated on the first page.

OUTSET MEDICAL, INC

By: / _____
Name: Leslie Trigg
Title: CEO

Address:

1830 Bering Drive
San Jose, CA 95112

AGREED AND ACKNOWLEDGED,

By _____
Name:
Title:

WITNESS:
Name:

Address for Notices:

(Signature Page to Warrant to Purchase Shares of Series B Preferred Stock of Outset Medical, Inc.)

EXHIBIT A

NOTICE OF EXERCISE

TO: OUTSET MEDICAL, INC. (the “Company”)

Attention: President

(1) **Exercise.** The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares: _____

Type of security: _____

(2) **Method of Exercise.** The undersigned elects to exercise the attached warrant pursuant to:

☐ A cash payment, and tenders herewith payment of the purchase price for such shares in full, together with all applicable transfer taxes, if any.

☐ The net issue exercise provisions of Section 2(b) of the attached warrant.

(3) **Conditional Exercise.** Is this a conditional exercise pursuant to Section 2(e):

☐ Yes ☐ No

If “Yes,” indicate the applicable condition:

(4) **Stock Certificate.** Please issue a certificate or certificates representing the shares in the name of:

☐ The undersigned

☐ Other—Name: _____

Address _____

(5) **Unexercised Portion of the Warrant.** Please issue a new warrant for the unexercised portion of the attached warrant in the name of:

☐ The undersigned _____

☐ Other—Name: _____

Address: _____

☐ Not applicable

- (6) **Investment Intent.** The undersigned represents and warrants that the aforesaid shares are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties of the undersigned set forth in Section 11 of the attached warrant are true and correct as of the date hereof.
- (7) **Investment Representation Statement and Market Stand-Off Agreement.** The undersigned has executed, and delivers herewith, an Investment Representation Statement and Market Stand-Off Agreement in a form substantially similar to the form attached to the warrant as Exhibit A-1.
- (8) **Consent to Receipt of Electronic Notice.** Subject to the limitations set forth in Delaware General Corporation Law §232(e), the undersigned consents to the delivery of any notice to stockholders given by the Company under the Delaware General Corporation Law or the Company's certificate of incorporation or bylaws by (i) facsimile telecommunication to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company's records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company's records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission (as defined in the Delaware General Corporation Law) directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company and may be deemed revoked in the circumstances specified in Delaware General Corporation Law §232.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

(Fax number)

(Email address)

(Signature page to the Notice of Exercise)

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EXHIBIT A-1

INVESTMENT REPRESENTATION STATEMENT
AND
MARKET STAND-OFF AGREEMENT

INVESTOR: _____
COMPANY: OUTSET MEDICAL, INC.
SECURITIES: THE WARRANT ISSUED ON JUNE, 2015 (THE “**WARRANT**”) AND THE SECURITIES ISSUED OR ISSUABLE UPON EXERCISE THEREOF (INCLUDING UPON SUBSEQUENT CONVERSION OF THOSE SECURITIES)
DATE: _____

In connection with the purchase or acquisition of the above-listed Securities, the undersigned Investor represents and warrants to, and agrees with, the Company as follows:

1. **No Registration.** The Investor understands that the Securities have not been, and will not be, registered under the Securities Act of 1933, as amended (the “**Securities Act**”), by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of the Investor’s representations as expressed herein or otherwise made pursuant hereto.
2. **Investment Intent.** The Investor is acquiring the Securities for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. The Investor has no present intention of selling, granting any participation in, or otherwise distributing the Securities, nor does it have any contract, undertaking, agreement or arrangement for the same.
3. **Investment Experience.** The Investor has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.
4. **Speculative Nature of Investment.** The Investor understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. The Investor can bear the economic risk of its investment and is able, without impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.
5. **Access to Data.** The Investor has had an opportunity to ask questions of officers of the Company, which questions were answered to its satisfaction. The Investor believes that it has received all the information that it considers necessary or appropriate for deciding whether to acquire the Securities. The Investor understands that any such discussions, as well as any

information issued by the Company, were intended to describe certain aspects of the Company's business and prospects, but were not necessarily a thorough or exhaustive description. The Investor acknowledges that any business plans prepared by the Company have been, and continue to be, subject to change and that any projections included in such business plans or otherwise are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results.

6. **Accredited Investor.** The Investor is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Investor has furnished or made available any and all information requested by the Company or otherwise necessary to satisfy any applicable verification requirements as to "accredited investor" status. Any such information is true, correct, timely and complete.

7. **Residency.** The residency of the Investor (or, in the case of a partnership or corporation, such entity's principal place of business) is correctly set forth on the signature page hereto.

8. **Restrictions on Resales.** The Investor acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. The Investor is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of shares purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a "broker's transaction," a transaction directly with a "market maker" or a "riskless principal transaction" (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. The Investor acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time the Investor wishes to sell the Securities and that, in such event, the Investor may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. The Investor understands and acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Securities. The Investor understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for those offers or sales and that those persons and the brokers who participate in the transactions do so at their own risk.

9. **No Public Market.** The Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities.

10. **Brokers and Finders.** The Investor has not engaged any brokers, finders or agents in connection with the Securities, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by the Investor, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with the Securities.

11. **Legal Counsel.** The Investor has had the opportunity to review the Warrant, the exhibits and schedules attached thereto and the transactions contemplated by the Warrant with its own legal counsel. The Investor is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by the Warrant.

12. **Tax Advisors.** The Investor has reviewed with its own tax advisors the U.S. federal, state and local and non-U.S. tax consequences of this investment and the transactions contemplated by the Warrant. With respect to such matters, the Investor relies solely on such advisors and not on any statements or representations of the Company or any of its agents, written or oral. The Investor understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment or the transactions contemplated by the Warrant.

13. **Market Stand-off.** The Investor agrees that the Investor shall not sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any common stock (or other securities) of the Company held by the Investor (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the registration statement for the Company's initial public offering filed under the Securities Act (or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this section shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each certificate with a legend with respect to the shares of common stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day (or other) period. The Investor agrees to execute a market stand-off agreement with the relevant underwriters in customary form consistent with the provisions of this section.

14. **No "Bad Actor" Disqualification.** Neither (i) the Investor, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company's voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by the Investor is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the purchase or acquisition of the Securities, in writing in reasonable detail to the Company.

(signature page follows)

A-1-4

The Investor is signing this Investment Representation Statement and Market Stand-Off Agreement on the date first written above.

INVESTOR

(Print name of the investor)

(Signature)

(Name and title of signatory, if applicable)

(Street address)

(City, state and ZIP)

EXHIBIT B

ASSIGNMENT FORM

ASSIGNOR: _____
COMPANY: OUTSET MEDICAL, INC.
WARRANT: THE WARRANT TO PURCHASE SHARES OF SERIES B PREFERRED STOCK ISSUED ON JUNE _____, 2015 (THE
“WARRANT”)
DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant (“**Assignor**”) assigns and transfers to the assignee named below (“**Assignee**”) all of the rights of Assignor under the Warrant, with respect to the number of shares set forth below:

Name of Assignee: _____
Address of Assignee: _____

Number of Shares Assigned:

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of OUTSET MEDICAL, INC., maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of stock to be issued upon exercise of the rights thereunder (and any shares issuable upon conversion thereof) (the “**Securities**”) subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Section 11 of the Warrant are true and correct as to Assignee as of the date hereof.
- (4) **Investment Representation Statement and Market Stand-Off Agreement.** Assignee has executed, and delivers herewith, an Investment Representation Statement and Market Stand-Off Agreement in a form substantially similar to the form attached to the Warrant as Exhibit A-1.

(5) **No “Bad Actor” Disqualification.** Neither (i) Assignee, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company’s securities held or to be held by Assignee is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act of 1933, as amended (the “**Securities Act**”), except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the transfer of the Securities, in writing in reasonable detail to the Company.

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

ASSIGNEE

(Print name of Assignor)

(Print name of Assignee)

(Signature of Assignor)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

Address:

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

WARRANT TO PURCHASE SHARES OF SERIES B PREFERRED STOCK
of
OUTSET MEDICAL, INC.

Dated as of June 14, 2016
Void after the date specified in Section 8

Warrant to Purchase
Shares of
Series B Preferred Stock
(subject to adjustment)

THIS CERTIFIES THAT, for value received, _____, or its registered assigns (the “**Holder**”), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from Outset Medical, Inc., a Delaware corporation (the “**Company**”), shares of the Company’s Series B Preferred Stock, \$0.001 par value per share (the “**Shares**”), in the amounts, at such times and at the price per share set forth in Section 1. The term “**Warrant**” as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein. This Warrant is issued in connection with the transactions described in the Term Loan Agreement, dated as of June 5, 2015, by and among the Company, CRG Partners III L.P., CRG Partners III – Parallel Fund “B” (Cayman) L.P. and CRG Partners III (Cayman) L.P., as amended by that certain Amendment No. 1 to Term Loan Agreement, dated as of June 14, 2016.

The following is a statement of the rights of the Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1. Number and Price of Shares; Exercise Period.

- (a) **Number of Shares.** Subject to any previous exercise of the Warrant, the Holder shall have the right to purchase up to Shares, as may be adjusted pursuant hereto prior to (or in connection with) the expiration of this Warrant as provided in Section 8.
- (b) **Exercise Price.** The exercise price per Share shall be equal to \$2.2674, subject to adjustment pursuant hereto (the “**Exercise Price**”).
- (c) **Exercise Period.** This Warrant shall be exercisable, in whole or in part, prior to (or in connection with) the expiration of this Warrant as set forth in Section 8.

2. Exercise of the Warrant.

(a) **Exercise.** The purchase rights represented by this Warrant may be exercised at the election of the Holder, in whole or in part, in accordance with Section 1, by:

(i) the tender to the Company at its principal office (or such other office or agency as the Company may designate) of a notice of exercise in the form of Exhibit A (the “**Notice of Exercise**”), duly completed and executed by or on behalf of the Holder, together with the surrender of this Warrant; and

(ii) the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of Shares being purchased, by wire transfer or certified, cashier’s or other check acceptable to the Company and payable to the order of the Company.

(b) **Net Issue Exercise.** In lieu of exercising this Warrant pursuant to Section 2(a)(ii), if the fair market value of one Share is greater than the Exercise Price (at the date of calculation as set forth below), the Holder may elect to receive a number of Shares equal to the value of this Warrant (or of any portion of this Warrant being canceled) by surrender of this Warrant at the principal office of the Company (or such other office or agency as the Company may designate) together with a properly completed and executed Notice of Exercise reflecting such election, in which event the Company shall issue to the Holder that number of Shares computed using the following formula:

$$X = \frac{Y(A - B)}{A}$$

Where:

X = The number of Shares to be issued to the Holder

Y = The number of Shares purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = The fair market value of one Share (at the date of such calculation)

B = The Exercise Price (as adjusted to the date of such calculation)

For purposes of the calculation above, the fair market value of one Share shall be determined by the Board of Directors of the Company, acting in good faith; provided, however, that:

(i) where a public market exists for the Company’s common stock at the time of such exercise, the fair market value per Share shall be the average of the closing bid prices of the common stock or the closing price quoted on the national securities exchange on which the common stock is listed as published in the *Wall Street Journal*, as applicable, for the ten (10) trading day period ending five (5) trading days prior to the date of determination of fair market value; and

(ii) if the Warrant is exercised in connection with the Company’s initial public offering of common stock, the fair market value per Share shall be the per share offering price to the public of the Company’s initial public offering.

(c) **Stock Certificates.** The rights under this Warrant shall be deemed to have been exercised and the Shares issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Shares issuable upon such exercise shall be treated for all purposes as the holder of record of such Shares as of the close of business on such date. As promptly as reasonably practicable on or after such date, the Company shall issue and deliver to the person or persons entitled to receive the same a certificate or certificates for that number of shares issuable upon such exercise. In the event that the rights under this Warrant are exercised in part and have not expired, the Company shall execute and deliver a new Warrant reflecting the number of Shares that remain subject to this Warrant.

(d) **No Fractional Shares or Scrip.** No fractional shares or scrip representing fractional shares shall be issued upon the exercise of the rights under this Warrant. In lieu of such fractional share to which the Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(e) **Conditional Exercise.** The Holder may exercise this Warrant conditioned upon (and effective immediately prior to) consummation of any transaction that would cause the expiration of this Warrant pursuant to Section 8 by so indicating in the notice of exercise.

(f) **Reservation of Stock.** The Company agrees during the term the rights under this Warrant are exercisable to reserve and keep available from its authorized and unissued shares of Series B Preferred Stock for the purpose of effecting the exercise of this Warrant such number of shares (and shares of common stock for issuance on conversion of such shares) as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued shares of Series B Preferred Stock (and shares of common stock for issuance on conversion of such shares) shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms and the conversion of the Shares, without limitation of such other remedies as may be available to the Holder, the Company will use all reasonable efforts to take such corporate action as may be necessary to increase its authorized and unissued shares of its Series B Preferred Stock (and shares of common stock for issuance on conversion of such shares) to a number of shares as shall be sufficient for such purposes. The Company represents and warrants that all shares that may be issued upon the exercise of this Warrant will, when issued in accordance with the terms hereof, be validly issued, fully paid and nonassessable.

3. **Replacement of the Warrant.** Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company at the expense of the Holder shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4. **Transfer of the Warrant.**

(a) **Warrant Register.** The Company shall maintain a register (the “**Warrant Register**”) containing the name and address of the Holder or Holders. Until this Warrant is transferred on the Warrant Register in accordance herewith, the Company may treat the Holder as shown on the Warrant Register as the absolute owner of this Warrant for all purposes, notwithstanding any notice to the contrary. Any Holder of this Warrant (or of any portion of this Warrant) may change its address as shown on the Warrant Register by written notice to the Company requesting a change.

(b) **Warrant Agent.** The Company may appoint an agent for the purpose of maintaining the Warrant Register referred to in Section 4(a), issuing the Shares or other securities then issuable upon the exercise of the rights under this Warrant, exchanging this Warrant, replacing this Warrant or conducting related activities.

(c) **Transferability of the Warrant.** Subject to the provisions of this Warrant with respect to compliance with the Securities Act of 1933, as amended (the “**Securities Act**”) and limitations on assignments and transfers, including without limitation compliance with the restrictions on transfer set forth in Section 5, title to this Warrant may be transferred by endorsement (by the transferor and the transferee executing the assignment form attached as Exhibit B (the “**Assignment Form**”)) and delivery in the same manner as a negotiable instrument transferable by endorsement and delivery.

(d) **Exchange of the Warrant upon a Transfer.** On surrender of this Warrant (and a properly endorsed Assignment Form) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act and limitations on assignments and transfers, the Company shall issue to or on the order of the Holder a new warrant or warrants of like tenor, in the name of the Holder or as the Holder (on payment by the Holder of any applicable transfer taxes) may direct, for the number of shares issuable upon exercise hereof, and the Company shall register any such transfer upon the Warrant Register. This Warrant (and the securities issuable upon exercise of the rights under this Warrant) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale, pledge, hypothecation or other transfer of any interest in any of the securities represented hereby.

(e) **Minimum Transfer.** This Warrant may not be transferred in part unless such transfer is to a transferee who, pursuant to such transfer, receives the right to purchase at least one hundred thousand (100,000) Shares hereunder (as adjusted from time to time in accordance with Section 6).

(f) **Taxes.** In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate in a name other than that of the Holder, and the Company shall not be required to issue or deliver any such certificate unless and until the person or persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or is not payable.

5. **Restrictions on Transfer of the Warrant and Shares; Compliance with Securities Laws.** By acceptance of this Warrant, the Holder agrees to comply with the following:

(a) **Restrictions on Transfers.** Subject to Section 5(b), this Warrant may not be transferred or assigned in whole or in part without the Company’s prior written consent (which shall not be unreasonably withheld), and any attempt by Holder to transfer or assign any rights, duties or obligations that arise under this Warrant without such permission shall be void. Any transfer of this Warrant or the Shares or the shares of common stock issuable upon conversion of the Shares (the “**Securities**”) must be in compliance with all applicable federal and state securities laws. The Holder agrees not to make any sale, assignment, transfer, pledge or other disposition of all or any portion of the Securities, or any beneficial interest therein, unless and until the transferee thereof has agreed in writing for the benefit of the Company to take and hold such Securities subject to, and to be bound by, the terms and conditions set forth in this Warrant to the same extent as if the transferee were the original Holder hereunder, and

(i) there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement, or

(ii) (A) such Holder shall have given prior written notice to the Company of such Holder’s intention to make such disposition and shall have furnished the Company with a detailed description of the manner and circumstances of the proposed disposition, (B) the transferee shall have

confirmed to the satisfaction of the Company in writing, substantially in the form of Exhibit A-1, that the Securities are being acquired (i) solely for the transferee's own account and not as a nominee for any other party, (ii) for investment and (iii) not with a view toward distribution or resale, and shall have confirmed such other matters related thereto as may be reasonably requested by the Company, and (C) if requested by the Company, such Holder shall have furnished the Company, at the Holder's expense, with (i) evidence reasonably satisfactory to the Company that such disposition will not require registration of such Securities under the Securities Act or (ii) a "no action" letter from the Securities and Exchange Commission to the effect that the transfer of such Securities without registration will not result in a recommendation by the staff of the Securities and Exchange Commission that action be taken with respect thereto, whereupon such Holder shall be entitled to transfer such Securities in accordance with the terms of the notice delivered by the Holder to the Company.

(b) **Permitted Transfers.** Permitted transfers with respect to Section 5(a) include (i) a transfer not involving a change in beneficial ownership, or (ii) transactions involving the distribution without consideration of Securities by any Holder to (x) a parent, subsidiary or other affiliate of a Holder that is a corporation, (y) any of the Holder's partners, members or other equity owners, or retired partners or members, or to the estate of any of its partners, members or other equity owners or retired partners or members, or (z) a venture capital fund that is controlled by or under common control with one or more general partners or managing members of, or shares the same management company with, the Holder; provided, however, that the Holder may not effect a transfer under this Section 5(b) to any entity reasonably determined by the Company to be a competitor of the Company and that, in each case, the Holder shall give written notice to the Company of the Holder's intention to effect such disposition and shall have furnished the Company with a detailed description of the manner and circumstances of the proposed disposition.

(c) **Investment Representation Statement.** Unless the rights under this Warrant are exercised pursuant to an effective registration statement under the Securities Act that includes the Shares with respect to which the Warrant was exercised, it shall be a condition to any exercise of the rights under this Warrant that the Holder shall have confirmed to the satisfaction of the Company in writing, substantially in the form of Exhibit A-1, that the Shares so purchased are being acquired solely for the Holder's own account and not as a nominee for any other party, for investment and not with a view toward distribution or resale and that the Holder shall have confirmed such other matters related thereto as may be reasonably requested by the Company.

(d) **Securities Law Legend.** The Securities shall (unless otherwise permitted by the provisions of this Warrant) be stamped or imprinted with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(e) **Market Stand-off Legend.** The Shares and common stock issued upon exercise hereof or conversion thereof shall also be stamped or imprinted with a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD IN THE EVENT OF A PUBLIC OFFERING, AS SET FORTH IN THE WARRANT PURSUANT TO WHICH THESE SHARES WERE ISSUED, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY.

(f) **Instructions Regarding Transfer Restrictions.** The Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 5.

(g) **Removal of Legend.** The legend referring to federal and state securities laws identified in Section 5(d) stamped on a certificate evidencing the Shares (and the common stock issuable upon conversion thereof) and the stock transfer instructions and record notations with respect to such securities shall be removed and the Company shall issue a certificate without such legend to the holder of such securities if (i) such securities are registered under the Securities Act, or (ii) such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such securities may be made without registration or qualification.

(h) **No Transfers to Bad Actors; Notice of Bad Actor Status.** The Holder agrees not to sell, assign, transfer, pledge or otherwise dispose of any securities of the Company, or any beneficial interest therein, to any person (other than the Company) unless and until the proposed transferee confirms to the reasonable satisfaction of the Company that neither the proposed transferee nor any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members nor any person that would be deemed a beneficial owner of those securities (in accordance with Rule 506(d) of the Securities Act) is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the transfer, in writing in reasonable detail to the Company. The Holder will promptly notify the Company in writing if the Holder or, to the Holder’s knowledge, any person specified in Rule 506(d)(1) under the Securities Act becomes subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act.

6. **Adjustments.** Subject to the expiration of this Warrant pursuant to Section 8, the number and kind of shares purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) **Merger or Reorganization.** If at any time there shall be any reorganization, recapitalization, merger or consolidation (a “**Reorganization**”) involving the Company (other than as otherwise provided for herein or as would cause the expiration of this Warrant under Section 8) in which shares of the Company’s stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the

rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

(b) **Reclassification of Shares.** If the securities issuable upon exercise of this Warrant are changed into the same or a different number of securities of any other class or classes by reclassification, capital reorganization, conversion of all outstanding shares of the relevant class or series (other than as would cause the expiration of this Warrant pursuant to Section 8) or otherwise (other than as otherwise provided for herein) (a “**Reclassification**”), then, in any such event, in lieu of the number of Shares which the Holder would otherwise have been entitled to receive, the Holder shall have the right thereafter to exercise this Warrant for a number of shares of such other class or classes of stock that a holder of the number of securities deliverable upon exercise of this Warrant immediately before that change would have been entitled to receive in such Reclassification, all subject to further adjustment as provided herein with respect to such other shares.

(c) **Subdivisions and Combinations.** In the event that the outstanding shares of Series B Preferred Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding shares of Series B Preferred Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) **Redemption.** In the event that all of the outstanding shares of the securities issuable upon exercise of this Warrant are redeemed in accordance with the Company’s certificate of incorporation, this Warrant shall thereafter be exercisable for a number of shares of the Company’s common stock equal to the number of shares of common stock that would have been received if this Warrant had been exercised in full immediately prior to such redemption and the preferred stock received thereupon had been simultaneously converted into common stock.

(e) **Notice of Adjustments.** Upon any adjustment in accordance with this Section 5(h), the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Exercise Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

7. **Notification of Certain Events.** Prior to the expiration of this Warrant pursuant to Section 8, in the event that the Company shall authorize:

(a) the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 6, (ii) repurchases of common stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase; (iii) repurchases of common stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries pursuant to rights of first refusal or first offer contained in agreements providing for such rights; or (iv) repurchases of capital stock of the Company in connection with the settlement of disputes with any stockholder), whether in cash, property, stock or other securities;

- (b) the voluntary liquidation, dissolution or winding up of the Company; or
- (c) any transaction resulting in the expiration of this Warrant pursuant to Section 8(b) or 8(c);

the Company shall send to the Holder of this Warrant at least ten (10) calendar days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause (a) or the expected effective date of any such other event specified in clause (b) or (c), as applicable. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder of this Warrant.

8. Expiration of the Warrant. This Warrant shall expire and shall no longer be exercisable as of the earlier of:

- (a) 5:00 p.m., Pacific time, on June 14, 2026;

(b) (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company's jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, as a result of shares in the Company held by such holders prior to such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary of the Company; or

(c) Immediately prior to the closing of a firm commitment underwritten initial public offering pursuant to an effective registration statement filed under the Securities Act covering the offering and sale of the Company's common stock.

9. No Rights as a Stockholder. Nothing contained herein shall entitle the Holder to any rights as a stockholder of the Company or to be deemed the holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon the Holder, as such, any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or any other rights of a stockholder of the Company until the rights under the Warrant shall have been exercised and the Shares purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

10. **Market Stand-off.** The Holder of this Warrant hereby agrees that such Holder shall not sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any common stock (or other securities) of the Company held by the Holder (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the registration statement for the Company's initial public offering filed under the Securities Act (or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this section shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each certificate with a legend as substantially set forth in Section 5(e) with respect to the shares of common stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day (or other) period. The Holder agrees to execute a market stand-off agreement with the underwriters in the offering in customary form consistent with the provisions of this section.

11. **Representations and Warranties of the Holder.** By acceptance of this Warrant, the Holder represents and warrants to the Company as follows:

(a) **No Registration.** The Holder understands that the Securities 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, the availability of which depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of the Holder's representations as expressed herein or otherwise made pursuant hereto.

(b) **Investment Intent.** The Holder is acquiring the Securities for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. The Holder has no present intention of selling, granting any participation in, or otherwise distributing the Securities, nor does it have any contract, undertaking, agreement or arrangement for the same.

(c) **Investment Experience.** The Holder has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.

(d) **Speculative Nature of Investment.** The Holder understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. The Holder can bear the economic risk of its investment and is able, without impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

(e) **Access to Data.** The Holder has had an opportunity to ask questions of officers of the Company, which questions were answered to its satisfaction. The Holder believes that it has received all the information that it considers necessary or appropriate for deciding whether to acquire the Securities. The Holder understands that any such discussions, as well as any information issued by the Company, were intended to describe certain aspects of the Company's business and prospects, but were not necessarily a thorough or exhaustive description. The Holder acknowledges that any business plans prepared by the Company have been, and continue to be, subject to change and that any projections included in such business plans or otherwise are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results.

(f) **Accredited Investor.** The Holder is an “accredited investor” within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Holder has furnished or made available any and all information requested by the Company or otherwise necessary to satisfy any applicable verification requirements as to “accredited investor” status. Any such information is true, correct, timely and complete.

(g) **Residency.** The residency of the Holder (or, in the case of a partnership or corporation, such entity’s principal place of business) is correctly set forth on the signature page hereto.

(h) **Restrictions on Resales.** The Holder acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. The Holder is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of shares purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a “broker’s transaction,” a transaction directly with a “market maker” or a “riskless principal transaction” (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. The Holder acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time the Holder wishes to sell the Securities and that, in such event, the Holder may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. The Holder acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Securities. The Holder understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(i) **No Public Market.** The Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company’s securities.

(j) **Brokers and Finders.** The Holder has not engaged any brokers, finders or agents in connection with the Securities, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by the Holder, any liability for brokerage or finders’ fees or agents’ commissions or any similar charges in connection with the Securities.

(k) **Legal Counsel.** The Holder has had the opportunity to review this Warrant, the exhibits and schedules attached hereto and the transactions contemplated by this Warrant with its own legal counsel. The Holder is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by this Warrant.

(l) **Tax Advisors.** The Holder has reviewed with its own tax advisors the U.S. federal, state and local and non-U.S. tax consequences of this investment and the transactions contemplated by this

Warrant. With respect to such matters, the Holder relies solely on any such advisors and not on any statements or representations of the Company or any of its agents, written or oral. The Holder understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment and the transactions contemplated by this Warrant.

(m) **No “Bad Actor” Disqualification.** Neither (i) the Holder, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company’s voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by the Holder is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the acceptance of this Warrant, in writing in reasonable detail to the Company.

12. Miscellaneous.

(a) **Amendments.** Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and the Holder of this Warrant.

(b) **Waivers.** No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail (if to the Holder) or otherwise delivered by hand, messenger or courier service addressed:

(i) if to the Holder, to the Holder at the Holder’s address, facsimile number or electronic mail address as shown in the Company’s records, as may be updated in accordance with the provisions hereof, or until any such Holder so furnishes an address, facsimile number or electronic mail address to the Company, then to and at the address, facsimile number or electronic mail address of the last holder of this Warrant for which the Company has contact information in its records; or

(ii) if to the Company, to the attention of the President or Chief Financial Officer of the Company at the Company’s address as shown on the signature page hereto, or at such other current address as the Company shall have furnished to the Holder, with a copy (which shall not constitute notice) to Philip H. Oettinger, Wilson Sonsini Goodrich & Rosati, P.C., 650 Page Mill Road, Palo Alto, CA 94304.

Each such notice or other communication shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or (iii) if sent via facsimile, upon confirmation of facsimile transfer or, if sent via electronic mail, upon confirmation of delivery when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient’s next business day. In the event of any conflict between the Company’s books and records and this Warrant or any notice delivered hereunder, the Company’s books and records will control absent fraud or error.

(d) **Governing Law.** This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions of the State of Delaware, or of any other state.

(e) **Jurisdiction and Venue.** Each of the Holder and the Company irrevocably consents to the exclusive jurisdiction and venue of any court within Santa Clara County, State of California, in connection with any matter based upon or arising out of this Warrant or the matters contemplated herein, and agrees that process may be served upon them in any manner authorized by the laws of the State of California for such persons.

(f) **Titles and Subtitles.** The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(g) **Severability.** If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(h) **Waiver of Jury Trial.** EACH OF THE HOLDER AND THE COMPANY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS WARRANT. If the waiver of jury trial set forth in this paragraph is not enforceable, then any claim or cause of action arising out of or relating to this Warrant shall be settled by judicial reference pursuant to California Code of Civil Procedure Section 638 et seq. before a referee sitting without a jury, such referee to be mutually acceptable to the parties or, if no agreement is reached, by a referee appointed by the Presiding Judge of the California Superior Court for Santa Clara County. This paragraph shall not restrict the Holder or the Company from exercising remedies under the Uniform Commercial Code or from exercising pre-judgment remedies under applicable law.

(i) **California Corporate Securities Law.** THE SALE OF THE SECURITIES THAT ARE THE SUBJECT OF THIS WARRANT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102, OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS WARRANT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

(j) **Saturdays, Sundays and Holidays.** If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday, Sunday or U.S. federal holiday, then such action may be taken or such right may be exercised on the next succeeding day that is not a Saturday, Sunday or U.S. federal holiday.

(k) ***Rights and Obligations Survive Exercise of the Warrant.*** Except as otherwise provided herein, the rights and obligations of the Company and the Holder under this Warrant shall survive exercise of this Warrant.

(l) ***Entire Agreement.*** Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and the Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(signature page follows)

The Company and the Holder sign this Warrant as of the date stated on the first page.

OUTSET MEDICAL, INC.

By: _____
Name: _____
Title: _____

Address:

1830 Bering Drive
San Jose, CA 95112

AGREED AND ACKNOWLEDGED,

By: _____
Name:
Title:

Address:

(Signature Page to Warrant to Purchase Shares of Series B Preferred Stock of Outset Medical, Inc.)

EXHIBIT A

NOTICE OF EXERCISE

TO: OUTSET MEDICAL, INC. (the “Company”)

Attention: President

(1) **Exercise.** The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares: _____

Type of security: _____

(2) **Method of Exercise.** The undersigned elects to exercise the attached warrant pursuant to:

☐ A cash payment, and tenders herewith payment of the purchase price for such shares in full, together with all applicable transfer taxes, if any.

☐ The net issue exercise provisions of Section 2(b) of the attached warrant.

(3) **Conditional Exercise.** Is this a conditional exercise pursuant to Section 2(e):

☐ Yes ☐ No

If “Yes,” indicate the applicable condition:

(4) **Stock Certificate.** Please issue a certificate or certificates representing the shares in the name of:

☐ The undersigned

☐ Other–Name: _____

Address: _____

(5) **Unexercised Portion of the Warrant.** Please issue a new warrant for the unexercised portion of the attached warrant in the name of:

☐ The undersigned

☐ Other–Name: _____

Address: _____

☐ Not applicable

(Signature page to the Notice of Exercise)

- (6) **Investment Intent.** The undersigned represents and warrants that the aforesaid shares are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties of the undersigned set forth in Section 11 of the attached warrant are true and correct as of the date hereof.
- (7) **Investment Representation Statement and Market Stand-Off Agreement.** The undersigned has executed, and delivers herewith, an Investment Representation Statement and Market Stand-Off Agreement in a form substantially similar to the form attached to the warrant as Exhibit A-1.
- (8) **Consent to Receipt of Electronic Notice.** Subject to the limitations set forth in Delaware General Corporation Law §232(e), the undersigned consents to the delivery of any notice to stockholders given by the Company under the Delaware General Corporation Law or the Company's certificate of incorporation or bylaws by (i) facsimile telecommunication to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company's records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company's records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission (as defined in the Delaware General Corporation Law) directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company and may be deemed revoked in the circumstances specified in Delaware General Corporation Law §232.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

(Fax number)

(Email address)

(Signature page to the Notice of Exercise)

EXHIBIT A-1

INVESTMENT REPRESENTATION STATEMENT
AND
MARKET STAND-OFF AGREEMENT

INVESTOR: _____

COMPANY: OUTSET MEDICAL, INC.

SECURITIES: THE WARRANT ISSUED ON JUNE 14, 2016 (THE “WARRANT”) AND THE SECURITIES ISSUED OR ISSUABLE UPON EXERCISE THEREOF (INCLUDING UPON SUBSEQUENT CONVERSION OF THOSE SECURITIES)

DATE: _____

In connection with the purchase or acquisition of the above-listed Securities, the undersigned Investor represents and warrants to, and agrees with, the Company as follows:

1. **No Registration.** The Investor understands that the Securities have not been, and will not be, registered under the Securities Act of 1933, as amended (the “**Securities Act**”), by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Investor’s representations as expressed herein or otherwise made pursuant hereto.
2. **Investment Intent.** The Investor is acquiring the Securities for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. The Investor has no present intention of selling, granting any participation in, or otherwise distributing the Securities, nor does it have any contract, undertaking, agreement or arrangement for the same.
3. **Investment Experience.** The Investor has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.
4. **Speculative Nature of Investment.** The Investor understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. The Investor can bear the economic risk of its investment and is able, without impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.
5. **Access to Data.** The Investor has had an opportunity to ask questions of officers of the Company, which questions were answered to its satisfaction. The Investor believes that it has received all the information that it considers necessary or appropriate for deciding whether to acquire the Securities. The Investor understands that any such discussions, as well as any information issued by the Company, were intended to describe certain aspects of the Company’s business and prospects, but were not necessarily a thorough or exhaustive description. The Investor acknowledges that any business plans prepared by the Company have been, and continue to be, subject to change and that any projections included in such business plans or otherwise are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results.

6. **Accredited Investor.** The Investor is an “accredited investor” within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Investor has furnished or made available any and all information requested by the Company or otherwise necessary to satisfy any applicable verification requirements as to “accredited investor” status. Any such information is true, correct, timely and complete.

7. **Residency.** The residency of the Investor (or, in the case of a partnership or corporation, such entity’s principal place of business) is correctly set forth on the signature page hereto.

8. **Restrictions on Resales.** The Investor acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. The Investor is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of shares purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a “broker’s transaction,” a transaction directly with a “market maker” or a “riskless principal transaction” (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. The Investor acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time the Investor wishes to sell the Securities and that, in such event, the Investor may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. The Investor understands and acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Securities. The Investor understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for those offers or sales and that those persons and the brokers who participate in the transactions do so at their own risk.

9. **No Public Market.** The Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company’s securities.

10. **Brokers and Finders.** The Investor has not engaged any brokers, finders or agents in connection with the Securities, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by the Investor, any liability for brokerage or finders’ fees or agents’ commissions or any similar charges in connection with the Securities.

11. **Legal Counsel.** The Investor has had the opportunity to review the Warrant, the exhibits and schedules attached thereto and the transactions contemplated by the Warrant with its own legal counsel. The Investor is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by the Warrant.

12. **Tax Advisors.** The Investor has reviewed with its own tax advisors the U.S. federal, state and local and non-U.S. tax consequences of this investment and the transactions contemplated by the Warrant. With respect to such matters, the Investor relies solely on such advisors and not on any statements or representations of the Company or any of its agents, written or oral. The Investor understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment or the transactions contemplated by the Warrant.

13. **Market Stand-off.** The Investor agrees that the Investor shall not sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any common stock (or other securities) of the Company held by the Investor (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the registration statement for the Company's initial public offering filed under the Securities Act (or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this section shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each certificate with a legend with respect to the shares of common stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day (or other) period. The Investor agrees to execute a market stand-off agreement with the relevant underwriters in customary form consistent with the provisions of this section.

14. **No "Bad Actor" Disqualification.** Neither (i) the Investor, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company's voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by the Investor is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the purchase or acquisition of the Securities, in writing in reasonable detail to the Company.

(signature page follows)

The Investor is signing this Investment Representation Statement and Market Stand-Off Agreement on the date first written above.

INVESTOR

(Print name of the investor)

(Signature)

(Name and title of signatory, if applicable)

(Street address)

(City, state and ZIP)

EXHIBIT B

ASSIGNMENT FORM

ASSIGNOR: _____

COMPANY: OUTSET MEDICAL, INC.

WARRANT: THE WARRANT TO PURCHASE SHARES OF SERIES B PREFERRED STOCK ISSUED ON JUNE 14, 2016 (THE “WARRANT”)

DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant (“**Assignor**”) assigns and transfers to the assignee named below (“**Assignee**”) all of the rights of Assignor under the Warrant, with respect to the number of shares set forth below:

Name of Assignee: _____

Address of Assignee: _____

Number of Shares Assigned: _____

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of OUTSET MEDICAL, INC., maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of stock to be issued upon exercise of the rights thereunder (and any shares issuable upon conversion thereof) (the “**Securities**”) subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Section 11 of the Warrant are true and correct as to Assignee as of the date hereof.
- (4) **Investment Representation Statement and Market Stand-Off Agreement.** Assignee has executed, and delivers herewith, an Investment Representation Statement and Market Stand-Off Agreement in a form substantially similar to the form attached to the Warrant as Exhibit A-1.
- (5) **No “Bad Actor” Disqualification.** Neither (i) Assignee, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company’s securities held or to be held by Assignee is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act of 1933, as amended (the “Securities Act”), except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the transfer of the Securities, in writing in reasonable detail to the Company.

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

(Print name of Assignor)

(Signature of Assignor)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

ASSIGNEE

(Print name of Assignee)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE, TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

WARRANT TO PURCHASE SHARES OF SERIES C PREFERRED STOCK
of
OUTSET MEDICAL, INC.

Dated as of
Void after

Warrant to Purchase
Shares of
Series C Preferred Stock
(subject to adjustment)

THIS CERTIFIES THAT, for value received, Perceptive Credit Holdings, LP, or its registered assigns (the “**Holder**”), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from Outset Medical, Inc., a Delaware corporation (the “**Company**”), shares of the Company’s Series C Preferred Stock, \$0.001 par value per share (the “**Shares**”), in the amounts, at such times and at the price per share set forth in Section 1. The term “**Warrant**” as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein. This Warrant is issued in connection with that certain Credit Agreement and Guaranty, dated as of June 30, 2017 (the “**Credit Agreement**”), among the Company, certain subsidiaries of the Company, certain parties acting as lenders thereunder and Perceptive Credit Holdings, LP, as the Administrative Agent and the Collateral Agent for such lenders thereunder.

The following is a statement of the rights of the Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1 Number and Price of Shares; Exercise Period.

(a) **Number of Shares.** Subject to any previous exercise of the Warrant, the Holder shall have the right to purchase up to Shares, as may be adjusted pursuant hereto on or prior to (or in connection with) the expiration of this Warrant as provided in Section 8.

(b) **Exercise Price.** The exercise price per Share shall be equal to \$2.5915, subject to adjustment pursuant hereto (the “**Exercise Price**”).

(c) **Exercise Period.** This Warrant shall be exercisable, in whole or in part, prior to (or in connection with) the expiration of this Warrant as set forth in Section 8.

2 Exercise of the Warrant.

(a) **Exercise.** The purchase rights represented by this Warrant may be exercised at the election of the Holder, in whole or in part, in accordance with Section 1, by:

(i) the tender to the Company at its principal office (or such other office or agency as the Company may designate) of a notice of exercise in the form of Exhibit A (the “**Notice of Exercise**”), duly completed and executed by or on behalf of the Holder, together with the surrender of this Warrant; and

(ii) the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of Shares being purchased, by wire transfer or certified, cashier’s or other check acceptable to the Company and payable to the order of the Company.

(b) **Cashless Exercise.** In lieu of paying the cash amount upon exercise of this Warrant pursuant to Section 2(a)(ii), if the fair market value of one Share is greater than the Exercise Price (at the date of calculation as set forth below), the Holder may elect to receive a number of Shares equal to the value of this Warrant (or of any portion of this Warrant being canceled for purposes of effecting a cashless exercise contemplated pursuant to this clause (b)) by surrender of this Warrant at the principal office of the Company (or such other office or agency as the Company may designate in writing) together with a properly completed and executed Notice of Exercise reflecting such election, in which event the Company shall issue to the Holder that number of Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = The number of Shares to be issued to the Holder

Y = The number of Shares purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled for purposes of effecting a cashless exercise contemplated pursuant to this clause (b) (at the date of such calculation)

- A = The fair market value of one Share (at the date of such calculation)
- B = The Exercise Price (as adjusted to the date of such calculation)

For purposes of the calculation above, the fair market value of one Share shall be determined by mutual agreement of the Board of Directors of the Company and Perceptive Credit Holdings, LP, each acting in good faith; provided, that:

(i) where a public market exists for the Company's common stock at the time of such exercise, the fair market value per Share shall be the average of the closing bid prices of the common stock or the closing price quoted on the national securities exchange on which the common stock is listed as published in the *Wall Street Journal*, as applicable, for the ten (10) trading day period ending five (5) trading days prior to the date of determination of fair market value; and

(ii) if the Warrant is exercised in connection with the Company's initial public offering of common stock, the fair market value per Share shall be the per share offering price to the public of the Company's initial public offering.

(c) **Stock Certificates.** The rights under this Warrant shall be deemed to have been exercised and the Shares issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Shares issuable upon such exercise shall be treated for all purposes as the holder of record of such Shares as of the close of business on such date. As promptly as reasonably practicable on or after such date, the Company shall issue and deliver to the person or persons entitled to receive the same a certificate or certificates for that number of shares issuable upon such exercise. In the event that the rights under this Warrant are exercised in part and have not expired, the Company shall execute and deliver a new Warrant reflecting the number of Shares that remain subject to this Warrant.

(d) **No Fractional Shares or Scrip.** No fractional shares or scrip representing fractional shares shall be issued upon the exercise of the rights under this Warrant, including in connection with any cashless exercise pursuant to Section 2(b) above. In lieu of such fractional share to which the Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(e) **Conditional Exercise.** The Holder may exercise this Warrant conditioned upon (and effective immediately prior to) consummation of any transaction that would cause the expiration of this Warrant pursuant to Section 8 by so indicating in the notice of exercise.

(f) **Reservation of Stock.** The Company agrees that it will, at all times on and prior to the expiration of this Warrant pursuant to Section 8, reserve and keep available from its authorized and unissued shares of Series C Preferred Stock for the purpose of effecting the exercise of this Warrant such number of shares (and shares of common stock for issuance on conversion of such shares) as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued shares of Series C Preferred Stock (and shares of common stock for issuance on conversion of such shares) shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms and the

conversion of the Shares, without limitation of such other remedies as may be available to the Holder, the Company will take such corporate action as may be necessary to increase its authorized and unissued shares of its Series C Preferred Stock (and shares of common stock for issuance on conversion of such shares) to a number of shares as shall be sufficient for such purposes. The Company represents and warrants that all shares that may be issued upon the exercise of this Warrant will, when issued in accordance with the terms hereof, be validly issued, fully paid and nonassessable.

(g) **Stockholders Agreement and Registration Rights Agreement.** Upon exercise of this Warrant, in whole or in part, all Shares issued upon such exercise and the Holder or Holders thereof shall automatically become subject to, and have the benefit of, the Stockholders Agreement and the Registration Rights Agreement (each defined below); provided that, upon request of the Company (and at the Company's cost and expense) the Holder shall execute and deliver a copy of the Stockholders Agreement or Registration Rights Agreement, or a joinder or supplement thereto, in order to become a direct party to such agreements; provided further that, without the prior written consent of the Holder, neither of such agreements shall have been amended or otherwise modified since the date hereof in a manner that is disproportionately adverse to the Holder relative to the Other Investors (as defined in the Stockholders Agreement) and Holders (as defined in the Registration Rights Agreement). "**Stockholders Agreement**" means that certain Amended and Restated Stockholders Agreement, dated as of April 19, 2017, among the Company and the various other parties thereto, as amended from time to time; and "**Registration Rights Agreement**" means that certain Amended and Restated Registration Rights Agreement, entered into and effective as of April 19, 2017, by and among the Company, the Institutional Investors (as defined therein) and the Holders (as defined therein), as amended from time to time.

(h) **Limitations On Exercise.** The Company shall not effect the exercise of this Warrant, and no Holder shall have the right to exercise this Warrant, to the extent that after giving effect to such exercise, such Person (together with such Person's affiliates) would beneficially own in excess of 9.99% (the "**Maximum Percentage**") of the Company's common stock outstanding immediately after giving effect to such exercise. For purposes of the foregoing sentence, the aggregate number of shares of Company's common stock beneficially owned by such Person and its affiliates shall include the number of shares of such common stock issuable upon exercise of this Warrant with respect to which the determination of such sentence is being made, but shall exclude shares of common stock which would be issuable upon (i) exercise of the remaining, unexercised portion of this Warrant beneficially owned by such Person and its affiliates and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by such Person and its affiliates (including, without limitation, any convertible notes or convertible shares or warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein. Except as set forth in the preceding sentence, for purposes of this paragraph, beneficial ownership shall be calculated in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). For purposes of this Warrant, in determining the number of outstanding shares of Company's common stock, a Holder of this Warrant may rely on the number of outstanding shares of common stock as reflected in (1) the Company's most recent Form 10-K, Form 10-Q or other public filing with the Securities and Exchange Commission, as the case may be, (2) a more recent public announcement by the Company or (3) any other notice by the Company or its transfer agent setting forth the

number of shares of the Company's common stock outstanding. For any reason at any time, upon the written or oral request of a Holder, the Company shall within two (2) Business Days confirm to the Holder the number of shares of the Company's Common Stock then outstanding.

3 Replacement of the Warrant. Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company at the expense of the Holder shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4 Transfer of the Warrant.

(a) **Warrant Register.** The Company shall maintain a register (the "**Warrant Register**") containing the name and address of the Holder or Holders. Until this Warrant is transferred on the Warrant Register in accordance herewith, the Company may treat the Holder as shown on the Warrant Register as the absolute owner of this Warrant for all purposes, notwithstanding any notice to the contrary; provided that upon any such transfer made in accordance with this Warrant the Company shall promptly and, in any event within two (2) Business Days, enter the name and address of the transferee in such Warrant Register. Any Holder of this Warrant (or of any portion of this Warrant) may change its address as shown on the Warrant Register by written notice to the Company requesting a change.

(b) **Warrant Agent.** The Company may appoint an agent for the purpose of maintaining the Warrant Register referred to in Section 4(a), issuing the Shares or other securities then issuable upon the exercise of the rights under this Warrant, exchanging this Warrant, replacing this Warrant or conducting related activities.

(c) **Transferability of the Warrant.** Subject to the provisions of this Warrant with respect to compliance with the Securities Act of 1933, as amended (the "Securities Act") and limitations on assignments and transfers, including without limitation compliance with the restrictions on transfer set forth in Section 5, title to this Warrant may be transferred by endorsement (by the transferor and the transferee executing the assignment form attached as Exhibit B (the "**Assignment Form**")) and delivery in the same manner as a negotiable instrument transferable by endorsement and delivery.

(d) **Exchange of the Warrant upon a Transfer.** On surrender of this Warrant (and a properly endorsed Assignment Form) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act and limitations on assignments and transfers, the Company shall issue to or on the order of the Holder a new warrant or warrants of like tenor, in the name of the Holder or as the Holder (on payment by the Holder of any applicable transfer taxes) may direct, for the number of shares issuable upon exercise hereof, and the Company shall register any such transfer upon the Warrant Register. This Warrant (and the securities issuable upon exercise of the rights under this Warrant) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale, pledge, hypothecation or other transfer of any interest in any of the securities represented hereby.

(e) **Minimum Transfer.** This Warrant may not be transferred in part unless such transfer is to a transferee who, pursuant to such transfer, receives the right to purchase at least fifty thousand (50,000) Shares hereunder (as adjusted from time to time in accordance with Section 6).

(f) **Taxes.** In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate in a name other than that of the Holder, and the Company shall not be required to issue or deliver any such certificate unless and until the person or persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or is not payable.

5 Restrictions on Transfer of the Warrant and Shares; Compliance with Securities Laws. By acceptance of this Warrant, the Holder agrees to comply with the following:

(a) **Restrictions on Transfers.** With respect to any transfer or assignment of this Warrant (in whole or in part) that qualifies as a Permitted Transfer (as defined in Section 5(b) below), such transfer or assignment may be made without the Company's prior written consent. With respect to any transfer or assignment of this Warrant (in whole or in part) that does not qualify as a Permitted Transfer, such transfer or assignment shall require the Company's prior written consent, which shall not be unreasonably withheld, delayed or conditioned, and any attempt by Holder to transfer or assign any rights, duties or obligations that arise under this Warrant without such permission shall be void. Any transfer of this Warrant or the Shares or the shares of common stock issuable upon conversion of the Shares (the "**Securities**") must be in compliance with all applicable federal and state securities laws. The Holder agrees not to make any sale, assignment, transfer, pledge or other disposition of all or any portion of the Securities, or any beneficial interest therein, unless and until the transferee thereof has agreed in writing for the benefit of the Company to take and hold such Securities subject to, and to be bound by, the terms and conditions set forth in this Warrant to the same extent as if the transferee were the original Holder hereunder, and

(i) there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement, or

(ii) (A) such Holder shall have given prior written notice to the Company of such Holder's intention to make such disposition and shall have furnished the Company with a detailed description of the manner and circumstances of the proposed disposition, (B) the transferee shall have confirmed to the satisfaction of the Company in writing, substantially in the form of Exhibit A-1, that the Securities are being acquired (i) solely for the transferee's own account and not as a nominee for any other party, (ii) for investment and (iii) not with a view toward distribution or resale, and shall have confirmed such other matters related thereto as may be reasonably requested by the Company, and (C) if requested by the Company, such Holder shall have furnished the Company, at the Company's expense, with (i) evidence reasonably satisfactory to the Company that such disposition will not require registration of such Securities under the Securities Act or (ii) a "no action" letter from the Securities and Exchange Commission to the effect that the transfer of such Securities without registration will not result in a recommendation by the staff of the Securities and Exchange Commission that action be taken with respect thereto, whereupon such Holder shall be entitled to transfer such Securities in accordance with the terms of the notice delivered by the Holder to the Company.

(b) **Permitted Transfers.** For purposes of this Warrant, “Permitted Transfers” will include (i) any transfer not involving a change in beneficial ownership, or (ii) transactions involving the distribution without consideration of Securities by the Holder to (x) a parent, subsidiary or other affiliate of the Holder, (y) any of the Holder’s partners, members or other equity owners, or retired partners or members, or to the estate of any of its partners, members or other equity owners or retired partners or members, or (z) a venture capital fund (or equivalent) that is controlled by or under common control with one or more general partners or managing members of, or shares the same management company with, the Holder; provided that, notwithstanding any term or provision of this clause (b), no transfer or assignment shall qualify as a Permitted Transfer if the proposed transferee or assignee is an entity reasonably determined by the Board of Directors of the Company (acting in good faith) to be a competitor of the Company without the prior written consent of the Company not to be unreasonably withheld, delayed or conditioned.

(c) **Investment Representation Statement.** Unless the rights under this Warrant are exercised pursuant to an effective registration statement under the Securities Act that includes the Shares with respect to which the Warrant was exercised, it shall be a condition to any exercise of the rights under this Warrant that the Holder shall have confirmed to the Company in writing, substantially in the form of Exhibit A-1, that the Shares so purchased are being acquired solely for the Holder’s own account and not as a nominee for any other party, for investment and not with a view toward distribution or resale, and

(d) **Securities Law Legend.** The Securities shall (unless otherwise permitted by the provisions of this Warrant) be stamped or imprinted with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(e) **Market Stand-off Legend.** The Shares and common stock issued upon exercise hereof or conversion thereof shall also be stamped or imprinted with a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD IN THE EVENT OF A PUBLIC OFFERING, AS SET FORTH IN THE WARRANT PURSUANT TO WHICH THESE SHARES WERE ISSUED, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY.

(f) **Instructions Regarding Transfer Restrictions.** The Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 5.

(g) **Removal of Legend.** The legend referring to federal and state securities laws identified in Section 5(d) stamped on a certificate evidencing the Shares (and the common stock issuable upon conversion thereof) and the stock transfer instructions and record notations with respect to such securities shall be removed and the Company shall issue a certificate without such legend to the holder of such securities if (i) such securities are registered under the Securities Act, or (ii) such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such securities may be made without registration or qualification.

(h) **No Transfers to Bad Actors; Notice of Bad Actor Status.** The Holder agrees not to sell, assign, transfer, pledge or otherwise dispose of any securities of the Company, or any beneficial interest therein, to any person (other than the Company) that would, as a result of such sale, assignment, transfer, pledge or other disposition, become an affiliate of the Company for purposes of the Securities Act, unless and until the proposed transferee confirms to the reasonable satisfaction of the Company that neither the proposed transferee nor any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members nor any person that would be deemed a beneficial owner of those securities (in accordance with Rule 506(d) of the Securities Act) is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the transfer, in writing in reasonable detail to the Company. The Holder will promptly notify the Company in writing if the Holder or, to the Holder’s knowledge, any person specified in Rule 506(d)(1) under the Securities Act becomes subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act.

6 Adjustments. Subject to the expiration of this Warrant pursuant to Section 8, the number and kind of shares purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) **Merger or Reorganization.** If at any time there shall be any reorganization, recapitalization, merger or consolidation (a “**Reorganization**”) involving the Company (other than as otherwise provided for herein or as would cause the expiration of this Warrant under Section 8) in which shares of the Company’s stock are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor corporation resulting from such

Reorganization, equivalent in value to that which a holder of the Shares deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Shares hereunder had been exercised immediately prior to such Reorganization. In any such case, appropriate adjustment (as determined in good faith by the Board of Directors of the successor corporation) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any shares or other securities deliverable after that event upon the exercise of this Warrant.

(b) **Reclassification of Shares.** If the securities issuable upon exercise of this Warrant are changed into the same or a different number of securities of any other class or classes by reclassification, capital reorganization, conversion of all outstanding shares of the relevant class or series (other than as would cause the expiration of this Warrant pursuant to Section 8) or otherwise (other than as otherwise provided for herein) (a “**Reclassification**”), then, in any such event, in lieu of the number of Shares which the Holder would otherwise have been entitled to receive, the Holder shall have the right thereafter to exercise this Warrant for a number of shares of such other class or classes of stock that a holder of the number of securities deliverable upon exercise of this Warrant immediately before that change would have been entitled to receive in such Reclassification, all subject to further adjustment as provided herein with respect to such other shares.

(c) **Subdivisions and Combinations.** In the event that the outstanding shares of Series C Preferred Stock are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding shares of Series C Preferred Stock are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) **Redemption.** In the event that all of the outstanding shares of the securities issuable upon exercise of this Warrant are redeemed in accordance with the Company’s certificate of incorporation, this Warrant shall thereafter be exercisable for a number of shares of the Company’s common stock equal to the number of shares of common stock that would have been received if this Warrant had been exercised in full immediately prior to such redemption and the preferred stock received thereupon had been simultaneously converted into common stock.

(e) **Notice of Adjustments.** Upon any adjustment in accordance with this Section 6, the Company shall give written notice thereof to the Holder, which notice shall be delivered not less than thirty (30) days prior to the contemplated effective date of such adjustment, and shall state the event giving rise to the adjustment, the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting

forth (i) such adjustments, (ii) the Exercise Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

7 Notification of Certain Events. Prior to the expiration of this Warrant pursuant to Section 8, in the event that the Company shall authorize:

(a) the issuance of any dividend or other distribution on the capital stock of the Company (other than (i) dividends or distributions otherwise provided for in Section 6, (ii) repurchases of common stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase; (iii) repurchases of common stock issued to or held by employees, officers, directors or consultants of the Company or its subsidiaries pursuant to rights of first refusal or first offer contained in agreements providing for such rights; or (iv) repurchases of capital stock of the Company in connection with the settlement of disputes with any stockholder), whether in cash, property, stock or other securities;

(b) the voluntary liquidation, dissolution or winding up of the Company; or

(c) any transaction resulting in the expiration of this Warrant pursuant to Section 8(b) or 8(c);

the Company shall send to the Holder of this Warrant at least thirty (30) calendar days prior written notice of the date on which a record shall be taken for any such dividend or distribution specified in clause (a) or the expected effective date of any such other event specified in clause (b) or (c), as applicable. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder of this Warrant.

8 Expiration of the Warrant. This Warrant shall expire and shall no longer be exercisable as of the earlier of:

(a) 5:00 p.m., Pacific time, on June 30, 2027;

(b) (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is a party (including, without limitation, any stock acquisition, reorganization, merger or consolidation, but excluding any sale of stock for capital raising purposes and any transaction effected primarily for purposes of changing the Company's jurisdiction of incorporation) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of transactions, as a result of shares in the Company held by such holders prior to such transaction or series of transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent), or (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary of the Company; or

(c) At the closing of a firm commitment underwritten initial public offering pursuant to an effective registration statement filed under the Securities Act covering the offering and sale of the Company's common stock (the "*Company IPO*").

9 No Rights as a Stockholder. Nothing contained herein shall entitle the Holder to any rights as a stockholder of the Company or to be deemed the holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon the Holder, as such, any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or any other rights of a stockholder of the Company until the rights under the Warrant shall have been exercised and the Shares purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

10 Market Stand-off. The Holder of this Warrant hereby agrees that such Holder shall not sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any common stock (or other securities) of the Company held by the Holder (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the registration statement for the Company's initial public offering filed under the Securities Act (or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2241, or any successor provisions or amendments thereto). The obligations described in this section shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each certificate with a legend as substantially set forth in Section 5(e) with respect to the shares of common stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day (or other) period. The Holder agrees to execute a market stand-off agreement with the underwriters in the offering in customary form consistent with the provisions of this section. If there is a general release of the Company's directors, officers or control persons from a lock up agreement following the Company's IPO, the Holder of this Warrant shall be released from this obligation at the same time that the Company's directors, officers or control persons are released from such lock up agreement.

11 Representations and Warranties of the Holder. By acceptance of this Warrant, the Holder represents and warrants to the Company as follows:

(a) **No Registration.** The Holder understands that the Securities have not been registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Holder's representations as expressed herein or otherwise made pursuant hereto.

(b) **Investment Intent.** The Holder is acquiring the Securities for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. The Holder has no present intention of selling, granting any participation in, or otherwise distributing the Securities, nor does it have any contract, undertaking, agreement or arrangement for the same.

(c) **Investment Experience.** The Holder has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.

(d) **Speculative Nature of Investment.** The Holder understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. The Holder can bear the economic risk of its investment and is able, without impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

(e) **Access to Data.** The Holder has had an opportunity to ask questions of officers of the Company, which questions were answered to its satisfaction. The Holder believes that it has received all the information that it considers necessary or appropriate for deciding whether to acquire the Securities. The Holder understands that any such discussions, as well as any information issued by the Company, were intended to describe certain aspects of the Company's business and prospects, but were not necessarily a thorough or exhaustive description. The Holder acknowledges that any business plans prepared by the Company have been, and continue to be, subject to change and that any projections included in such business plans or otherwise are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results.

(f) **Accredited Investor.** The Holder is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Holder has furnished or made available any and all information requested by the Company or otherwise necessary to satisfy any applicable verification requirements as to "accredited investor" status. Any such information is true, correct, timely and complete.

(g) **Residency.** The residency of the Holder (or, in the case of a partnership or corporation, such entity's principal place of business) is correctly set forth on the signature page hereto.

(h) **Restrictions on Resales.** The Holder acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. The Holder is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of shares purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability

of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a “broker’s transaction,” a transaction directly with a “market maker” or a “riskless principal transaction” (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. The Holder acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time the Holder wishes to sell the Securities and that, in such event, the Holder may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. The Holder acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Securities. The Holder understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(i) **No Public Market.** The Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company’s securities.

(j) **Brokers and Finders.** The Holder has not engaged any brokers, finders or agents in connection with the Securities, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by the Holder, any liability for brokerage or finders’ fees or agents’ commissions or any similar charges in connection with the Securities.

(k) **Legal Counsel.** The Holder has had the opportunity to review this Warrant, the exhibits and schedules attached hereto and the transactions contemplated by this Warrant with its own legal counsel. The Holder is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by this Warrant.

(l) **Tax Advisors.** The Holder has reviewed with its own tax advisors the U.S. federal, state and local and non-U.S. tax consequences of this investment and the transactions contemplated by this Warrant. With respect to such matters, the Holder relies solely on any such advisors and not on any statements or representations of the Company or any of its agents, written or oral. The Holder understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment and the transactions contemplated by this Warrant.

(m) **No “Bad Actor” Disqualification.** Neither (i) the Holder, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company’s voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by the Holder is subject to any of the “bad actor” disqualifications described in

Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the acceptance of this Warrant, in writing in reasonable detail to the Company.

12 Miscellaneous.

(a) **Amendments.** Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and the Holder of this Warrant.

(b) **Waivers.** No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail (if to the Holder) or otherwise delivered by hand, messenger or courier service addressed:

(i) if to the Holder, to the Holder at the Holder's address, facsimile number or electronic mail address as shown in the Company's records, as may be updated in accordance with the provisions hereof, or until any such Holder so furnishes an address, facsimile number or electronic mail address to the Company, then to and at the address, facsimile number or electronic mail address of the last holder of this Warrant for which the Company has contact information in its records; or

(ii) if to the Company, to the attention of the President or Chief Financial Officer of the Company at the Company's address as shown on the signature page hereto, or at such other current address as the Company shall have furnished to the Holder, with a copy (which shall not constitute notice) to Philip H. Oettinger, Wilson Sonsini Goodrich & Rosati, P.C., 650 Page Mill Road, Palo Alto, CA 94304.

Each such notice or other communication shall for all purposes of this Warrant be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or (iii) if sent via facsimile, upon confirmation of facsimile transfer or, if sent via electronic mail, upon confirmation of delivery when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day. In the event of any conflict between the Company's books and records and this Warrant or any notice delivered hereunder, the Company's books and records will control absent fraud or error.

(d) **Governing Law.** This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions of the State of Delaware, or of any other state.

(e) **Jurisdiction and Venue.** Each of the Holder and the Company irrevocably consents to the non-exclusive jurisdiction and venue of any court within Santa Clara County, State of California, in connection with any matter based upon or arising out of this Warrant or the matters contemplated herein, and agrees that process may be served upon them in any manner authorized by the laws of the State of California for such persons.

(f) **Titles and Subtitles.** The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(g) **Severability.** If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(h) **Waiver of Jury Trial.** EACH OF THE HOLDER AND THE COMPANY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS WARRANT. If the waiver of jury trial set forth in this paragraph is not enforceable, then any claim or cause of action arising out of or relating to this Warrant shall be settled by judicial reference pursuant to California Code of Civil Procedure Section 638 et seq. before a referee sitting without a jury, such referee to be mutually acceptable to the parties or, if no agreement is reached, by a referee appointed by the Presiding Judge of the California Superior Court for Santa Clara County. This paragraph shall not restrict the Holder or the Company from exercising remedies under the Uniform Commercial Code or from exercising pre-judgment remedies under applicable law.

(i) **California Corporate Securities Law.** THE SALE OF THE SECURITIES THAT ARE THE SUBJECT OF THIS WARRANT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102, OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS WARRANT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

(j) **Saturdays, Sundays and Holidays.** If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday, Sunday or U.S. federal holiday, then such action may be taken or such right may be exercised on the next succeeding day that is not a Saturday, Sunday or U.S. federal holiday.

(k) ***Rights and Obligations Survive Exercise of the Warrant.*** Except as otherwise provided herein, the rights and obligations of the Company and the Holder under this Warrant shall survive exercise of this Warrant.

(l) ***Entire Agreement.*** Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and the Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(signature page follows)

The Company and the Holder sign this Warrant as of the date stated on the first page.

OUTSET MEDICAL, INC.

By: _____
Name:
Title:

Address:

1830 Bering Drive
San Jose, CA 95112
Attention: Chief Financial Officer

[Signature Page to Warrant to Purchase Shares of Series C Preferred Stock of Outset Medical, Inc.]

AGREED AND ACKNOWLEDGED,

By: _____
Name:
Title:

By: _____
Name:
Title:

Address:

[Signature Page to Warrant to Purchase Shares of Series C Preferred Stock of Outset Medical, Inc.]

EXHIBIT A

NOTICE OF EXERCISE

TO: OUTSET MEDICAL, INC. (the “*Company*”)

Attention: President

(1) **Exercise.** The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares: _____

Type of security: _____

(2) **Method of Exercise.** The undersigned elects to exercise the attached warrant pursuant to:

- ☐ A cash payment, and tenders herewith payment of the purchase price for such shares in full, together with all applicable transfer taxes, if any.
- ☐ The net issue exercise provisions of Section 2(b) of the attached warrant.

(3) **Conditional Exercise.** Is this a conditional exercise pursuant to Section 2(e):

☐ Yes ☐ No

If “Yes,” indicate the applicable condition:

(4) **Stock Certificate.** Please issue a certificate or certificates representing the shares in the name of:

☐ The undersigned

☐ Other—Name: _____

Address: _____

(5) **Unexercised Portion of the Warrant.** Please issue a new warrant for the unexercised portion of the attached warrant in the name of:

☐ The undersigned

☐ Other—Name: _____

Address: _____

☐ Not applicable

- (6) **Investment Intent.** The undersigned represents and warrants that the aforesaid shares are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties of the undersigned set forth in Section 11 of the attached warrant are true and correct as of the date hereof.
- (7) **Investment Representation Statement and Market Stand-Off Agreement.** The undersigned has executed, and delivers herewith, an Investment Representation Statement and Market Stand-Off Agreement in a form substantially similar to the form attached to the warrant as Exhibit A-1.
- (8) **Consent to Receipt of Electronic Notice.** Subject to the limitations set forth in Delaware General Corporation Law §232(e), the undersigned consents to the delivery of any notice to stockholders given by the Company under the Delaware General Corporation Law or the Company's certificate of incorporation or bylaws by (i) facsimile telecommunication to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company's records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company's records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission (as defined in the Delaware General Corporation Law) directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company and may be deemed revoked in the circumstances specified in Delaware General Corporation Law §232.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

(Fax number)

(Email address)

(Signature page to the Notice of Exercise)

EXHIBIT A-1

INVESTMENT REPRESENTATION STATEMENT
AND
MARKET STAND-OFF AGREEMENT

INVESTOR: _____

COMPANY: OUTSET MEDICAL, INC.

SECURITIES: THE WARRANT ISSUED ON JUNE 30, 2017 (THE “**WARRANT**”) AND THE SECURITIES ISSUED OR ISSUABLE UPON EXERCISE THEREOF (INCLUDING UPON SUBSEQUENT CONVERSION OF THOSE SECURITIES)

DATE: _____

In connection with the purchase or acquisition of the above-listed Securities, the undersigned Investor represents and warrants to, and agrees with, the Company as follows:

1. **No Registration.** The Investor understands that the Securities have not been registered under the Securities Act of 1933, as amended (the “**Securities Act**”), by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Investor’s representations as expressed herein or otherwise made pursuant hereto.
2. **Investment Intent.** The Investor is acquiring the Securities for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof. The Investor has no present intention of selling, granting any participation in, or otherwise distributing the Securities, nor does it have any contract, undertaking, agreement or arrangement for the same.
3. **Investment Experience.** The Investor has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, and has such knowledge and experience in financial or business matters so that it is capable of evaluating the merits and risks of its investment in the Company and protecting its own interests.
4. **Speculative Nature of Investment.** The Investor understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. The Investor can bear the economic risk of its investment and is able, without impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.
5. **Access to Data.** The Investor has had an opportunity to ask questions of officers of the Company, which questions were answered to its satisfaction. The Investor believes that it has received all the information that it considers necessary or appropriate for deciding whether to acquire the Securities. The Investor understands that any such discussions, as well as any information issued by the Company, were intended to describe certain aspects of the Company’s

business and prospects, but were not necessarily a thorough or exhaustive description. The Investor acknowledges that any business plans prepared by the Company have been, and continue to be, subject to change and that any projections included in such business plans or otherwise are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results.

6. **Accredited Investor.** The Investor is an “accredited investor” within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission and agrees to submit to the Company such further assurances of such status as may be reasonably requested by the Company. The Investor has furnished or made available any and all information requested by the Company or otherwise necessary to satisfy any applicable verification requirements as to “accredited investor” status. Any such information is true, correct, timely and complete.

7. **Residency.** The residency of the Investor (or, in the case of a partnership or corporation, such entity’s principal place of business) is correctly set forth on the signature page hereto.

8. **Restrictions on Resales.** The Investor acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. The Investor is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit resale of shares purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a “broker’s transaction,” a transaction directly with a “market maker” or a “riskless principal transaction” (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. The Investor acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time the Investor wishes to sell the Securities and that, in such event, the Investor may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied. The Investor understands and acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Securities. The Investor understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for those offers or sales and that those persons and the brokers who participate in the transactions do so at their own risk.

9. **No Public Market.** The Holder understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company’s securities.

10. **Brokers and Finders.** The Investor has not engaged any brokers, finders or agents in connection with the Securities, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by the Investor, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with the Securities.

11. **Legal Counsel.** The Investor has had the opportunity to review the Warrant, the exhibits and schedules attached thereto and the transactions contemplated by the Warrant with its own legal counsel. The Investor is not relying on any statements or representations of the Company or its agents for legal advice with respect to this investment or the transactions contemplated by the Warrant.

12. **Tax Advisors.** The Investor has reviewed with its own tax advisors the U.S. federal, state and local and non-U.S. tax consequences of this investment and the transactions contemplated by the Warrant. With respect to such matters, the Investor relies solely on such advisors and not on any statements or representations of the Company or any of its agents, written or oral. The Investor understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment or the transactions contemplated by the Warrant.

13. **Market Stand-off.** The Investor agrees that the Investor shall not sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any common stock (or other securities) of the Company held by the Investor (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the registration statement for the Company's initial public offering filed under the Securities Act (or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2241, or any successor provisions or amendments thereto). The obligations described in this section shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each certificate with a legend with respect to the shares of common stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day (or other) period. The Investor agrees to execute a market stand-off agreement with the relevant underwriters in customary form consistent with the provisions of this section. If there is a general release of the Company's directors, officers or control persons from a lock up agreement following the Company's IPO, the Investor shall be released from this obligation at the same time that the Company's directors, officers or control persons are released from such lock-up agreement.

14. **No "Bad Actor" Disqualification.** Neither (i) the Investor, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company's voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by the Investor is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the purchase or acquisition of the Securities, in writing in reasonable detail to the Company.

(signature page follows)

The Investor is signing this Investment Representation Statement and Market Stand-Off Agreement on the date first written above.

INVESTOR

(Print name of the investor)

(Signature)

(Name and title of signatory, if applicable)

(Street address)

(City, state and ZIP)

EXHIBIT B

ASSIGNMENT FORM

ASSIGNOR: _____

COMPANY: OUTSET MEDICAL, INC.

WARRANT: THE WARRANT TO PURCHASE SHARES OF SERIES C PREFERRED STOCK ISSUED ON JUNE 30, 2017 (THE “WARRANT”)

DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant (“**Assignor**”) assigns and transfers to the assignee named below (“**Assignee**”) all of the rights of Assignor under the Warrant, with respect to the number of shares set forth below:

Name of Assignee: _____

Address of Assignee: _____

Number of Shares Assigned: _____

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of OUTSET MEDICAL, INC., maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of stock to be issued upon exercise of the rights thereunder (and any shares issuable upon conversion thereof) (the “**Securities**”) subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Section 11 of the Warrant are true and correct as to Assignee as of the date hereof.
- (4) **Investment Representation Statement and Market Stand-Off Agreement.** Assignee has executed, and delivers herewith, an Investment Representation Statement and Market Stand-Off Agreement in a form substantially similar to the form attached to the Warrant as Exhibit A-1.
- (5) **No “Bad Actor” Disqualification.** Neither (i) Assignee, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it

invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company’s securities held or to be held by Assignee is subject to any of the “bad actor” disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act of 1933, as amended (the “**Securities Act**”), except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the transfer of the Securities, in writing in reasonable detail to the Company.

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

ASSIGNEE

(Print name of Assignor)

(Print name of Assignee)

(Signature of Assignor)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

Address:

**OUTSET MEDICAL, INC.
AMENDED AND RESTATED
2010 STOCK INCENTIVE PLAN**

(as amended and restated on this 16th day of June 2014 and further amended on the 18th day of April 2017 and on the 3rd day of November 2018)

1. PURPOSE.

The purpose of the Plan is to assist the Company in attracting, retaining, motivating and rewarding Eligible Persons, and promoting the creation of long-term value for stockholders of the Company by closely aligning the interests of Participants with those of such stockholders. The Plan authorizes the award of Stock-based incentives to Eligible Persons to encourage such persons to expend their maximum efforts in the creation of stockholder value.

2. DEFINITIONS.

For purposes of the Plan, the following terms shall be defined as set forth below:

(a) “Award” means any Option, Restricted Stock, or other Stock-based award granted under the Plan.

(b) “Board” means the Board of Directors of the Company.

(c) “Cause” means, in the absence of a Participant Agreement otherwise defining Cause, (i) a Participant’s conviction of or indictment for any crime (A) constituting a felony, or (B) that has, or could reasonably be expected to result in, an adverse impact on the performance of Participant’s duties to the Employer, or otherwise has, or could reasonably be expected to result in, an adverse impact to the business or reputation of the Company or any other member of the Company Group; (ii) conduct of a Participant, in connection with his or her employment or service, that has, or could reasonably be expected to result in, material injury to the business or reputation of the Company or any other member of the Company Group; (iii) any material violation of the policies of the Employer, including, but not limited to those relating to sexual harassment, the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Employer; or (iv) willful neglect in the performance of a Participant’s duties for the Employer or willful or repeated failure or refusal to perform such duties; *provided, however*, that if, subsequent to the Participant’s Termination (whether voluntary or involuntary) other than for Cause, it is discovered that the Participant’s employment could have been terminated for Cause, such Participant’s employment shall be deemed to have been terminated for Cause for all purposes under this Plan. In the event there is a Participant Agreement defining Cause, “Cause” shall have the meaning provided in such agreement, and a Termination by the Employer for Cause hereunder shall not be deemed to have occurred unless all applicable notice and cure periods in such Participant Agreement are complied with.

(d) “Change in Control” means (i) a change in ownership or control of the Company effected through a transaction or series of transactions (other than an offering of Stock to the general public through a registration statement filed with the Securities and Exchange Commission) whereby any Person or Group directly or indirectly acquires “beneficial ownership”

(within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company's securities outstanding immediately after such acquisition and pursuant to which the Investors cease to control the Board; or (ii) the sale or disposition, in one or a series of related transactions, of all or substantially all of the assets of the Company to any Person or Group.

(e) "Code" means the Internal Revenue Code of 1986, as amended from time to time, including regulations thereunder and successor provisions and regulations thereto.

(f) "Committee" means the Board or such other committee appointed by the Board consisting of two or more individuals.

(g) "Company," means Outset Medical, Inc., a Delaware corporation.

(h) "Company Group" means the Company, together with any direct or indirect subsidiary of the Company.

(i) "Company Securities" means equity securities of the Company acquired by the Investors from time to time.

(j) "Competitive Activity" means, with respect to any Participant, any activity reasonably determined by the Committee to be competitive with the business of the Employer of the Participant. If a Participant is a party to an effective employment or other agreement with the Employer that contains covenants relating to confidential information, restrictions on competition, interference, and/or solicitation, or other similar restrictions on the Participant's conduct, "Competitive Activity" with respect to such Participant shall be limited to the breach of such restrictive covenants by such Participant.

(k) "Disability" means, in the absence of a Participant Agreement otherwise defining Disability, the permanent and total disability of such Participant within the meaning of Section 22(e)(3) of the Code. In the event there is a Participant Agreement between a Participant and the Employer defining Disability, "Disability" shall have the meaning provided in such Participant Agreement, and a Termination by reason of a Disability hereunder shall not be deemed to have occurred unless all applicable notice periods in such Participant Agreement are complied with.

(l) "Drag-Along Notice" has the meaning set forth in Section 8(b) below.

(m) "Drag-Along Right" has the meaning set forth in Section 8(b) below.

(n) "Effective Date" means February 22, 2010.

(o) "Eligible Person" means (i) each employee of the Company or any other member of the Company Group, including each such person who may also be a director of the Company and/or any other member of the Company Group, (ii) each non-employee director of the Company or any other member of the Company Group, (iii) each other person or entity that provides substantial services to the Company and/or any other member of the Company Group and who is designated as eligible by the Committee, and (iv) any person who has been offered

employment by the Company or any other member of the Company Group; *provided*, that such prospective employee may not receive any payment or exercise any right relating to an Award until such person has commenced employment with the Company or any other member of the Company Group. An employee on an approved leave of absence may be considered to remain in the employ of the Company or any applicable member of the Company Group for purposes of eligibility for participation in the Plan.

(p) “Employer” means, with respect to a Participant, member of the Company Group at which the Participant (determined without regard to any transfer of an Award) is principally employed or to which such participant provides services, as applicable.

(q) “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, including rules thereunder and successor provisions and rules thereto.

(r) “Expiration Date” means the date upon which the term of an Option expires, as determined under Section 5(b) hereof.

(s) “Fair Market Value” means, as of any date when the Stock is listed on one or more national securities exchanges, the closing price reported on the principal national securities exchange on which such Stock is listed and traded on the date of determination, or if there is no such closing price reported on that date, then on the last preceding date on which such a closing price was reported. If the Stock is not listed on a national securities exchange, or representative quotes are not otherwise available, Fair Market Value means the amount determined by the Board in good faith to be the fair market value of the Stock, calculated in a manner consistent with Section 409A of the Code.

(t) “Investors” means, collectively, the Vertical Investors and the Warburg Investors.

(u) “IPO” means an initial public offering of the Stock registered under the Securities Act pursuant to an effective registration statement.

(v) “IPO Date” means the effective date of the registration statement for the IPO.

(w) “Lock-Up Period” has the meaning set forth in Section 8(a) below.

(x) “Majority in Interest of the Investors” means, at any point in time, the Investors owning, in the aggregate, more than fifty percent (50%) of the Stock owned by all the Investors at such time (calculated on a fully diluted basis, assuming the conversion of all securities convertible into Stock and the exercise of all options and warrants then exercisable for Stock).

(y) “Option” means a conditional right, granted to a Participant under Section 5 hereof, to purchase Stock at a specified price during specified time periods. Options under the Plan are not intended to qualify as “incentive stock options” meeting the requirements of Section 422 of the Code.

(z) “Option Agreement” means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Option grant.

(aa) “Participant” means an Eligible Person who has been granted an Award under the Plan, or if applicable, such other person or entity who holds an Award.

(bb) “Participant Agreement” means an employment or services agreement between a Participant and the Employer, which describes the terms and conditions of such Participant’s employment or service with the Employer, and is effective on the applicable date of grant with respect to any Award.

(cc) “Permitted Transfer” means any transfer by a Participant of all or any portion of his shares of Stock (or Options, for purposes of Section 5(f) below) to (i) any trust established for the sole benefit of such Participant or such Participant’s spouse or direct lineal descendants, *provided* such Participant is the trustee of such trust, (ii) any other entity (including an Individual Retirement Account or similar investment account) in which the direct and beneficial owner of all voting securities of such entity is held by such Participant, or (iii) such Participant’s heirs, executors, administrators, or personal representatives upon the death, incompetency, or Disability of such Participant.

(dd) “Person or Group” means any “person” (as defined in Section 3(a)(9) of the Exchange Act) or any two or more persons deemed to be one “person” (as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act), in each case, other than the Investors, any member of the Company Group, or an employee benefit plan maintained by any member of the Company Group.

(ee) “Plan” means this Outset Medical, Inc. 2010 Stock Incentive Plan, as may be amended from time to time.

(ff) “Prime Rate” means the rate from time to time published in the “Money Rates” section of *The Wall Street Journal* as being the “Prime Rate” (or, if more than one rate is published as the Prime Rate, then the highest of such rates).

(gg) “Prior Plan” has the meaning set forth in Section 4(a) below.

(hh) “Prohibition Event” has the meaning set forth in Section 9(d) below.

(ii) “Repurchase Price” means:

(i) on or following a Participant’s Termination other than by the Employer for Cause, an amount equal to the Fair Market Value of the Stock on the date of repurchase; or

(ii) on or following a Participant’s Termination by the Employer for Cause, the lesser of (A) the original purchase price paid for such shares of Stock, and (B) the Fair Market Value of the Stock on the date of repurchase; *provided, however*, if (x) such Termination occurs after the ten (10) year anniversary of the date of grant of the Award to which the shares of Stock subject to the Repurchase Right relate, and (y) the

Award to which the shares of Stock subject to the Repurchase Right relate is a “stock right” within the meaning of Section 409A of the Code, the Repurchase Price shall instead be the Fair Market Value of the Stock on the date of repurchase.

(jj) “Repurchase Right” has the meaning set forth in Section 9 below.

(kk) “Repurchase Right Exercise Period” means the period commencing on the date of the Participant’s Termination with the Employer for any reason and ending on the earlier to occur of (i) the IPO Date and (ii) the twelve (12) month anniversary of the date of such Termination, or if later, the twelve (12) month anniversary of the date the applicable shares of Stock were acquired upon the exercise of an Option or other Award requiring exercise.

(ll) “Repurchase Right Lapse Date” means the earlier to occur of (i) the IPO Date and (ii) a Change in Control resulting in the Stock’s being listed on a national securities exchange.

(mm) “Restricted Stock” means Stock granted to a Participant under Section 6 hereof that is subject to certain restrictions and to a risk of forfeiture.

(nn) “Restricted Stock Agreement” means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Restricted Stock grant.

(oo) “Securities Act” means the Securities Act of 1933, as amended from time to time, including rules thereunder and successor provisions and rules thereto.

(pp) “Selling Investors” has the meaning set forth in Section 8(b) below.

(qq) “Stock” means the Company’s common stock, \$0.001 par value, and such other securities as may be substituted for Stock pursuant to Section 11 hereof.

(rr) “Subject Shares” has the meaning set forth in Section 8(b) below.

(ss) “Termination” means the termination of a Participant’s employment or service, as applicable, with the Employer; *provided, however*, that if so determined by the Committee at the time of any change in status in relation to the Employer (e.g., a Participant ceases to be an employee and begins providing services as a consultant, or vice versa), such change in status will be not deemed to be a Termination hereunder. Unless otherwise determined by the Committee, in the event that any Employer ceases to be a member of the Company Group (by reason of sale, divestiture, spin-off, or other similar transaction), unless a Participant’s employment or service is transferred to another entity that would constitute an Employer immediately following such transaction, any Participants employed by or providing services to such former Employer shall be deemed to have a Termination hereunder as of the date of the consummation of such transaction.

(tt) “Vertical Investors” means Vertical Fund I L.P., Vertical Fund II L.P., and any other investment fund managed by or affiliated with the Vertical Group.

(uu) “Warburg Investors” means Warburg Pincus Private Equity X, L.P., together with any other investment fund managed by or affiliated with Warburg Pincus & Co.

3. ADMINISTRATION.

(a) Authority of the Committee. Except as otherwise provided below, the Plan shall be administered by the Committee. The Committee shall have full and final authority, in each case subject to and consistent with the provisions of the Plan, to (i) select Eligible Persons to become Participants, (ii) grant Awards, (iii) determine the type, number of shares of Stock subject to, and other terms and conditions of, and all other matters relating to, Awards, (iv) prescribe Award agreements (which need not be identical for each Participant) and rules and regulations for the administration of the Plan, (v) construe and interpret the Plan and Award agreements and correct defects, supply omissions, or reconcile inconsistencies therein, (vi) suspend the right to exercise Awards during any period that the Committee deems appropriate to comply with applicable securities laws, and thereafter extend the exercise period of an Award by an equivalent period of time, and (vii) make all other decisions and determinations as the Committee may deem necessary or advisable for the administration of the Plan. Any action of the Committee shall be final, conclusive, and binding on all persons, including, without limitation, each member of the Company Group, Eligible Persons, Participants, and beneficiaries of Participants.

(b) Delegation. To the extent permitted by applicable law, the Committee may delegate to officers or employees of any member of the Company Group, or committees thereof, the authority, subject to such terms as the Committee shall determine, to perform such functions, including but not limited to administrative functions, as the Committee may determine appropriate. The Committee may appoint agents to assist it in administering the Plan. Notwithstanding the foregoing or any other provision of the Plan to the contrary, any Award granted under the Plan to any person or entity who is not an employee of the Company or any other member of the Company Group shall be expressly approved by the Committee.

(c) Section 409A. The Committee shall take into account compliance with Section 409A of the Code in connection with any grant of an Award under the Plan, to the extent applicable.

4. SHARES AVAILABLE UNDER THE PLAN.

(a) Number of Shares Available for Delivery. Subject to adjustment as provided in Section 11 hereof, the total number of shares of Stock reserved and available for delivery in connection with Awards under the Plan shall be 36,211,974 plus the number of additional shares of Stock reserved for issuance pursuant to Section 11 hereof.

Shares of Stock delivered under the Plan shall consist of authorized and unissued shares or, to the extent authorized, previously issued shares of Stock reacquired by the Company on the open market or by private purchase.

(b) Share Counting Rules. The Committee may adopt reasonable counting procedures to ensure appropriate counting, avoid double counting (as, for example, in the case of tandem or substitute awards) and make adjustments if the number of shares of Stock actually delivered differs from the number of shares previously counted in connection with an Award. To

the extent that an Award expires or is canceled, forfeited, settled in cash, or otherwise terminated or concluded without a delivery to the Participant of the full number of shares to which the Award related, the undelivered shares will again be available for grant. Shares withheld in payment of the exercise price or taxes relating to an Award and shares equal to the number surrendered in payment of any exercise price or taxes relating to an Award shall be deemed to constitute shares not delivered to the Participant and shall be deemed to again be available for Awards under the Plan.

5. OPTIONS.

(a) General. Options may be granted to Eligible Persons in such form and having such terms and conditions as the Committee shall deem appropriate. The provisions of separate Options shall be set forth in an Option Agreement, which agreements need not be identical.

(b) Term. The term of each Option shall be set by the Committee at the time of grant; *provided, however*, that no Option granted hereunder shall be exercisable after the expiration of ten (10) years from the date it was granted.

(c) Exercise Price. The exercise price per share of Stock for each Option shall be set by the Committee at the time of grant; *provided, however*, that if an Option is intended to not be considered “nonqualified deferred compensation” within the meaning of Section 409A of the Code, the applicable exercise price shall not be less than the Fair Market Value on the date of grant.

(d) Payment for Stock. Payment for shares of Stock acquired pursuant to Options granted hereunder shall be made in full upon exercise of the Options in a manner approved by the Committee, which may include either (i) in immediately available funds in United States dollars, or by certified or bank cashier’s check, (ii) by delivery of a notice of “net exercise” to the Company, pursuant to which the Participant shall receive the number of shares of Stock underlying the Options so exercised reduced by the number of shares of Stock equal to the aggregate exercise price of the Options divided by the Fair Market Value on the date of exercise, (iii) by delivery of shares of Stock having a Fair Market Value equal to the exercise price, or (iv) by any other means approved by the Committee. Anything herein to the contrary notwithstanding, if the Committee determines that any form of payment available hereunder would be in violation of Section 402 of the Sarbanes-Oxley Act of 2002, such form of payment shall not be available on or following the IPO Date.

(e) Vesting. Options shall vest and become exercisable in such manner, on such date or dates, or upon the achievement of performance or other conditions, in each case, as may be determined by the Committee and set forth in the Option Agreement; *provided, however*, that notwithstanding any such vesting dates, the Committee may in its sole discretion accelerate the vesting of any Option, which acceleration shall not affect the terms and conditions of any such Option other than with respect to vesting. Unless otherwise specifically determined by the Committee, the vesting of an Option shall occur only while the Participant is employed by or rendering services to the Employer, and all vesting shall cease upon a Participant’s Termination with the Employer for any reason.

(f) Transferability of Options. Except in connection with a Permitted Transfer of vested Options, an Option shall not be transferable except by will or by the laws of descent and distribution and shall be exercisable during the lifetime of the Participant only by the Participant. To the extent a Participant wishes to make a Permitted Transfer of vested Options, it shall be a condition of each such Permitted Transfer that (x) the transferee agrees to be bound by the terms of the Plan and the applicable Award agreement as though no such transfer had taken place, and that (y) the Participant has complied with all applicable law in connection with such transfer. The Participant and the transferee shall execute any documents reasonably required by the Committee to effectuate such Permitted Transfer.

(g) Termination. Except as may otherwise be provided by the Committee in the Option Agreement:

(i) In the event of a Participant's Termination with the Employer prior to the Expiration Date for any reason other than (A) by the Employer for Cause or (B) by reason of the Participant's death or Disability, (1) all vesting with respect to such Participant's Options shall cease, (2) all of such Participant's unvested Options shall expire as of the date of such Termination, and (3) all of such Participant's vested Options shall remain exercisable until the earlier of the Expiration Date and the date that is ninety (90) days after the date of such Termination.

(ii) In the event of a Participant's Termination with the Employer prior to the Expiration Date by reason of such Participant's death or Disability, (A) all vesting with respect to such Participant's Options shall cease, (B) all of such Participant's unvested Options shall expire as of the date of such Termination, and (C) all of such Participant's vested Options shall remain exercisable until the earlier of the Expiration Date and the date that is twelve (12) months after the date of such Termination due to death or Disability of the Participant. In the event of a Participant's death, such Participant's Options shall remain exercisable by the person or persons to whom a Participant's rights under the Options pass by will or the applicable laws of descent and distribution until its expiration, but only to the extent the Options were vested by such Participant at the time of such Termination due to death.

(iii) In the event of a Participant's Termination with the Employer prior to the Expiration Date by the Employer for Cause, all of such Participant's Options (whether or not vested) shall immediately expire as of the date of such Termination.

(h) Book Entry; Certificates. Unless otherwise determined by the Committee, in its sole discretion, Stock acquired upon the exercise of Options shall be held in book entry form, rather than delivered to the Participant, through the expiration of the Lock-Up Period. If certificates representing Stock are registered in the name of the Participant, the Committee may require that such certificates bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Stock, that the Company retain physical possession of the certificates, and that the Participant deliver a stock power to the Company, endorsed in blank, relating to the Stock.

6. RESTRICTED STOCK.

(a) General. Restricted Stock granted hereunder shall be in such form and shall contain such terms and conditions as the Committee shall deem appropriate. The terms and conditions of each Restricted Stock grant shall be evidenced by a Restricted Stock Agreement, which agreements need not be identical. Subject to the restrictions set forth in Section 6(b), except as otherwise set forth in the applicable Restricted Stock Agreement, the Participant shall generally have the rights and privileges of a stockholder as to such Restricted Stock, including the right to vote such Restricted Stock. Unless otherwise set forth in a Participant's Restricted Stock Agreement, cash dividends and stock dividends, if any, with respect to the Restricted Stock shall be withheld by the Company for the Participant's account, and shall be subject to forfeiture to the same degree as the shares of Restricted Stock to which such dividends relate. Except as otherwise determined by the Committee, no interest will accrue or be paid on the amount of any cash dividends withheld.

(b) Restrictions on Transfer. In addition to any other restrictions set forth in a Participant's Restricted Stock Agreement, until such time that the Restricted Stock has vested pursuant to the terms of the Restricted Stock Agreement, which vesting the Committee may in its sole discretion accelerate at any time, the Participant shall not be permitted to sell, transfer, pledge, or otherwise encumber the Restricted Stock. Notwithstanding anything contained herein to the contrary, the Committee shall have the authority to remove any or all of the restrictions on the Restricted Stock whenever it may determine that, by reason of changes in applicable laws or other changes in circumstances arising after the date of the Restricted Stock Award, such action is appropriate.

(c) Book Entry; Certificates. Restricted Stock granted under the Plan may be evidenced in such manner as the Committee shall determine. Unless otherwise determined by the Committee, in its sole discretion, the Restricted Stock shall be held in book entry form, rather than delivered to the Participant, through the expiration of the Lock-Up Period. If certificates representing Restricted Stock are registered in the name of the Participant, the Committee may require that such certificates bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Restricted Stock, that the Company retain physical possession of the certificates, and that the Participant deliver a stock power to the Company, endorsed in blank, relating to the Restricted Stock.

(d) Termination. Except as may otherwise be provided by the Committee in the Restricted Stock Agreement, in the event of a Participant's Termination with the Employer for any reason prior to the time that such Participant's Restricted Stock has vested, (i) all vesting with respect to such Participant's Restricted Stock shall cease, and (ii) as soon as practicable following such Termination, the Company shall repurchase from the Participant, and the Participant shall sell, all of such Participant's unvested shares of Restricted Stock at a purchase price equal to the original purchase price paid for the Restricted Stock, or if the original purchase price is equal to \$0, such unvested shares of Restricted Stock shall be forfeited by the Participant to the Company for no consideration as of the date of such Termination.

7. OTHER STOCK-BASED AWARDS.

The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Stock, as deemed by the Committee to be consistent with the purposes of the Plan. The terms and conditions applicable to such Awards shall be determined by the Committee and evidenced by Award agreements, which agreements need not be identical.

8. RESTRICTIONS ON STOCK; PROXY.

(a) Prohibition on Transfers. Except (i) as otherwise approved by the Committee, (ii) pursuant to subsections (b) and (c) of this Section 8, or (iii) pursuant to Section 9 below, shares of Stock acquired by a Participant pursuant to the vesting and/or exercise of any Award granted hereunder may not be offered, sold, transferred, pledged or otherwise transferred or disposed of prior to a period specified by the representative of the underwriters of Stock of 180 days following the IPO Date (or such longer period as may be requested by the Company or the underwriters 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 NYSE Rule 472(f)(4), or any successor provisions or amendments thereto) (the "Lock-Up Period"). If requested by the Company or the underwriters managing any public offering, each Participant shall execute a separate agreement to the foregoing effect. In addition, if requested by the Company or the representative of the underwriters of Stock, a Participant shall provide, within ten (10) days of such request, such information as may be required by the Company or such representative in connection with the completion of the IPO. The Company may impose stop-transfer instructions with respect to the Stock (or securities) subject to the foregoing restriction until the end of such Lock-Up Period.

(b) Drag-Along Rights.

(i) If the Majority in Interest of the Investors are proposing to (A) sell to one or more third parties all of the Company Securities beneficially owned by them on any date of determination, (B) approve any merger of the Company with or into one or more third parties, or (C) approve any sale of all or substantially all of the Company's assets to one or more third parties, such Majority in Interest of the Investors (the "Selling Investors") shall have the right (the "Drag-Along Right"), but not the obligation, to require each Participant (x) in the case of a transfer of the type referred to in clause (A), to sell in such sale, in accordance with the terms set forth herein all of such Participant's shares of Stock received in connection with an Award granted hereunder in such sale (the "Subject Shares"), or (y) in the case of a merger or sale of assets or other transaction referred to in clauses (B) or (C), to vote (or act by written consent with respect to) all of such Participant's Subject Shares in favor of such transaction and to waive any dissenter or appraisal rights such Participant may have under applicable law. Each Participant agrees to take all steps necessary to enable such Participant to comply with the provisions of this Section 8(b) to facilitate the Selling Investors' exercise of a Drag-Along Right. A Participant required to sell any shares of Stock pursuant to this Section 8(b) shall be entitled to receive in exchange therefor the same consideration per share of Stock as is received by

the Selling Investors with respect to their shares of Stock in such transaction, including equivalent rights to receive (when and if paid) a proportionate share of any deferred consideration, earn-out, or escrow funds that may become available to the Selling Investors in connection with the transaction (less, in the case of options, warrants, or other convertible securities, the exercise or purchase price thereof and less any applicable employment taxes or withholding obligations); *provided, however*, that if the Company Securities include preferred stock of the Company, such per share price shall be calculated based upon the implied equity value of each share of Stock (less, in the case of options, warrants, or other convertible securities, the exercise or purchase price thereof) determined by reference to the per-share price being paid for the preferred stock and after giving effect to all amounts payable to the holders of preferred stock prior and in preference to the Stock pursuant to the liquidation preference provisions of the Company's certificate of incorporation or other applicable organizational documents; and *provided, further*, that if the per-share price being paid for such preferred stock includes any rights to receive a proportionate share of any deferred consideration, earn-out, or escrow funds that may become available to the holders of preferred stock in connection with the transaction, such amounts shall be considered when determining the implied equity price of each share of Stock, but any portion of such amount included in the implied equity price of each share of Stock shall not be paid to Participants required to sell shares of Stock pursuant to this Section 8(b) unless and until the portions of such amount included in the price per share being paid for the preferred stock are paid to the holders of the preferred stock and only to the extent that the holders of the preferred stock have received all amounts payable to the holders of preferred stock prior and in preference to the Stock pursuant to the liquidation preference provisions of the Company's certificate of incorporation.

(ii) To exercise the rights granted under this Section 8(b), the Selling Investors shall give each other Participant a written notice (a "Drag-Along Notice") containing the proposed consideration per share with respect to the shares of Stock and the terms of payment and other material terms and conditions of the offer of the proposed transferee(s). Each Participant shall thereafter be obligated to sell his shares of Stock to the proposed transferee(s) or vote (or act by written consent with respect to) his Subject Shares in favor of the proposed transaction, as the case may be, in accordance with Section 8(b)(i) above.

(iii) Each Participant shall execute and deliver such instruments of conveyance and transfer and take such other actions, including executing any purchase agreement, merger agreement, indemnity agreement, escrow agreement, or related documents, as may be reasonably required by the Selling Investors or the Company in order to carry out the terms and provisions of this Section 8(b). If the transaction is structured as a merger or consolidation, each Participant shall waive any dissenters' rights, appraisal rights, or similar rights in connection with the proposed transaction. Each Participant acknowledges the rights of the Selling Investors to act on behalf of such Participant pursuant to this Section 8(b). At the closing of the proposed transaction, each such Participant shall deliver, against receipt of the consideration payable in such transaction, certificates representing the Subject Shares, together with executed stock powers or other instruments of transfer acceptable to the Selling Investors.

(iv) Notwithstanding anything contained in this Section 8(b), in the event that all or a portion of the purchase price for the shares of Stock being purchased consists of securities and the sale of such securities to a Participant would require either a registration under the Securities Act or the preparation of a disclosure document pursuant to Regulation D under the Securities Act (or any successor regulation) or a similar provision of any state securities law, then, at the option of the Selling Investors, such Participants may proportionately receive, in lieu of such securities, the fair market value of some or all of such securities in cash, as determined in good faith by the Board.

(v) The rights provided in this Section 8(b) shall expire upon the IPO Date.

(c) Permitted Transfers. Stock acquired upon vesting and/or exercise of an Award may be transferred in connection with a Permitted Transfer; *provided, however*, that it shall be a condition of each such Permitted Transfer that (x) the transferee agrees to be bound by the terms of the Plan and the applicable Award agreement as though no such transfer had taken place, and that (y) the Participant has complied with all applicable law in connection with such transfer. The Participant and the transferee shall execute any documents reasonably required by the Committee to effectuate such Permitted Transfer.

(d) Grant of Irrevocable Proxy. As a condition of the grant of any Award under the Plan, each Participant shall grant to the Investors, acting jointly, the Participant's irrevocable proxy, and appoint the Investors, or any designee or nominee of the Investors, as the Participant's attorney-in-fact (with full power of substitution and resubstitution), for and in its name, place, and stead, to (i) vote or act by written consent with respect to the shares of Stock acquired by the Participant (or any transferee) pursuant to an Award under the Plan (whether or not vested), including the right to sign such Participant's name, as a stockholder, to any consent, certificate, or other document relating to the Company that applicable law may require, in connection with any and all matters (other than any amendment to the Plan that would require stockholder approval), including, without limitation, the election of directors, and (ii) take any and all action necessary to sell or otherwise transfer any Subject Shares as contemplated by this Section 8. Such proxy shall be coupled with an interest, and the Participant will take such further action or execute such other instruments as may be necessary to effectuate the intent of this proxy. The proxy described in this subsection (d) shall terminate upon the IPO Date.

(e) Stockholders' or Similar Agreement. In the event that a Participant is a party to any stockholders' or similar agreement with the Company and/or the Investors containing the same and/or similar provisions to those set forth in this Section 8, the provisions of this Section 8 shall continue to apply to such Participant and any shares of Stock acquired pursuant to any Award hereunder, and shall be in addition to, and not in lieu of, the terms and conditions of such stockholders' or similar agreement.

9. REPURCHASE RIGHTS UPON TERMINATION.

(a) If, prior to the Repurchase Right Lapse Date, a Participant undergoes a Termination with the Employer for any reason, then at any time during the Repurchase Right Exercise Period, in addition to any repurchase right or obligation of the Company with respect to

unvested shares of Restricted Stock as provided in Section 6 above, the Company shall have the right to repurchase the shares of Stock received pursuant to Awards granted hereunder at a per-share price equal to the Repurchase Price (the "Repurchase Right"). The Repurchase Right shall be exercisable upon written notice to a Participant indicating the number of shares of Stock to be repurchased and the date on which the repurchase is to be effected, such date to be not more than thirty (30) days after the date of such notice. To the extent not otherwise held in book entry form by the Company, the certificates representing the shares of Stock to be repurchased shall be delivered to the Company prior to the close of business on the date specified for the repurchase.

(b) If the Company exercises the Repurchase Right following a Participant's Termination other than (A) by the Employer for Cause or (B) by a Participant's voluntary resignation, the aggregate Repurchase Price shall be paid in a lump sum at the time of repurchase.

(c) If the Company exercises the Repurchase Right following a Participant's Termination (A) by the Employer for Cause or (B) by such Participant's voluntary resignation, the Company shall be permitted to issue a promissory note equal to the aggregate Repurchase Price in lieu of a cash payment; *provided, however*, that such promissory note shall have a maturity date that does not exceed three (3) years from the date of such repurchase, shall bear simple interest of not less than the Prime Rate in effect on the date of such repurchase, and shall be payable as to interest in equal monthly installments during the term of the note and as to principal on the maturity date.

(d) Notwithstanding anything contained in this Section 9(d) to the contrary, in the event that any repurchase described herein would result in a default under any applicable financing documents of the Company or any other member of the Company Group, or would otherwise be prohibited by applicable law (as applicable, a "Prohibition Event"), commencement of the applicable Repurchase Right Exercise Period shall be delayed until the Prohibition Event ceases to exist, but in no event shall such delay extend for more than eighteen (18) months. Without limiting the foregoing, at any time prior to the Repurchase Right Lapse Date, the Company shall be permitted to assign the Repurchase Right to the Investors.

10. COMPETITIVE ACTIVITIES.

Notwithstanding anything contained in the Plan to the contrary, in the event that a Participant engages in any Competitive Activity during the term of such Participant's employment or service with the Employer or during the six (6) month period following such Participant's Termination with the Employer for any reason, the Committee may determine, in its sole discretion, to (a) require all Awards held by such Participant to be immediately forfeited and returned to the Company without additional consideration, (b) require all shares of Stock acquired upon the vesting and/or exercise of Awards within the twelve (12) month period prior to the date of such Competitive Activity to be immediately forfeited and returned to the Company without additional consideration, and (c) to the extent that such Participant received any profit from the sale of any Stock underlying an Award within the twelve (12) month period prior to the date of such Competitive Activity, require that such Participant promptly repay to the Company any profit received pursuant to such sale.

11. ADJUSTMENT FOR RECAPITALIZATION, MERGER, ETC.

(a) Capitalization Adjustments. The aggregate number of shares of Stock that may be granted or purchased pursuant to Awards (as set forth in Section 4 above), the number of shares of Stock covered by each outstanding Award, and the price per share thereof in each such Award shall be equitably and proportionally adjusted or substituted, as determined by the Committee, as to the number, price, or kind of a share of Stock or other consideration subject to such Awards (i) in the event of changes in the outstanding Stock or in the capital structure of the Company by reason of stock dividends, stock splits, reverse stock splits, recapitalizations, reorganizations, mergers, consolidations, combinations, exchanges, or other relevant changes in capitalization occurring after the date of grant of any such Award (including any Corporate Event (as defined below)), (ii) in connection with any extraordinary dividend declared and paid in respect of shares of Stock, whether payable in the form of cash, stock or any other form of consideration, or (iii) in the event of any change in applicable laws or circumstances that results in or could result in, in either case, as determined by the Committee in its sole discretion, any substantial dilution or enlargement of the rights intend to be granted to, or available for, Participants in the Plan.

(b) Corporate Events. Notwithstanding the foregoing, except as may otherwise be provided in an Award agreement, in connection with (i) a merger or consolidation involving the Company in which the Company is not the surviving corporation, (ii) a merger or consolidation involving the Company in which the Company is the surviving corporation but the holders of shares of Stock receive securities of another corporation and/or other property, including cash, (iii) a Change in Control, or (iv) the reorganization or liquidation of the Company (each, a "Corporate Event"), the Committee may, in its discretion, provide for any one or more of the following:

(i) the assumption or substitution of such Awards in connection with such Corporate Event, in which case, the Awards shall be subject to the adjustment set forth in subsection (a) above;

(ii) accelerated vesting of any Awards, subject to the consummation of such Corporate Event;

(iii) the cancellation of any or all vested and/or unvested Awards as of the consummation of such Corporate Event, in which case Participants who hold vested Awards (including any Awards that would vest on the Corporate Event but for cancellation) so cancelled will receive a payment in respect of cancellation of their Awards based on the amount of the per-share consideration being paid for the Stock in connection with such Corporate Event, less, in the case of Options and other Awards subject to exercise, the applicable exercise price; *provided, however*, that Participants who hold Options and other Awards subject to exercise shall only be entitled to consideration in respect of cancellation of such Awards if the per-share consideration less the applicable exercise price is greater than zero (and to the extent the per-share consideration is less than or equal to the applicable exercise price, such Awards shall be cancelled for no consideration); or

(iv) the replacement of Awards (other than Awards that are "stock rights" within the meaning of Section 409A of the Code) with a cash incentive program

that preserves the value of the Awards so replaced (determined as of the consummation of the Corporate Event), with subsequent payment of cash incentives subject to the same vesting conditions as applicable to the Awards so replaced, and payment to be made within thirty (30) days of the applicable vesting date.

Payments to holders pursuant to clause (iii) above shall be made in cash or, in the sole discretion of the Committee, in the form of such other consideration necessary for a Participant to receive property, cash, or securities (or combination thereof) as such Participant would have been entitled to receive upon the occurrence of the transaction if the Participant had been, immediately prior to such transaction, the holder of the number of shares of Stock covered by the Award at such time (less any applicable exercise price). In addition, in connection with any Corporate Event, prior to any payment or adjustment contemplated under this subsection (b), the Committee may require a Participant to (i) represent and warrant as to the unencumbered title to his Awards, (ii) bear such Participant's pro-rata share of any post-closing indemnity obligations, and be subject to the same post-closing purchase price adjustments, escrow terms, offset rights, holdback terms, and similar conditions as the other holders of Stock, and (iii) deliver customary transfer documentation as reasonably determined by the Committee.

In the event that an outstanding and unvested Award will not be assumed, substituted or replaced pursuant to clauses (i) or (iv) above, and such Award will not continue in effect in accordance with its terms (as the same may be adjusted pursuant to subsection (a) above) or be cashed out in accordance with clause (iii) above, in each case, upon or immediately following the occurrence of a Corporate Event (excluding a reorganization or liquidation of the Company), then, except as may otherwise be provided in an Award agreement, such Award shall automatically become fully vested and exercisable immediately prior to the occurrence of such Corporate Event; *provided*, that the initial holder of such Award has not experienced a Termination prior to such Corporate Event. Further, in the event that (x) an outstanding and unvested Award is either assumed, substituted or replaced pursuant to clauses (i) or (iv) above, continues in effect in accordance with its terms (as the same may be adjusted pursuant to subsection (a) above) or is cashed out in accordance with clause (iii) above, in each case, upon or immediately following the occurrence of a Corporate Event (excluding a reorganization or liquidation of the Company), (y) the initial holder of such Award has not experienced a Termination prior to such Corporate Event, and (z) the initial holder of such Award experiences a Termination by his or her Employer without Cause within twelve (12) months following the occurrence of such Corporate Event, then, such Award (including any replacement or substitution thereof) shall become fully vested and exercisable immediately upon such Termination.

(c) Fractional Shares. Any adjustment provided under this Section 11 may provide for the elimination of any fractional share that might otherwise become subject to an Award.

12. USE OF PROCEEDS.

The proceeds received from the sale of Stock pursuant to the Plan shall be used for general corporate purposes.

13. RIGHTS AND PRIVILEGES AS A STOCKHOLDER.

Except as otherwise specifically provided in the Plan, no person shall be entitled to the rights and privileges of stock ownership in respect of shares of Stock that are subject to Awards hereunder until such shares have been issued to that person.

14. EMPLOYMENT OR SERVICE RIGHTS.

No individual shall have any claim or right to be granted an Award under the Plan or, having been selected for the grant of an Award, to be selected for a grant of any other Award. Neither the Plan nor any action taken hereunder shall be construed as giving any individual any right to be retained in the employ or service of the Employer or any other member the Company Group.

15. COMPLIANCE WITH LAWS.

The obligation of the Company to deliver Stock upon vesting and/or exercise of any Award shall be subject to all applicable laws, rules, and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company shall be under no obligation to offer to sell or to sell and shall be prohibited from offering to sell or selling any shares of Stock pursuant to an Award unless such shares have been properly registered for sale pursuant to the Securities Act with the Securities and Exchange Commission or unless the Company has received advice of counsel, satisfactory to the Company, that such shares may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Company shall be under no obligation to register for sale or resale under the Securities Act any of the shares of Stock to be offered or sold under the Plan or any shares of Stock issued upon exercise or settlement of Awards. If the shares of Stock offered for sale or sold under the Plan are offered or sold pursuant to an exemption from registration under the Securities Act, the Company may restrict the transfer of such shares and may legend the Stock certificates representing such shares in such manner as it deems advisable to ensure the availability of any such exemption.

16. WITHHOLDING OBLIGATIONS.

As a condition to the vesting and/or exercise of any Award, the Committee may require that a Participant satisfy, through a cash payment by the Participant, or in the discretion of the Committee, through deduction or withholding from any payment of any kind otherwise due to the Participant, or through such other arrangements as are satisfactory to the Committee, the minimum amount of all federal, state, and local income and other taxes of any kind required or permitted to be withheld in connection with such vesting and/or exercise. The Committee, in its discretion, may permit shares of Stock to be used to satisfy tax withholding requirements, and such shares shall be valued at their Fair Market Value as of the exercise or settlement date of the Award; *provided, however*, that the aggregate Fair Market Value of the number of shares of Stock that may be used to satisfy tax withholding requirements may not exceed the minimum statutory required withholding amount with respect to such Award.

17. AMENDMENT OF THE PLAN OR AWARDS.

(a) Amendment of Plan. The Board at any time, and from time to time, may amend the Plan; *provided, however*, that the Board shall not, without stockholder approval, make any amendment to the Plan that requires stockholder approval pursuant to applicable law or, at any time that the Stock is listed on any national securities exchange, the applicable rules of the national securities exchange on which the Stock is principally listed. Rights under any Award granted before amendment of the Plan shall not be impaired by any amendment of the Plan unless the Participant consents in writing.

(b) Amendment of Awards. The Board or the Committee, at any time, and from time to time, may amend the terms of any one or more Awards; *provided, however*, that the rights under any Award shall not be impaired by any such amendment unless the Participant consents in writing (it being understood that no action taken by the Board or the Committee that is expressly permitted under the Plan, including, without limitation, any actions described in Section 11 hereof, shall constitute an amendment of an Award for such purpose). Notwithstanding the foregoing, subject to the limitations of applicable law, if any, and without an affected Participant's consent, the Board or the Committee may amend the terms of any one or more Awards if necessary to bring the Award into compliance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued or amended after the Effective Date.

(c) Repricing of Awards without Stockholder Approval. The repricing of Awards upon the approval of the Board or Committee shall expressly be permitted under the Plan without additional stockholder approval. For this purpose, a "repricing" means any of the following (or any other action that has the same effect as any of the following): (i) changing the terms of an Award to lower its exercise price (other than on account of capital adjustments resulting from share splits, etc., as described in Section 11(a)), (ii) any other action that is treated as "repricing" under generally accepted accounting principles, and (iii) repurchasing for cash or canceling an Award in exchange for another Award at a time when its exercise price is greater than the Fair Market Value of the underlying Stock, unless the cancellation and exchange occurs in connection with an event set forth in Section 11(b).

18. TERMINATION OR SUSPENSION OF THE PLAN.

The Board may suspend or terminate the Plan at any time. Unless sooner terminated, the Plan shall terminate on the day before the tenth (10th) anniversary of the Effective Date. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated. Rights under any Award granted before suspension or termination of the Plan shall not be impaired by such suspension or termination.

19. EFFECTIVE DATE OF THE PLAN.

The Plan is effective as of the Effective Date.

20. MISCELLANEOUS.

(a) Participants Outside of the United States. The Committee may modify the terms of any Award under the Plan made to or held by a Participant who is then a resident or primarily employed outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order that such Award shall conform to laws, regulations, and customs of the country in which the Participant is then a resident or primarily employed, or so that the value and other benefits of the Award to the Participant, as affected by foreign tax laws and other restrictions applicable as a result of the Participant's residence or employment abroad, shall be comparable to the value of such Award to a Participant who is a resident or primarily employed in the United States. Additionally, the Committee may adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by such Participants. An Award may be modified under this Section 20(a) in a manner that is inconsistent with the express terms of the Plan, so long as such modifications will not contravene any applicable law or regulation or result in actual liability under Section 16(b) of the Exchange Act for the Participant whose Award is modified.

(b) No Liability of Committee Members. No member of the Committee shall be personally liable by reason of any contract or other instrument executed by such member or on his behalf in his capacity as a member of the Committee or for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless each member of the Committee and each other employee, officer, or director of the Company to whom any duty or power relating to the administration or interpretation of the Plan may be allocated or delegated, against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim) arising out of any act or omission to act in connection with the Plan unless arising out of such person's own fraud or willful bad faith; *provided, however*, that approval of the Board shall be required for the payment of any amount in settlement of a claim against any such person. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's certificate or articles of incorporation or by-laws, each as may be amended from time to time, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

(c) Payments Following Accidents or Illness. If the Committee shall find that any person to whom any amount is payable under the Plan is unable to care for his affairs because of illness or accident, or is a minor, or has died, then any payment due to such person or his estate (unless a prior claim therefor has been made by a duly appointed legal representative) may, if the Committee so directs the Company, be paid to his spouse, child, or relative, or an institution maintaining or having custody of such person, or any other person deemed by the Committee to be a proper recipient on behalf of such person otherwise entitled to payment. Any such payment shall be a complete discharge of the liability of the Committee and the Company therefor.

(d) Governing Law. The Plan shall be governed by and construed in accordance with the internal laws of the State of Delaware without reference to the principles of conflicts of laws thereof.

(e) Funding. No provision of the Plan shall require the Company, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a

trust or other entity to which contributions are made or otherwise to segregate any assets, or to maintain separate bank accounts, books, records, or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the Plan other than as unsecured general creditors of the Company, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other employees under general law.

(f) Reliance on Reports. Each member of the Committee and each member of the Board shall be fully justified in relying, acting, or failing to act, and shall not be liable for having so relied, acted, or failed to act in good faith, upon any report made by the independent public accountant of the Company or other member of the Company Group and upon any other information furnished in connection with the Plan by any person or persons other than such member.

(g) Titles and Headings. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

* * *

OPTION GRANT NOTICE AND AGREEMENT

Outset Medical, Inc. (the “Company”), pursuant to its Amended and Restated 2010 Stock Incentive Plan, as may be further amended from time to time (the “Plan”), hereby grants to the Holder the number of Options set forth below, each Option representing the right to purchase one share of Stock at the applicable Exercise Price (set forth below). The Options are subject to all of the terms and conditions set forth in this Option Grant Notice and Agreement (this “Agreement”) as well as all of the terms and conditions of the Plan, all of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan.

Holder:

Date of Grant:

Vesting Schedule:

Number of Options:

Exercise Price:

Expiration Date:

Type of Option:

Vesting Schedule:

[Vesting]

Exercise of Options:

To exercise a vested Option, the Holder (or his or her authorized representative) must give written notice to the Company, using the form of Option Exercise Notice attached hereto as Exhibit A, stating the number of Options which he or she intends to exercise. The Company will issue the shares of Stock with respect to which the Options are exercised upon payment of the shares of Stock acquired in accordance with Section 5(d) of the Plan, which Section 5(d) is incorporated herein by reference and made a part hereof; *provided, however*, that if the Holder wishes to use any method of exercise other than in immediately available funds in United States dollars, or by certified or bank cashier’s check, the Holder shall have received the prior written approval of the Committee or its designee approving such method of exercise.

Upon exercise of Options, the Holder will be required to satisfy applicable withholding tax obligations as provided in Section 15 of the Plan.

Termination:

Section 5(g) of the Plan regarding treatment of Options upon Termination is incorporated herein by reference and made a part hereof. Following any such Termination, shares acquired upon exercise of any Options shall remain subject to Section 9 of the Plan.

Restrictions on Stock:

Stock acquired upon exercise of any Options hereunder shall be subject to the restrictions set forth in Section 8 of the Plan.

Voting Proxy:

As a condition of the grant of Options hereunder, the Holder hereby grants to the Investors, acting jointly, the Holder's irrevocable proxy, and appoints the Investors, or any designee or nominee of the Investors, as the Holder's attorney-in-fact (with full power of substitution and resubstitution), for and in its name, place, and stead, to (i) vote or act by written consent with respect to the shares of Stock (whether or not vested) now owned by the Holder (or any transferee), including the right to sign the Holder's name, as a stockholder, to any consent, certificate, or other document relating to the Company that applicable law may require, in connection with any and all matters (other than any amendment to the Plan that would require stockholder approval), including, without limitation, the election of directors, and (ii) take any and all action necessary to sell or otherwise transfer any Subject Shares as contemplated by Section 8 of the Plan. This proxy shall be coupled with an interest, and the Holder agrees to take such further action or execute such other instruments as may be necessary to effectuate the intent of this proxy. The proxy described hereunder shall terminate upon the IPO Date.

Additional Terms:

Options shall be subject to the following additional terms:

- Options shall be exercisable in whole shares of Stock only.
- Each Option shall cease to be exercisable as to any share of Stock when the Holder purchases the share of Stock or when the Option otherwise expires.
- The Stock issued upon the exercise of any Options hereunder shall be registered in Holder's name on the books of the Company during the Lock-Up Period and for such additional time as the Committee determines appropriate in its reasonable discretion. Any certificates representing the Stock delivered to the Holder shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such shares are listed, and any applicable federal or state laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions as the Committee deems appropriate.

- This Option Agreement does not confer upon the Holder any right to continue as an employee or service provider of the Employer or any other member of the Company Group.
- This Option Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof.
- The Holder and the Company acknowledge that the Options are intended to be exempt from Section 409A of the Code, with the Exercise Price intended to be at least equal to the “fair market value” per share of Stock on the Date of Grant. Since shares are not traded on an established securities market, the Exercise Price has been based upon the determination of Fair Market Value by the Board in a manner consistent with the terms of the Plan. The Holder acknowledges that there is no guarantee that the Internal Revenue Service will agree with this valuation, and agrees not to make any claim against the Company, the Board, the Company’s officers or employees in the event that the Internal Revenue Service asserts that the valuation was too low or that the Options are not otherwise exempt from Section 409A of the Code.
- The Holder agrees that the Company may deliver by email all documents relating to the Plan or these Options (including, without limitation, a copy of the Plan) and all other documents that the Company is required to deliver to its security holders (including, without limitation, disclosures that may be required by the Securities and Exchange Commission). The Holder also agrees that the Company may deliver these documents by posting them on a website maintained by the Company or by a third party under contract with the Company. If the Company posts these documents on a website, it shall notify the Holder by email or such other reasonable manner as then determined by the Company.

Representations and Warranties of Holder:

The Holder hereby represents and warrants to the Company that:

- The Holder understands that the Stock has not been registered under the Securities Act, nor qualified under any state securities laws, and that it is being offered and sold pursuant to, and in reliance upon, the exemption from such registration provided by Rule 701 promulgated under the Securities Act for security issuances under compensatory benefit plans such as the Plan;
- The Holder has been informed that the shares of Stock are restricted securities under the Securities Act and may not be resold or transferred unless the shares of Stock are first registered under the Federal securities laws or unless an exemption from such registration is available; and
- The Holder is prepared to hold the shares of Stock for an indefinite period and that the Holder is aware that Rule 144 as promulgated under the Securities Act, which exempts certain resales of restricted securities, is not presently available to exempt the resale of the Stock from the registration requirements of the Securities shares of Act.

* * *

THE UNDERSIGNED HOLDER ACKNOWLEDGES RECEIPT OF THE PLAN, AND, AS AN EXPRESS CONDITION TO THE GRANT OF OPTIONS UNDER THIS AGREEMENT, AGREES TO BE BOUND BY THE TERMS OF BOTH THE AGREEMENT AND THE PLAN.

OUTSET MEDICAL, INC.

HOLDER

By: _____
Signature

Signature

Title: _____

Date: _____

Date: _____

Date:

Outset Medical, Inc.
1830 Bering Drive
San Jose, CA 95112

Att: Finance

Re: Notice of Exercise

1. By delivery of this Notice of Exercise, I am irrevocably electing to exercise options to purchase shares of Common Stock, par value \$0.001 per share ("Shares") of Outset Medical, Inc. (the "Company") granted to me under the Company's 2010 Stock Incentive Plan (the "Plan").
2. The number of Shares I wish to purchase by exercising my options is .
3. The applicable purchase price (or exercise price) is \$ per Share, resulting in an aggregate purchase price of \$ (the "Aggregate Purchase Price").
4. I am satisfying my obligation to pay the Aggregate Purchase Price by:
 - ☐ Delivering to the Company, with this Notice of Exercise, an amount equal to the Aggregate Purchase Price in immediately available United States dollars or by personal check. Make check payable to "Outset Medical, Inc." with memo notation "stock option exercise".
 - ☐ Authorizing the Company, through this Notice to Exercise, to effectuate a "net exercise," pursuant to which I will receive the number of Shares exercised (as set forth in paragraph 2 above), reduced by the number of Shares equal to the Aggregate Purchase Price divided by the fair market value per Share on the date of exercise. **I have attached to this Notice of Exercise the written communication confirming the consent of the Committee to my use of the net exercise procedure described herein.**
5. To satisfy the applicable withholding taxes:
 - ☐ I have enclosed an amount equal to the applicable withholding taxes in immediately available United States dollars, or by personal check. Make check payable to "Outset Medical, Inc." with memo notation "taxes for option exercise".
 - ☐ I elect to have such amount satisfied by the use of Shares such that the number of Shares I receive upon exercise will be reduced (or further reduced if net exercise was chosen above) by a number of Shares with an aggregate fair market value on the date of exercise equal to any federal, state or local income or other taxes required by law to be withheld by the Company. **I have attached to this Notice of Exercise the written communication confirming the consent of the Committee to my use of the withholding tax procedure described herein.**

- ☐ Not applicable for non-employee consultants with no withholding requirements.
 ☐ Not applicable as no taxable gain is associated with this exercise.
6. I hereby agree to be bound by all of the terms and conditions set forth in the Plan and any award agreement to which the options were granted under. If I am not the person to whom the options were granted by the Company, proof of my right to purchase Shares of the Company is enclosed.
7. I have been advised to consult with any legal, tax or financial advisors I have chosen in connection with the purchase of the Shares.

Date:

*

_____	_____
(Optionee’s signature)	(Additional signature, if necessary)
_____	_____
(Print name)	(Print name)
_____	_____
(Full address)	(Full address)
_____	_____
(Full address)	(Full address)
_____	_____
(email address)	(email address)

* Each person in whose name Shares are to be registered must sign this Notice of Exercise. (If more than one name is listed, specify whether the owners will hold the Shares as community property or as joint tenants with the right of survivorship).

Fair Market Value at date of Exercise	\$	/ Share	\$	total
Total gain to be reported (a)	\$			
Total exercise price (check required)	\$			
Total of all taxes paid (check required) (a)	\$			

(a) Information will be included in year-end Form W-2 or Form 1099 as/if applicable

OUTSET MEDICAL, INC.

2019 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: December 18, 2019

AMENDED BY THE BOARD OF DIRECTORS: January 24, 2020

APPROVED BY THE STOCKHOLDERS: January 24, 2020

TERMINATION DATE: December 17, 2029

1. General.

(a) Successor to Prior Plan. The Plan is the successor to the Prior Plan. As of the Effective Date, (i) no additional awards may be granted under the Prior Plan; and (ii) all outstanding awards granted under the Prior Plan will remain subject to the terms of the Prior Plan; *provided, however*, that any Returning Shares will become available for issuance pursuant to Stock Awards granted under this Plan. All Stock Awards granted under this Plan will be subject to the terms of this Plan.

(b) Eligible Stock Award Recipients. Employees, Directors and Consultants are eligible to receive Stock Awards.

(c) Available Stock Awards. The Plan provides for the grant of the following types of Stock Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards and (vi) Other Stock Awards.

(d) Purpose. The Plan, through the grant of Stock Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. Administration.

(a) Administration by the Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of the Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine (A) who will be granted Stock Awards; (B) when and how each Stock Award will be granted; (C) what type of Stock Award will be granted; (D) the provisions of each Stock Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Stock Award; (E) the number of shares of Common Stock subject to, or the cash value of, a Stock Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Stock Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Stock Award Agreement, in a manner and to the extent it will deem necessary or expedient to make the Plan or Stock Award fully effective.

(iii) To settle all controversies regarding the Plan and Stock Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which a Stock Award may be exercised or vest (or the time at which cash or shares of Common Stock may be issued in settlement thereof).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or a Stock Award Agreement, suspension or termination of the Plan will not impair a Participant's rights under the Participant's then-outstanding Stock Award without the Participant's written consent except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or bringing the Plan or Stock Awards granted under the Plan into compliance with the requirements for Incentive Stock Options or ensuring that they are exempt from, or compliant with, the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. If required by applicable law or listing requirements, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Stock Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Stock Awards available for issuance under the Plan. Except as otherwise provided in the Plan or a Stock Award Agreement, no amendment of the Plan will materially impair a Participant's rights under an outstanding Stock Award without the Participant's written consent.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding Incentive Stock Options.

(viii) To approve forms of Stock Award Agreements for use under the Plan and to amend the terms of any one or more Stock Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Stock Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however*, that a Participant's rights under any Stock Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights

will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Stock Awards without the affected Participant's consent (A) to maintain the qualified status of the Stock Award as an Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Stock Award solely because it impairs the qualified status of the Stock Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Stock Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Stock Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Stock Award Agreement that are required for compliance with the laws of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee, as applicable). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revert in the Board some or all of the powers previously delegated.

(d) Delegation to an Officer. The Board may delegate to one or more Officers the authority to do one or both of the following: (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Stock Awards, and

(ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Employees; *provided, however*, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value pursuant to Section 13(t) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. Shares Subject to the Plan.

(a) Share Reserve.

(i) Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards from and after the Effective Date will not exceed 45,049,957 shares, which equals the sum of (i) 15,447,145 shares plus (ii) the number of Returning Shares, if any, as such shares become available from time to time (the "**Share Reserve**").

(ii) For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a).

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such Stock Award having been issued or (ii) is settled in cash (*i.e.*, the Participant receives cash rather than stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan. If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the Plan. Any shares reacquired by the Company in satisfaction of tax withholding obligations on a Stock Award or as consideration for the exercise or purchase price of a Stock Award will again become available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the Share Reserve and Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be a number of shares of Common Stock equal to three multiplied by the Share Reserve.

(d) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. Eligibility.

(a) Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a “parent corporation” or “subsidiary corporation” thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however*, that Stock Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any “parent” of the Company, as such term is defined in Rule 405, unless (i) the stock underlying such Stock Awards is treated as “service recipient stock” under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in consultation with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.

(b) Ten Percent Stockholders. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five years from the date of grant.

(c) Consultants. A Consultant will not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or sale of the Company’s securities to such Consultant is not exempt under Rule 701 because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions.

5. Provisions Relating to Options and Stock Appreciation Rights.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however*, that each Stock Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Stock Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of 10 years from the date of its grant or such shorter period specified in the Stock Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than 100% of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Stock Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value of the Common Stock subject to the Stock Award if such Stock Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Purchase Price for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft, electronic funds transfer or money order payable to the Company;

(ii) subject to Company and/or Board consent at the time of exercise and provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a “broker-assisted exercise”, “same day sale”, or “sell to cover”;

(iii) subject to Company and/or Board consent at the time of exercise and provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. “Delivery” for these purposes, in the sole discretion of the Company and/or the Board, at the time Participant exercises their Option, will include delivery to the Company of Participant’s attestation of ownership of such shares of Common Stock in a form approved by the Company. Participant may not exercise their option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company’s stock;

(iv) subject to Company and/or Board consent at the time of exercise, and provided that the Option is a Nonstatutory Stock Option, by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of the Option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price plus, to the extent permitted by the Company and/or Board at the time of exercise, the aggregate withholding obligations in respect of the Option exercise; provided, further that Participant must pay any remaining balance of the aggregate exercise price not satisfied

by the “net exercise” in cash or other permitted form of payment. Shares of Common Stock will no longer be subject to the Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the “net exercise,” (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(v) according to a deferred payment or similar arrangement with the Optionholder; *provided, however*, that interest will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(vi) in any other form of legal consideration that may be acceptable to the Board.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the aggregate strike price of the number of Common Stock equivalents with respect to which the Participant is exercising the SAR on such date. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Stock Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided in the Plan, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form

approved by the Company (or the designated broker), designate a third party who, upon the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the Participant, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and therefore become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Stock Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date three months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Stock Award Agreement, which period will not be less than 30 days if necessary to comply with applicable laws unless such termination is for Cause) and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time frame, the Option or SAR will terminate.

(h) Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement. In addition, unless otherwise provided in a Participant's Stock Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of the period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six months if necessary to comply with applicable laws unless such termination is for Cause), and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Stock Award Agreement for exercisability after the termination of the Participant's Continuous Service (for a reason other than death), then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date 18 months following the date of death (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six months if necessary to comply with applicable laws unless such termination is for Cause), and (ii) the expiration of the term of such Option or SAR as set forth in the Stock Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Stock Award Agreement or other individual written agreement between the Company or any Affiliate and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR (whether vested or unvested) from and after the date of such termination of Continuous Service.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is a nonexempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Stock Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Stock

Award Agreement, in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(1) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

(m) Early Exercise of Options. An Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. Subject to the "Repurchase Limitation" in Section 8(1), any unvested shares of Common Stock so purchased may be subject to a repurchase right in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the "Repurchase Limitation" in Section 8(1) is not violated, the Company will not be required to exercise its repurchase right until at least six months (or such longer or shorter period of time required to avoid classification of the Option as a liability for financial accounting purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Option Agreement.

(n) Right of Repurchase. Subject to the "Repurchase Limitation" in Section 8(1), the Option or SAR may include a provision whereby the Company may elect to repurchase all or any part of the vested shares of Common Stock acquired by the Participant pursuant to the exercise of the Option or SAR.

(o) Right of First Refusal. The Option or SAR may include a provision whereby the Company may elect to exercise a right of first refusal following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received upon the exercise of the Option or SAR. Such right of first refusal will be subject to the "Repurchase Limitation" in Section 8(1). Except as expressly provided in this Section 5(o) or in the Stock Award Agreement, such right of first refusal will otherwise comply with any applicable provisions of the bylaws of the Company.

6. Provisions of Stock Awards Other than Options and SARs.

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock underlying a Restricted Stock Award may be (i) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (ii) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical.

Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate, or (C) any other form of legal consideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Subject to the “Repurchase Limitation” in Section 8(1), shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant’s Continuous Service. If a Participant’s Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right, any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the will Board deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(vii) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Restricted Stock Unit Award granted under the Plan that is not exempt from the requirements of Section 409A of the Code will contain such provisions so that such Restricted Stock Unit Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, will be determined by the Board and contained in the Restricted Stock Unit Award Agreement evidencing such Restricted Stock Unit Award. For example, such restrictions may include, without limitation, a requirement that any Common Stock that is to be issued in a year following the year in which the Restricted Stock Unit Award vests must be issued in accordance with a fixed pre-determined schedule.

(c) Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. Covenants of the Company.

(a) **Availability of Shares.** The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Stock Awards.

(b) **Securities Law Compliance.** The Company will seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise of the Stock Awards; *provided, however*, that this undertaking will not require the Company to register under the Securities Act the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of a Stock Award or the subsequent issuance of cash or Common Stock pursuant to the Stock Award if such grant or issuance would be in violation of any applicable securities law.

(c) **No Obligation to Notify or Minimize Taxes.** The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of a Stock Award or a possible period in which the Stock Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of a Stock Award to the holder of such Stock Award.

8. Miscellaneous.

(a) **Use of Proceeds from Sales of Common Stock.** Proceeds from the sale of shares of Common Stock pursuant to Stock Awards will constitute general funds of the Company.

(b) **Corporate Action Constituting Grant of Stock Awards.** Corporate action constituting a grant by the Company of a Stock Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Stock Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Stock Award Agreement or related grant documents as a result of a clerical error in the papering of the Stock Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Stock Award Agreement or related grant documents.

(c) **Stockholder Rights.** No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to a Stock Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Stock Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to the Stock Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Stock Award Agreement or any other instrument executed thereunder or in connection with any Stock Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Stock Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Stock Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares subject to any portion of such Stock Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Stock Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Stock Award that is so reduced or extended.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds \$100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Stock Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that the Participant is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Stock Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Stock Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Stock Award has been registered under a then currently effective

registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of a Stock Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to a Stock Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided, however*, that no shares of Common Stock are withheld with a value exceeding the maximum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding cash from a Stock Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Stock Award Agreement.

(i) Electronic Delivery. Any reference herein to a “written” agreement or document will include any agreement or document delivered electronically or posted on the Company’s intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Stock Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Stock Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant’s termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A of the Code. To the extent that the Board determines that any Stock Award granted hereunder is subject to Section 409A of the Code, the Stock Award Agreement evidencing such Stock Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Stock Award Agreements will be interpreted in accordance with Section 409A of the Code. Notwithstanding anything to the contrary in the Plan (and unless the Stock Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding a Stock Award that constitutes “deferred compensation” under Section 409A of the Code is a “specified employee” for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a “separation from service” (as defined in Section 409A of the Code without regard to alternative

definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant's "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(l) Repurchase Limitation. The terms of any repurchase right will be specified in the Stock Award Agreement. The repurchase price for vested shares of Common Stock will be the Fair Market Value of the shares of Common Stock on the date of repurchase. The repurchase price for unvested shares of Common Stock will be the lower of (i) the Fair Market Value of the shares of Common Stock on the date of repurchase or (ii) their original purchase price. However, the Company will not exercise its repurchase right until at least six months (or such longer or shorter period of time necessary to avoid classification of the Stock Award as a liability for financial accounting purposes) have elapsed following delivery of shares of Common Stock subject to the Stock Award, unless otherwise specifically provided by the Board.

9. Adjustments upon Changes in Common Stock; Other Corporate Events.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service, *provided, however*, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the instrument evidencing the Stock Award or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board may take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five days prior to the effective date of the Corporate Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction; *provided, however*, that the Board may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Corporate Transaction, which exercise is contingent upon the effectiveness of such Corporate Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration (including no consideration) as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Stock Award immediately prior to the effective time of the Corporate Transaction, over (B) any exercise price payable by such holder in connection with such exercise. For clarity, this payment may be zero (\$0) if the value of the property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of the Company's Common Stock in connection with the Corporate Transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur.

10. Plan Term; Earlier Termination or Suspension of the Plan.

(a) **Plan Term.** The Board may suspend or terminate the Plan at any time. Unless terminated sooner by the Board, the Plan will automatically terminate on the day before the 10th anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) **No Impairment of Rights.** Suspension or termination of the Plan will not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

11. Effective Date of Plan.

This Plan will become effective on the Effective Date.

12. Choice of Law.

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. Definitions. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) **"Affiliate"** means, at the time of determination, any "parent" or "majority-owned subsidiary" of the Company, as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which "parent" or "majority-owned subsidiary" status is determined within the foregoing definition.

(b) **"Board"** means the Board of Directors of the Company.

(c) **"Capitalization Adjustment"** means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(d) **"Cause"** will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company, or

any of its employees or directors; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company, the Company's employment policies, or of any statutory or other duty owed to the Company; (iv) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause will be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Stock Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(e) **"Change in Control"** means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the **"Subject Person"**) exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction; or

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition.

Notwithstanding the foregoing definition or any other provision of this Plan, (A) the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Stock Awards subject to such agreement; *provided, however*, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the definition set forth herein will apply, and (C) if at any time the Company's Certificate of Incorporation provides definitions of various analogous transactions that would be deemed a liquidation event for the Company, then such definition will apply as if it were the definition set forth herein except as is otherwise expressly provided in an individual written agreement between the Company or any Affiliate and the Participant.

(f) “**Code**” means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(g) “**Committee**” means a committee of one or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(h) “**Common Stock**” means the common stock of the Company.

(i) “**Company**” means Outset Medical, Inc. , a Delaware corporation.

(j) “**Consultant**” means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a “Consultant” for purposes of the Plan.

(k) “**Continuous Service**” means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors.

Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in a Stock Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(l) **"Corporate Transaction"** means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(m) **"Director"** means a member of the Board.

(n) **"Disability"** means, with respect to a Participant, the inability of such Participant 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 that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(o) **"Effective Date"** means the effective date of this Plan, which is December 18, 2019.

(p) **"Employee"** means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(q) **"Entity"** means a corporation, partnership, limited liability company or other entity.

(r) **"Exchange Act"** means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(s) **"Exchange Act Person"** means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an

underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities.

(t) **“Fair Market Value”** means, as of any date, the value of the Common Stock determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

(u) **“Incentive Stock Option”** means an option granted pursuant to Section 5 of the Plan that is intended to be, and that qualifies as, an “incentive stock option” within the meaning of Section 422 of the Code.

(v) **“Nonstatutory Stock Option”** means an option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(w) **“Officer”** means any person designated by the Company as an officer.

(x) **“Option”** means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(y) **“Option Agreement”** means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(z) **“Optionholder”** means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(aa) **“Other Stock Award”** means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(c).

(bb) **“Other Stock Award Agreement”** means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(cc) **“Own,” “Owned,” “Owner,” “Ownership”** A person or Entity will be deemed to “Own,” to have “Owned,” to be the “Owner” of, or to have acquired “Ownership” of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(dd) **“Participant”** means a person to whom a Stock Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

- (ee) “**Plan**” means this 2019 Equity Incentive Plan.
- (ff) “**Prior Plan**” means the Company’s Amended and Restated 2010 Stock Incentive Plan.
- (gg) “**Prior Plan’s Available Reserve**” means the number of shares available for the grant of new awards under the Prior Plan as of immediately prior to January 20, 2020.
- (hh) “**Restricted Stock Award**” means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).
- (ii) “**Restricted Stock Award Agreement**” means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.
- (jj) “**Restricted Stock Unit Award**” means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).
- (kk) “**Restricted Stock Unit Award Agreement**” means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.
- (ll) “**Returning Shares**” means shares of Common Stock that following January 20, 2020 are subject to outstanding stock awards granted under the Prior Plan that are canceled, forfeited, settled in cash, or otherwise terminated or concluded without a delivery to the participant of the full number of shares to which the award related. Shares that are withheld in payment of the exercise price or taxes relating to an award and shares equal to the number surrendered in payment of an exercise price or taxes relating to an award shall be deemed to constitute shares not delivered to the participant and be considered Returning Shares.
- (mm) “**Rule 405**” means Rule 405 promulgated under the Securities Act.
- (nn) “**Rule 701**” means Rule 701 promulgated under the Securities Act.
- (oo) “**Securities Act**” means the Securities Act of 1933, as amended.
- (pp) “**Stock Appreciation Right**” or “**SAR**” means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.
- (qq) “**Stock Appreciation Right Agreement**” means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(rr) “**Stock Award**” means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right or any Other Stock Award.

(ss) “**Stock Award Agreement**” means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(tt) “**Subsidiary**” means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(uu) “**Ten Percent Stockholder**” means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

OUTSET MEDICAL, INC.

STOCK OPTION GRANT NOTICE
(2019 EQUITY INCENTIVE PLAN)

Outset Medical, Inc. (the “**Company**”), pursuant to its 2019 Equity Incentive Plan (as amended and/or restated as of the Date of Grant set forth below, the “**Plan**”), has granted to Optionholder an option to purchase the number of shares of the Common Stock set forth below (the “**Option**”). The Option is subject to all of the terms and conditions as set forth in this Stock Option Grant Notice (the “**Grant Notice**”) and in the Plan, the Option Agreement, and the Notice of Exercise, all of which are attached to this Grant Notice and incorporated into this Grant Notice in their entirety. Capitalized terms not explicitly defined in this Grant Notice but defined in the Plan or the Option Agreement shall have the meanings set forth in the Plan or the Option Agreement, as applicable. If the Company uses an electronic capitalization table system (such as Carta or Shareworks) and the fields below are blank or the information is otherwise provided in a different format electronically, the blank fields and other information (such as exercise schedule and type of grant) shall be deemed to come from the electronic capitalization system and is considered part of this Grant Notice.

Optionholder:	
Date of Grant:	
Vesting Commencement Date:	
Number of Shares Subject to Option:	
Exercise Price (Per Share) ¹ :	
Total Exercise Price:	
Expiration Date:	
Exercise Schedule:	[Same as Vesting Schedule] [Early Exercise Permitted]
Type of Grant ² :	[Incentive Stock Option] [Nonstatutory Stock Option]

Vesting Schedule: [Vesting]

Optionholder Acknowledgements: By Optionholder’s signature below or by electronic acceptance or authentication in a form authorized by the Company, Optionholder understands and agrees that the Option is governed by this Stock Option Grant Notice, and the provisions of the Plan and the Option Agreement and the Notice of Exercise, all of which are made a part of this document.

By accepting this Option, Optionholder consents to receive this Grant Notice, the Option Agreement, the Plan, and any other Plan-related documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Optionholder represents that he or she has read and is familiar with the provisions of the Plan and the Option Agreement.

¹ The exercise price may be paid by one or a combination of the methods permitted in the Option Agreement.

² If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first *exercisable* for more than \$100,000 in value (measured by exercise price) in any calendar year. Any excess over \$100,000 is a Nonstatutory Stock Option.

Optionholder acknowledges and agrees that this Grant Notice and the Option Agreement may not be modified, amended or revised except in writing signed by Optionholder and a duly authorized officer of the Company.

Optionholder further acknowledges that in the event of any conflict between the provisions in this Grant Notice, the Option Agreement, the Notice of Exercise and the terms of the Plan, the terms of the Plan shall control. Optionholder further acknowledges that the Option Agreement sets forth the entire understanding between Optionholder and the Company regarding the acquisition of Common Stock and supersedes all prior oral and written agreements, promises and/or representations on that subject with the exception of other equity awards previously granted to Optionholder and any written employment agreement, offer letter, severance agreement, written severance plan or policy, or other written agreement between the Company and Optionholder in each case that specifies the terms that should govern this Option.

Optionholder further acknowledges that this Grant Notice has been prepared on behalf of the Company by _____, counsel to the Company and that _____ does not represent, and is not acting on behalf of, Optionholder in any capacity. Optionholder has been provided with an opportunity to consult with Optionholder’s own counsel with respect to this Grant Notice.

This Grant Notice may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Outset Medical, Inc.	Optionholder:
By: _____ (Signature)	By: _____ (Signature)
Title: _____	Email: _____
Date: _____	Date: _____

Attachments: Option Agreement, 2019 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

OUTSET MEDICAL, INC.
2019 Equity Incentive Plan

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice (“**Grant Notice**”) and this Option Agreement, **Outset Medical, Inc.** (the “**Company**”) has granted you an option under its 2019 Equity Incentive Plan (the “**Plan**”) to purchase the number of shares of the Company’s Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the “**Date of Grant**”). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. **Vesting.** Your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.
2. **Number of Shares and Exercise Price.** The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.
3. **Exercise Restriction for Non-Exempt Employees.** If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a “**Non-Exempt Employee**”), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your “retirement” (as defined in the Company’s benefit plans).
4. **Exercise prior to Vesting (“Early Exercise”).** If permitted in your Grant Notice (*i.e.*, the “Exercise Schedule” indicates “Early Exercise Permitted”) and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; *provided, however*, that:
 - (a) a partial exercise of your option will be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;
 - (b) any shares of Common Stock so purchased from installments that have not vested as of the date of exercise will be subject to the purchase option in favor of the Company as described in the Company’s form of Early Exercise Stock Purchase Agreement;

(c) you will enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

(d) if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the Date of Grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds \$100,000, your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) will be treated as Nonstatutory Stock Options.

5. Method of Payment. You must pay the full amount of the exercise price for the shares you wish to exercise. The permitted methods of payment are as follows:

(a) by cash, check, bank draft, electronic funds transfer or money order payable to the Company;

(b) subject to Company and/or Board consent at the time of exercise and provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover";

(c) subject to Company and/or Board consent at the time of exercise and provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock;

(d) subject to Company and/or Board consent at the time of exercise, and provided that the Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of the Option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price plus, to the extent permitted by the Company and/or Board at the time of exercise, the aggregate withholding obligations in respect of the Option exercise; provided, further that you must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be subject to the Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to you as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(e) subject to the consent of the Company and/or Board at the time of exercise, according to a deferred payment or similar arrangement with you; *provided, however*, that interest will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(f) in any other form of legal consideration that may be acceptable to the Board.

6. Whole Shares. You may exercise your option only for whole shares of Common Stock.

7. Securities Law Compliance. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

8. Term. You may not exercise your option before the Date of Grant or after the expiration of the option's term. Except as set forth in your Grant Notice, the term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 8(d) below); *provided, however*, that if during any part of such three month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three months after the termination of your Continuous Service; *provided further*, that if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven months after the Date of Grant, and (B) the date that is three months after the termination of your Continuous Service, and (y) the Expiration Date;

(c) 12 months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(d)) below;

(d) 18 months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the 10th anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three months after the date your employment with the Company or an Affiliate terminates.

9. Exercise.

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by delivering a Notice of Exercise (in a form designated by the Company) together with the exercise price to the Secretary of the Company, or to such other person as the Company may designate, during regular business hours. If required by the Company, your exercise may be made contingent on your execution of any additional documents specified by the Company (including, without limitation, any voting agreement or other agreement between the Company and some or all of its stockholders).

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within 15 days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two years after the Date of Grant or within one year after such shares of Common Stock are transferred upon exercise of your option.

(d) By exercising your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA

Rule 2241 or any successor or similar rules or regulation (the “**Lock-Up Period**”); *provided, however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 9(d). The underwriters of the Company’s stock are intended third party beneficiaries of this Section 9(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. Transferability. Except as otherwise provided in this Section 10, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(c) Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

11. Right of First Refusal. Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company’s bylaws in effect at such time the Company elects to exercise its right; *provided, however*, that if there is no right of first refusal described in the Company’s bylaws at such time, the right of first

refusal described below will apply. The Company's right of first refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system (the "**Listing Date**").

(a) Prior to the Listing Date, you may not validly Transfer (as defined below) any shares of Common Stock acquired upon exercise of your option, or any interest in such shares, unless such Transfer is made in compliance with the following provisions:

(i) Before there can be a valid Transfer of any shares of Common Stock or any interest therein, the record holder of the shares of Common Stock to be transferred (the "**Offered Shares**") will give written notice (by registered or certified mail) to the Company. Such notice will specify the identity of the proposed transferee, the cash price offered for the Offered Shares by the proposed transferee (or, if the proposed Transfer is one in which the holder will not receive cash, such as an involuntary transfer, gift, donation or pledge, the holder will state that no purchase price is being proposed), and the other terms and conditions of the proposed Transfer. The date such notice is mailed will be hereinafter referred to as the "**Notice Date**" and the record holder of the Offered Shares will be hereinafter referred to as the "**Offeror**." If, from time to time, there is any stock dividend, stock split or other change in the character or amount of any of the outstanding Common Stock which is subject to the provisions of your option, then in such event any and all new, substituted or additional securities to which you are entitled by reason of your ownership of the shares of Common Stock acquired upon exercise of your option will be immediately subject to the Company's Right of First Refusal (as defined below) with the same force and effect as the shares subject to the Right of First Refusal immediately before such event.

(ii) For a period of 30 calendar days after the Notice Date, or such longer period as may be required to avoid the classification of your option as a liability for financial accounting purposes, the Company will have the option to purchase all (but not less than all) of the Offered Shares at the purchase price and on the terms set forth in Section 11(a)(iii) (the Company's "**Right of First Refusal**"). In the event that the proposed Transfer is one involving no payment of a purchase price, the purchase price will be deemed to be the Fair Market Value of the Offered Shares as determined in good faith by the Board in its discretion. The Company may exercise its Right of First Refusal by mailing (by registered or certified mail) written notice of exercise of its Right of First Refusal to the Offeror prior to the end of said 30 days (including any extension required to avoid classification of the option as a liability for financial accounting purposes).

(iii) The price at which the Company may purchase the Offered Shares pursuant to the exercise of its Right of First Refusal will be the cash price offered for the Offered Shares by the proposed transferee (as set forth in the notice required under Section 11(a)(i)), or the Fair Market Value as determined by the Board in the event no purchase price is involved. To the extent consideration other than cash is offered by the proposed transferee, the Company will not be required to pay any additional amounts to the Offeror other than the cash price offered (or the Fair Market Value, if applicable). The Company's notice of exercise of its Right of First Refusal will be accompanied by full payment for the Offered Shares and, upon such payment by the Company, the Company will acquire full right, title and interest to all of the Offered Shares.

(iv) If, and only if, the option given pursuant to Section 11(a)(ii) is not exercised, the Transfer proposed in the notice given pursuant to Section 11(a)(i) may take place; *provided, however*, that such Transfer must, in all respects, be exactly as proposed in said notice except that such Transfer may not take place either before the 10th calendar day after the expiration of the 30 day option exercise period or after the ninetieth 90th calendar day after the expiration of the 30 day option exercise period, and if such Transfer has not taken place prior to said 90th day, such Transfer may not take place without once again complying with this Section 11(a). The option exercise periods in this Section 11(a)(iv) will be adjusted to include any extension required to avoid the classification of your option as a liability for financial accounting purposes.

(b) As used in this Section 11, the term “**Transfer**” means any sale, encumbrance, pledge, gift or other form of disposition or transfer of shares of Common Stock or any legal or equitable interest therein; *provided, however*, that the term Transfer does not include a transfer of such shares or interests by will or intestacy to your Immediate Family (as defined below). In such case, the transferee or other recipient will receive and hold the shares of Common Stock so transferred subject to the provisions of this Section, and there will be no further transfer of such shares except in accordance with the terms of this Section 11. As used herein, the term “**Immediate Family**” will mean your spouse, the lineal descendant or antecedent, father, mother, brother or sister, child, adopted child, grandchild or adopted grandchild of you or your spouse, or the spouse of any child, adopted child, grandchild or adopted grandchild of you or your spouse.

(c) None of the shares of Common Stock purchased on exercise of your option will be transferred on the Company’s books nor will the Company recognize any such Transfer of any such shares or any interest therein unless and until all applicable provisions of this Section 11 have been complied with in all respects. The certificates of stock evidencing shares of Common Stock purchased on exercise of your option will bear an appropriate legend referring to the transfer restrictions imposed by this Section 11.

(d) To ensure that the shares subject to the Company’s Right of First Refusal will be available for repurchase by the Company, the Company may require you to deposit the certificates evidencing the shares that you purchase upon exercise of your option with an escrow agent designated by the Company under the terms and conditions of an escrow agreement approved by the Company. If the Company does not require such deposit as a condition of exercise of your option, the Company reserves the right at any time to require you to so deposit the certificates in escrow. As soon as practicable after the expiration of the Company’s Right of First Refusal, the agent will deliver to you the shares and any other property no longer subject to such restriction. In the event the shares and any other property held in escrow are subject to the Company’s exercise of its Right of First Refusal, the notices required to be given to you will be given to the escrow agent, and any payment required to be given to you will be given to the escrow agent. Within 30 days after payment by the Company for the Offered Shares, the escrow agent will deliver the Offered Shares that the Company has repurchased to the Company and will deliver the payment received from the Company to you.

12. Option not a Service Contract. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

13. Withholding Obligations.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a “same day sale” pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence will not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock will be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure will be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

14. Tax Consequences. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the “fair market value” per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board,

perhaps in consultation with an independent valuation firm retained by the Company. You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the “fair market value” as subsequently determined by the Internal Revenue Service.

15. Notices. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

16. Governing Plan Document. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control.

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this “Agreement”) is made and entered into as of this 23th day of February 2015, by and between Outset Medical, Inc. a Delaware corporation (the “Company”), and Leslie Trigg (the “Employee”).

WITNESSETH:

WHEREAS, the Company desires to employ Employee and to enter into this Agreement embodying the terms of such employment, and Employee desires to enter into this Agreement and to accept such employment, subject to the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Company and Employee hereby agree as follows:

Section 1. **Definitions.**

(a) “Accrued Obligations” shall mean (i) all accrued but unpaid Base Salary through the date of termination of Employee’s employment, (ii) any unpaid or unreimbursed expenses incurred in accordance with Section 7 hereof, and (iii) any benefits provided under the Company’s employee benefit plans upon a termination of employment (excluding any employee benefit plan providing for severance or similar benefits), in accordance with the terms contained therein.

(b) “Agreement” shall have the meaning set forth in the preamble hereto.

(c) “Annual Bonus” shall have the meaning set forth in Section 4(b) hereof.

(d) “Base Salary” shall mean the salary provided for in Section 4(a) hereof or any increased salary granted to Employee pursuant to Section 4(a) hereof.

(e) “Board” shall mean the Board of Directors of the Company.

(f) “Cause” shall mean (i) Employee’s act(s) of gross negligence or willful misconduct in the course of Employee’s employment hereunder, (ii) willful failure or refusal by Employee to perform in any material respect her duties or responsibilities, (iii) misappropriation (or attempted misappropriation) by Employee of any assets or business opportunities of the Company or any other member of the Company Group, (iv) embezzlement or fraud committed (or attempted) by Employee, or at her direction, (v) Employee’s conviction of, indictment for, or pleading “guilty” or “no contest” to, (x) a felony or (y) any other criminal charge that has, or could be reasonably expected to have, an adverse impact on the performance of Employee’s duties to the Company or any other member of the Company Group or otherwise result in material injury to the reputation or business of the Company or any other member of the Company Group, (vi) any material violation by Employee of the policies of the Company, including but not limited to those relating to sexual harassment or business conduct, and those otherwise set forth in the manuals or statements of policy of the Company, or (vii) Employee’s material breach of this Agreement or breach of the Non-Interference Agreement. If, within ninety (90) days subsequent to Employee’s

termination for any reason other than by the Company for Cause, the Company determines that Employee's employment could have been terminated for Cause pursuant to clauses (iii) or (iv) above, Employee's employment will be deemed to have been terminated for Cause for all purposes, and Employee will be required to disgorge to the Company all amounts received pursuant to this Agreement or otherwise on account of such termination that would not have been payable to Employee had such termination been by the Company for Cause.

(g) "Change in Control" shall have the meaning ascribed to such term in the Plan.

(h) "Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

(i) "Company." shall have the meaning set forth in the preamble hereto.

(j) "Company Group" shall mean the Company together with its direct and indirect subsidiaries and affiliates.

(k) "Compensation Committee" shall mean the Board or a committee of the Board designated to make compensation decisions relating to senior executive officers of the Company Group.

(l) "Disability." shall mean any physical or mental disability or infirmity of Employee that prevents the performance of the essential functions of Employee's duties for a period of (i) ninety (90) consecutive days or (ii) one hundred twenty (120) non-consecutive days during any twelve (12) month period and that cannot be reasonably accommodated within the meaning of the Fair Employment and Housing Act. Any question as to the existence, extent, or potentiality of Employee's Disability upon which Employee and the Company cannot agree shall be determined by a qualified, independent physician selected by the Company and approved by Employee (which approval shall not be unreasonably withheld). The determination of any such physician shall be final and conclusive for all purposes of this Agreement.

(m) "Employee" shall have the meaning set forth in the preamble hereto.

(n) "Good Reason" shall mean, without Employee's consent, (i) a material diminution in Employee's title, authority duties, responsibilities, or reporting line as set forth in Section 3 hereof, (ii) a material reduction in Base Salary set forth in Section 4(a) hereof or bonus opportunity as set forth in Section 4(b) hereof (in either case, other than pursuant to an across-the-board reduction applicable to all similarly situated executives), (iii) the relocation of Employee's principal place of employment (as provided in Section 3(c) hereof) outside of the Greater Northern California metropolitan area, or (iv) any other material breach of a provision of this Agreement by the Company (other than a provision that is covered by clause (i), (ii), or (iii) above). Notwithstanding the foregoing, during the Term, in the event that the Company reasonably believes in good faith that Employee may have engaged in conduct that could constitute Cause hereunder, the Company may suspend Employee from performing Employee's duties hereunder for up to sixty (60) days, and in no event shall any such suspension constitute an event pursuant to which Employee may terminate employment with Good Reason or otherwise constitute a breach hereunder; *provided*, that no such suspension shall alter the Company's obligations under this Agreement during such period of suspension.

(o) “Non-Interference Agreement” shall mean the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Exhibit A.

(p) “Person” shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(q) “Plan” shall mean the Home Dialysis Plus, Ltd 2010 Stock Incentive Plan, as amended and restated on June 16, 2014.

(r) “Release of Claims” shall mean the Release of Claims in substantially the same form attached hereto as Exhibit B (as the same may be revised from time to time by the Company upon the advice of counsel).

(s) “Severance Benefits” shall have the meaning set forth in Section 8(g) hereof.

(t) “Severance Term” shall mean the twelve (12) month period following Employee’s termination by the Company without Cause (other than by reason of death or Disability) or by Employee for Good Reason.

(u) “Term” shall mean the period specified in Section 2 hereof,

Section 2. Acceptance and Term.

The Company agrees to employ Employee, and Employee agrees to serve the Company, on the terms and conditions set forth herein. The Term commenced on November 17, 2014 and shall continue until terminated as provided in Section 8 hereof.

Section 3. Position, Duties, and Responsibilities; Place of Performance.

(a) Position, Duties, and Responsibilities. During the Term, Employee shall be employed and serve as the President and Chief Executive Officer of the Company (together with such other position or positions consistent with Employee’s title as the Board shall specify from time to time), reporting directly to the Board, and shall have such duties and responsibilities commensurate with such title. Employee also agrees to serve as an officer and/or director of any other member of the Company Group, in each case without additional compensation.

(b) Performance. Employee shall devote her full business time, attention, skill, and best efforts to the performance of her duties under this Agreement and shall not engage in any other business or occupation during the Term, including, without limitation, any activity that (x) conflicts with the interests of the Company or any other member of the Company Group, (y) interferes with the proper and efficient performance of Employee’s duties for the Company, or (z) interferes with Employee’s exercise of judgment in the Company’s best interests. Notwithstanding the foregoing, nothing herein shall preclude Employee from (i) serving, with the

prior written consent of the Board, as a member of the boards of directors or advisory boards (or their equivalents in the case of a non-corporate entity) of non-competing businesses and charitable organizations, (ii) engaging in charitable activities and community affairs, and (iii) managing her personal investments and affairs; *provided, however*, that the activities set out in clauses (1), (ii), and (iii) shall be limited by Employee so as not to materially interfere, individually or in the aggregate, with the performance of her duties and responsibilities hereunder,

(c) Principal Place of Employment. Employee's principal place of employment shall be in the Greater Northern California metropolitan area, although Employee understands and agrees that she may be required to travel from time to time for business reasons.

Section 4. **Compensation.**

During the Term, Employee shall be entitled to the following compensation:

(a) Base Salary. Employee shall be paid an annualized Base Salary, payable in accordance with the regular payroll practices of the Company, of not less than \$365,000, with increases, if any, as may be approved in writing by the Compensation Committee. Within sixty (60) days following Employee's written request to the Chairman of the Board (which she may provide once per calendar year beginning in the 2016 calendar year), the Company shall cause a member of the Board or Compensation Committee to discuss with Employee her Base Salary; it being understood that there is no obligation on the part of the Company to increase Employee's Base Salary as a result of any such meeting.

(b) Annual Bonus. Commencing with the 2015 calendar year, Employee shall be eligible for an annual incentive bonus award determined by the Compensation Committee in respect of each fiscal year during the Term (the "Annual Bonus"). The target Annual Bonus for each fiscal year shall be 60% of Base Salary (the "Target Bonus"), with the actual Annual Bonus payable being based upon the level of achievement of annual Company and individual performance objectives for such fiscal year, as approved by the Compensation Committee after reviewing Employee's recommendations. The Annual Bonus with respect to the 2014 calendar year shall be determined by the Compensation Committee in its sole discretion. The Annual Bonus shall be paid to Employee at the same time as annual bonuses are generally payable to other senior executives of the Company subject to Employee's continuous employment through the payment date except as otherwise provided for in this Agreement.

(c) Equity Adjustment. Within thirty (30) days following the date hereof, the Company will, subject to approval of the Compensation Committee, grant Employee an option to purchase a number of shares of the Company's common stock necessary to cause the total number of shares underlying options (and other equity awards) held by Employee immediately following such grant to represent 3.75% of the Company's outstanding shares of stock as of the date of grant (determined on a fully diluted basis). Subject to Employee's continuous employment through the applicable vesting dates, the option will vest in forty-eight (48) substantially equal installments on each of the first forty-eight (48) monthly anniversaries of November 17, 2014; *provided*, that, all unvested options granted pursuant to this Section 4(c) shall vest immediately prior to the occurrence of a Change in Control, subject to Employee's continuous employment through the date of such Change in Control. The option shall be granted pursuant to the terms of the Plan and

an option agreement which shall contain such terms and conditions (other than vesting) that are substantially similar to those set forth in Employee's immediately prior option agreement. Employee's right to receive the option grant is subject to Employee's execution of such documents as may reasonably be required by the Company. For the avoidance of doubt, nothing herein shall affect any options previously granted to you by the Company and the terms and conditions of any such previous grants shall be unchanged by the Agreement.

Section 5. Employee Benefits.

During the Term, Employee shall be entitled to participate in health, insurance, retirement, and other benefits provided generally to similarly situated employees of the Company. Employee shall also be entitled to the same number of holidays, vacation days, and sick days, as well as any other benefits, in each case as are generally allowed to similarly situated employees of the Company in accordance with the Company policy as in effect from time to time. Nothing contained herein shall be construed to limit the Company's ability to amend, suspend, or terminate any employee benefit plan or policy at any time without providing Employee notice, and the right to do so is expressly reserved.

Section 6. Key-Man Insurance.

At any time during the Term, the Company shall have the right to insure the life of Employee for the sole benefit of the Company, in such amounts, and with such terms, as it may determine. All premiums payable thereon shall be the obligation of the Company. Employee shall have no interest in any such policy, but agrees to cooperate with the Company in procuring such insurance by submitting to physical examinations, supplying all information required by the insurance company, and executing all necessary documents, provided that no financial obligation is imposed on Employee by any such documents.

Section 7. Reimbursement of Business Expenses.

During the Term, the Company shall pay (or promptly reimburse Employee) for documented, out-of-pocket expenses reasonably incurred by Employee in the course of performing her duties and responsibilities hereunder, which are consistent with the Company's policies in effect from time to time with respect to business expenses, subject to the Company's requirements with respect to reporting of such expenses. The Company shall reimburse (upon submission of a reasonably detailed invoice) Employee up to \$7,500 in reasonable legal fees and expenses (at the attorney's standard hourly rate) for the independent legal review incurred in connection with the negotiation of this Agreement.

Section 8. Termination of Employment.

(a) General. The Term shall terminate upon the earliest to occur of (i) Employee's death, (ii) a termination by reason of a Disability, (iii) a termination by the Company with or without Cause, and (iv) a termination by Employee with or without Good Reason. Upon any termination of Employee's employment for any reason, except as may otherwise be requested by the Company in writing and agreed upon in writing by Employee, Employee shall resign from any and all directorships, committee memberships, and any other positions Employee holds with the Company or any other member of the Company Group.

Notwithstanding anything herein to the contrary, the payment (or commencement of a series of payments) hereunder of any nonqualified deferred compensation (within the meaning of Section 409A of the Code) upon a termination of employment shall be delayed until such time as Employee has also undergone a "separation from service" as defined in Treas. Reg. 1.409A-1(h), at which time such nonqualified deferred compensation (calculated as of the date of Employee's termination of employment hereunder) shall be paid (or commence to be paid) to Employee on the schedule set forth in this Section 8 as if Employee had undergone such termination of employment (under the same circumstances) on the date of her ultimate "separation from service."

(b) Termination Due to Death or Disability. Employee's employment shall terminate automatically upon her death. The Company may terminate Employee's employment immediately upon the occurrence of a Disability that cannot reasonably be accommodated, such termination to be effective upon Employee's receipt of written notice of such termination. Upon Employee's death or in the event that Employee's employment is terminated due to Disability, Employee or her estate or beneficiaries, as the case may be, shall be entitled to:

(i) The Accrued Obligations;

(ii) Any unpaid Annual Bonus in respect of any completed fiscal year that has ended prior to the date of such termination, which amount shall be paid at such time annual bonuses are paid to other senior executives of the Company, but in no event later than the date that is 21½ months following the last day of the fiscal year in which such termination occurred; and

(iii) A pro rated Annual Bonus for the calendar year of such termination, payable at such time as the Annual Bonus would have been paid had such termination not occurred. The pro rated Annual Bonus shall be an amount equal to the product of (A) the Annual Bonus that Employee would have earned for the calendar year of such termination, based on the actual performance of the Company during such calendar year, and (B) a fraction, the numerator of which is the number of days during such calendar year prior to the date of termination, and the denominator of which is 365 (or 366 if the calendar year of termination is a leap year).

Following Employee's death or a termination of Employee's employment by reason of a Disability, except as set forth in this Section 8(b), Employee shall have no further rights to any compensation or any other benefits under this Agreement.

(c) Termination by the Company with Cause.

(i) The Company may terminate Employee's employment at any time with Cause, effective upon Employee's receipt of written notice of such termination; *provided, however*, that with respect to any Cause termination relying on clause (i), (ii), (vi), or (vii) of the definition of Cause set forth in Section 1(f) hereof, to the extent that such act or acts or failure or failures to act are curable, Employee shall be given not less than thirty (30) days' written notice by the Board of the Company's intention to terminate her with Cause, such notice to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination with Cause is based,

and such termination shall be effective at the expiration of such thirty (30) day notice period unless Employee has fully cured such act or acts or failure or failures to act that give rise to Cause during such period.

(ii) In the event that the Company terminates Employee's employment with Cause, she shall be entitled only to the Accrued Obligations. Following such termination of Employee's employment with Cause, except as set forth in this Section 8(c)(ii), Employee shall have no further rights to any compensation or any other benefits under this Agreement.

(d) Termination by the Company without Cause. The Company may terminate Employee's employment at any time without Cause, effective upon Employee's receipt of written notice of such termination. In the event that Employee's employment is terminated by the Company without Cause (other than due to death or Disability), Employee shall be entitled to:

(i) The Accrued Obligations;

(ii) Any unpaid Annual Bonus, which amount shall be paid at such time annual bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2½ months following the last day of the fiscal year in which such termination occurred;

(iii) If such termination occurs following a Change in Control only, a pro rated Annual Bonus for the calendar year of such termination, payable on the first regularly scheduled payroll date that is at least 5 business days following the date of such termination. The pro rated Annual Bonus shall be an amount equal to the product of (A) Employee's Target Bonus for the calendar year of such termination, and (B) fraction, the numerator of which is the number of days during such calendar year prior to the date of termination, and the denominator of which is 365 (or 366 if the calendar year of termination is a leap year).

(iv) Continued payment of Base Salary during the Severance Term, payable in accordance with the Company's regular payroll practices; and

(v) To the extent permitted by applicable law without any penalty to Employee or any member of the Company Group and subject to Employee's election of COBRA continuation coverage under the Company's group health plan, on the first regularly scheduled payroll date of each month of the Severance Term, the Company will pay Employee an amount equal to the "applicable percentage" of the monthly COBRA premium cost; *provided*, that the payments pursuant to this clause (v) shall cease earlier than the expiration of the Severance Term in the event that Employee becomes eligible to receive any health benefits, including through a spouse's employer, during the Severance Term. For purposes hereof; the "applicable percentage" shall be the percentage of Employee's health care premium costs covered by the Company as of the date of termination. Amounts paid by the Company on behalf of Employee pursuant to this clause (v) shall be imputed to the Employee as additional taxable income to the extent required to avoid adverse consequences to Employee or the Company under either

Section 105(h) of the Code or the Patient Protection and Affordable Care Act of 2010; provided that, if such imputation does not prevent the imposition of an excise tax under, or the violation of, the Patient Protection and Affordable Care Act (as amended by the Health Care and Education Reconciliation Act of 2010 and as amended from time to time), including, without limitation, Section 4980D of the Code, the Company shall no longer provide such benefits to Employee.

Notwithstanding the foregoing, the payments and benefits described in clauses (ii) and (iii) above shall immediately terminate, and the Company shall have no further obligations to Employee with respect thereto, in the event that Employee materially breaches any provision of the Noninterference Agreement. Following such termination of Employee's employment by the Company without Cause, except as set forth in this Section 8(d), Employee shall have no further rights to any compensation or any other benefits under this Agreement.

(e) Termination by Employee with Good Reason. Employee may terminate Employee's employment with Good Reason by providing the Company thirty (30) days' written notice setting forth in reasonable specificity the event that constitutes Good Reason, which written notice, to be effective, must be provided to the Company within sixty (60) days of the occurrence of her discovery of such event. During such thirty (30) day notice period, the Company shall have a cure right (if curable), and if not cured within such period, Employee's termination will be effective upon the expiration of such cure period, and Employee shall be entitled to the same payments and benefits as provided in Section 8(d) hereof for a termination by the Company without Cause, subject to the same conditions on payment and benefits as described in Section 8(d) hereof. Following such termination of Employee's employment by Employee with Good Reason, except as set forth in this subsection, Employee shall have no further rights to any further compensation or any other benefits under this Agreement.

(f) Termination by Employee without Good Reason. Employee may terminate Employee's employment without Good Reason by providing the Company thirty (30) days' written notice of such termination. In the event of a termination of employment by Employee under this Section 8(e), Employee shall be entitled only to the Accrued Obligations. In the event of termination of Employee's employment under this Section 8(e), the Company may, in its sole and absolute discretion, by written notice accelerate such date of termination without changing the characterization of such termination as a termination by Employee without Good Reason. Following such termination of Employee's employment by Employee without Good Reason, except as set forth in this Section 8(e), Employee shall have no further rights to any compensation or any other benefits under this Agreement.

(g) Release. Notwithstanding any provision herein to the contrary, the payment of any amount or provision of any benefit pursuant to subsection (b), (d), or (e) of this Section 8 (other than the Accrued Obligations) (collectively, the "Severance Benefits") shall be conditioned upon Employee's execution, delivery to the Company, and non-revocation of the Release of Claims (and the expiration of any revocation period contained in such Release of Claims) within sixty (60) days following the date of Employee's termination of employment hereunder. If Employee fails to execute the Release of Claims in such a timely manner so as to permit any revocation period to expire prior to the end of such sixty (60) day period, or timely revokes Employee's acceptance of such release following its execution, Employee shall not be entitled to

any of the Severance Benefits. Further, (i) to the extent that any of the Severance Benefits constitutes “nonqualified deferred compensation” for purposes of Section 409A of the Code, any payment of any amount or provision of any benefit otherwise scheduled to occur prior to the sixtieth (60th) day following the date of Employee’s termination of employment hereunder, but for the condition on executing the Release of Claims as set forth herein, shall not be made until the first regularly scheduled payroll date following such sixtieth (60th) day and (ii) to the extent that any of the Severance Benefits do not constitute “nonqualified deferred compensation” for purposes of Section 409A of the Code, any payment of any amount or provision of any benefit otherwise scheduled to occur following the date of Employee’s termination of employment hereunder, but for the condition on executing the Release of Claims as set forth herein, shall not be made until the first regularly scheduled payroll date following the date the Release of Claims is timely executed and the applicable revocation period has ended, after which, in each case, any remaining Severance Benefits shall thereafter be provided to Employee according to the applicable schedule set forth herein. For the avoidance of doubt, in the event of a termination due to Employee’s death or Disability, Employee’s obligations herein to execute and not revoke the Release of Claims may be satisfied on Employee’s behalf by Employee’s estate or a person having legal power of attorney over Employee’s affairs.

Section 9. Non-Interference Agreement.

As a condition of, and prior to commencement of, Employee’s employment with the Company, Employee shall have executed and delivered to the Company the Non-Interference Agreement. The parties hereto acknowledge and agree that this Agreement and the Non-interference Agreement shall be considered separate contracts, and the Non-Interference Agreement will survive the termination of this Agreement for any reason.

Section 10. Representations and Warranties of Employee.

Employee represents and warrants to the Company that—

- (a) Employee is entering into this Agreement voluntarily and that her employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by her of any agreement to which she is a party or by which she may be bound;
- (b) Employee has not violated, and in connection with her employment with the Company will not violate, any non-solicitation, non-competition, or other similar covenant or agreement of a prior employer by which she is or may be bound; and
- (c) in connection with her employment with the Company, Employee will not use any confidential or proprietary information she may have obtained in connection with employment with any prior employer.

Section 11. Taxes.

The Company may withhold from any payments made under this Agreement all applicable taxes, including but not limited to income, employment, and social insurance taxes, as shall be required by law. Employee acknowledges and represents that the Company has not

provided any tax advice to her in connection with this Agreement and that she has been advised by the Company to seek tax advice from her own tax advisors regarding this Agreement and payments that may be made to her pursuant to this Agreement, including specifically, the application of the provisions of Section 409A of the Code to such payments.

Section 12. Set Off; Mitigation.

To the extent permitted by applicable law, the Company's obligation to pay Employee the amounts provided and to make the arrangements provided hereunder shall be subject to set-off, counterclaim, or recoupment of amounts owed by Employee to the Company or its affiliates; *provided, however*, that to the extent any amount so subject to set-off, counterclaim, or recoupment is payable in installments hereunder, such set-off, counterclaim, or recoupment shall not modify the applicable payment date of any installment, and to the extent an obligation cannot be satisfied by reduction of a single installment payment, any portion not satisfied shall remain an outstanding obligation of Employee and shall be applied to the next installment only at such time the installment is otherwise payable pursuant to the specified payment schedule. Employee shall not be required to mitigate the amount of any payment provided pursuant to this Agreement by seeking other employment or otherwise, and the amount of any payment provided for pursuant to this Agreement shall not be reduced by any compensation earned as a result of Employee's other employment or otherwise.

Section 13. Additional Section 409A Provisions.

Notwithstanding any provision in this Agreement to the contrary—

(a) Any payment otherwise required to be made hereunder to Employee at any date as a result of the termination of Employee's employment shall be delayed for such period of time as may be necessary to meet the requirements of Section 409A(a)(2)(B)(i) of the Code (the "Delay Period"). On the first business day following the expiration of the Delay Period, Employee shall be paid, in a single cash lump sum, an amount equal to the aggregate amount of all payments delayed pursuant to the preceding sentence, and any remaining payments not so delayed shall continue to be paid pursuant to the payment schedule set forth herein.

(b) Each payment in a series of payments hereunder shall be deemed to be a separate payment for purposes of Section 409A of the Code.

(c) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A of the Code), (i) any such expense reimbursement shall be made by the Company no later than the last day of the taxable year following the taxable year in which such expense was incurred by Employee, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period the arrangement is in effect.

(d) While the payments and benefits provided hereunder are intended to be structured in a manner to avoid the implication of any penalty taxes under Section 409A of the Code, in no event whatsoever shall the Parent or any of its affiliates (including, without limitation, the Company) be liable for any additional tax, interest, or penalties that may be imposed on Employee as a result of Section 409A of the Code or any damages for failing to comply with Section 409A of the Code (other than for withholding obligations or other obligations applicable to employers, if any, under Section 409A or any other Section of the Code).

Section 14. Successors and Assigns; No Third-Party Beneficiaries.

(a) The Company. This Agreement shall inure to the benefit of the Company and its respective successors and assigns. Neither this Agreement nor any of the rights, obligations, or interests arising hereunder may be assigned by the Company to a Person (other than another member of the Company Group, or its or their respective successors) without Employee's prior written consent; *provided, however*, that in the event of a sale of all or substantially all of the assets of the Company or any direct or indirect division or subsidiary thereof to which the Employee's employment primarily relates, the Company may provide that this Agreement will be assigned to, and assumed by, the acquiror of such assets, it being agreed that in such circumstances, Employee's consent will not be required in connection therewith.

(b) Employee. Employee's rights and obligations under this Agreement shall not be transferable by Employee by assignment or otherwise, without the prior written consent of the Company; *provided, however*, that if Employee shall die, all amounts then payable to Employee hereunder shall be paid in accordance with the terms of this Agreement to Employee's devise; legatee, or other designee, or if there be no such designee, to Employee's estate.

(c) No Third-Party Beneficiaries. Except as otherwise set forth in Section 8(b) or Section 14(b) hereof, nothing expressed or referred to in this Agreement will be construed to give any Person other than the Company, the other members of the Company Group, and Employee any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement.

Section 15. Waiver and Amendments.

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by each of the parties hereto; *provided, however*, that any such waiver, alteration, amendment, or modification must be consented to on the Company's behalf by the Board. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

Section 16. Severability.

If any covenants or such other provisions of this Agreement are found to be invalid or unenforceable by a final determination of a court of competent jurisdiction, (a) the remaining terms and provisions hereof shall be unimpaired, and (b) the invalid or unenforceable term or provision hereof shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision hereof.

Section 17. Governing Law and Jurisdiction.

EXCEPT WHERE PREEMPTED BY FEDERAL LAW, THE VALIDITY, INTERPRETATION, CONSTRUCTION, AND PERFORMANCE OF THIS AGREEMENT IS GOVERNED BY AND IS TO BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN THAT STATE, WITHOUT REGARD TO CONFLICT OF LAWS RULES. ANY DISPUTE OR CLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR. CLAIM OF BREACH HEREOF SHALL BE BROUGHT EXCLUSIVELY IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA, TO THE EXTENT FEDERAL JURISDICTION EXISTS, AND IN ANY COURT SITTING IN SAN FRANCISCO, CALIFORNIA, BUT ONLY IN THE EVENT FEDERAL JURISDICTION DOES NOT EXIST, AND ANY APPLICABLE APPELLATE COURTS, BY EXECUTION OF THIS AGREEMENT, THE PARTIES HERETO, AND THEIR RESPECTIVE AFFILIATES, CONSENT TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS, AND WAIVE ANY RIGHT TO CHALLENGE JURISDICTION OR VENUE IN SUCH COURT WITH REGARD TO ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT, EACH PARTY TO THIS AGREEMENT ALSO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT.

Section 18. Notices.

(a) Place of Delivery. Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom or which it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided; *provided*, that unless and until some other address be so designated, all notices and communications by Employee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices and communications by the Company to Employee may be given to Employee personally or may be mailed to Employee at Employee's last known address, as reflected in the Company's records.

(b) Date of Delivery. Any notice so addressed shall be deemed to be given or received (i) if delivered by hand, on the date of such delivery, (ii) if mailed by courier or by overnight mail, on the first business day following the date of such mailing, and (iii) if mailed by registered or certified mail, on the third business day after the date of such mailing.

Section 19. Section Headings.

The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof or affect the meaning or interpretation of this Agreement or of any term or provision hereof.

Section 20. Entire Agreement.

This Agreement, together with any exhibits attached hereto, constitutes the entire understanding and agreement of the parties hereto regarding the employment of Employee. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings, and agreements between the parties relating to the subject matter of this Agreement.

Section 21. Survival of Operative Sections.

Upon any termination of Employee's employment, the provisions of Section 8 through Section 22 of this Agreement (together with any related definitions set forth in Section 1 hereof) shall survive to the extent necessary to give effect to the provisions thereof.

Section 22. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile or electronic signature,

* * *

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

OUTSET MEDICAL, INC.

By: /s/ Noah Knauf

Name:

Title:

EMPLOYEE

/s/ Leslie Trigg

Leslie Trigg

[Signature page to L. Trigg Employment Agreement]

CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT

As a condition of my becoming employed by, or continuing employment with, Outset Medical, Inc., a Delaware corporation (the “Company”), and in consideration of my employment with the Company and my receipt of the compensation now and hereafter paid to me by the Company, I agree to the following terms set forth in this Confidentiality, Non-Interference, and Invention Assignment Agreement (this “Non-Interference Agreement”):

Section 1. Confidential Information.

(a) Company Group Information. I acknowledge that, during the course of my employment, I will have access to information about the Company and its direct and indirect subsidiaries and affiliates (collectively, the “Company Group”) and that my employment with the Company shall bring me into close contact with confidential and proprietary information of any member of the Company Group. In recognition of the foregoing, I agree, at all times during the term of my employment with the Company and thereafter, to hold in confidence, and not to use, except for the benefit of any member of the Company Group, or to disclose to any person, firm, corporation, or other entity without written authorization of the Company, any Confidential Information that I obtain or create. I further agree not to make copies of such Confidential Information except as authorized by the Company. I understand that “Confidential Information” means information that any member of the Company Group has developed, acquired, created, compiled, discovered, or owned or will develop, acquire, create, compile, discover, or own, that has value in or to the business of any member of the Company Group that is not generally known and that the Company wishes to maintain as confidential. I understand that Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products, research, or development of the Company, or to the Company’s technical data, trade secrets, or know-how, including, but not limited to, research, product plans, or other information regarding the Company’s products or services and markets, customer lists, and customers (including, but not limited to, customers of the Company on whom I called or with whom I may become acquainted during the term of my employment), software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by the Company either directly or indirectly in writing, orally, or by drawings or inspection of premises, parts, equipment, or other Company property. Notwithstanding the foregoing, Confidential Information shall not include (i) any of the foregoing items that have become publicly and widely known through no unauthorized disclosure by me or others who were under confidentiality obligations as to the item or items involved, or (ii) any information that I am required to disclose to, or by, any governmental or judicial authority; *provided, however*, that in such event I will give the Company prompt written notice thereof so that any member of the Company Group may seek an appropriate protective order and/or waive in writing compliance with the confidentiality provisions of this Non-Interference Agreement.

(b) Former Employer Information. I represent that my performance of all of the terms of this Non-Interference Agreement as an employee of the Company has not breached and will not breach any agreement to keep in confidence proprietary information, knowledge, or data acquired by me in confidence or trust prior or subsequent to the commencement of my employment with

the Company, and I will not disclose to any member of the Company Group, or induce any member of the Company Group to use, any developments, or confidential or proprietary information or material I may have obtained in connection with employment with any prior employer in violation of a confidentiality agreement, nondisclosure agreement, or similar agreement with such prior employer.

Section 2. **Developments.**

(a) Developments Retained and Licensed. I have attached hereto, as Schedule A, a list describing with particularity all developments, original works of authorship, improvements, and trade secrets that I can demonstrate were created or owned by me prior to the commencement of my employment (collectively referred to as "Prior Developments"), which belong solely to me or belong to me jointly with another, that relate in any way to any of the actual or proposed businesses, products, or research and development of any member of the Company Group, and that are not assigned to the Company hereunder, or if no such list is attached, I represent that there are no such Prior Developments. If, during any period during which I perform or performed services for any member of the Company Group both before or after the date hereof (the "Assignment Period"), whether as an officer, employee, director, independent contractor, consultant, or agent, or in any other capacity, I incorporate (or have incorporated) into any member of the Company Group's product or process a Prior Development owned by me or in which I have an interest, I hereby grant each member of the Company Group, and each member of the Company Group shall have, a non-exclusive, royalty-free, irrevocable, perpetual, transferable worldwide license (with the right to sublicense) to make, have made, copy, modify, make derivative works of, use, sell, and otherwise distribute such Prior Development as part of or in connection with such product or process.

(b) Assignment of Developments. I agree that I will, without additional compensation, promptly make full written disclosure to the Company, and will hold in trust for the sole right and benefit of the Company all developments, original works of authorship, inventions, concepts, know-how, improvements, trade secrets, and similar proprietary rights, whether or not patentable or registrable under copyright or similar laws, which I may solely or jointly conceive or develop or reduce to practice, or have solely or jointly conceived or developed or reduced to practice, or have caused or may cause to be conceived or developed or reduced to practice, during the Assignment Period, whether or not during regular working hours, provided they either (i) relate at the time of conception, development or reduction to practice to the business of any member of the Company Group, or the actual or anticipated research or development of any member of the Company Group; (ii) result from or relate to any work performed for any member of the Company Group; or (iii) are developed through the use of equipment, supplies, or facilities of any member of the Company Group, or any Confidential Information, or in consultation with personnel of any member of the Company Group (collectively referred to as "Developments"). I further acknowledge that all Developments made by me (solely or jointly with others) within the scope of and during the Assignment Period are "works made for hire" (to the greatest extent permitted by applicable law) for which I am, in part, compensated by my salary, unless regulated otherwise by law, but that, in the event any such Development is deemed not to be a work made for hire, I hereby assign to the Company, or its designee, all my right, title, and interest throughout the world in and to any such Development. If any Developments cannot be assigned, I hereby grant to each member of the Company Group an exclusive, assignable, irrevocable, perpetual, worldwide, sublicenseable (through one or multiple tiers), royalty-free, unlimited license to use, make, modify, sell, offer for

sale, reproduce, distribute, create derivative works of, publicly perform, publicly display and digitally perform and display such work in any media now known or hereafter known. Outside the scope of my service, whether, during or after my employment with any member of the Company Group, I agree not to (i) modify, adapt, alter, translate, or create derivative works from any such work of authorship or (ii) merge any such work of authorship with other Developments. To the extent rights related to paternity, integrity, disclosure and withdrawal (collectively, "Moral Rights") may not be assignable under applicable law and to the extent the following is allowed by the laws in the various countries where Moral Rights exist, I hereby irrevocably waive such Moral Rights and 'consent to any action of any member of the Company Group that would violate such Moral Rights in the absence of such consent. I understand that the provisions of this Non-Interference Agreement requiring assignment of Developments to the Company do not apply to any invention which qualifies fully under the provisions of Section 2870 of the California Labor Code (attached hereto as Schedule B). I will advise the Company promptly in writing of any inventions that I believe meet the criteria in Section 2870 of the California Labor Code and not otherwise disclosed on Schedule A and I bear the full burden of proving to any member of the Company Group that an invention qualifies fully under Section 2870 of the California Labor Code. I acknowledge receipt of this Non-Interference Agreement and of written notification of the provisions of Section 2870 of the California Labor Code.

(c) Maintenance of Records. I agree to keep and maintain adequate and current written records of all Developments made by me (solely or jointly with others) during the Assignment Period. The records may be in the form of notes, sketches, drawings, flow charts, electronic data or recordings, and any other format. The records will be available to and remain the sole property of any member of the Company Group at all times. I agree not to remove such records from the Company's place of business except as expressly permitted by Company Group policy, which may, from time to time, be revised at the sole election of such member of the Company Group for the purpose of furthering the business of such member of the Company Group.

(d) Intellectual Property Rights. I agree to assist the Company, or its designee, at the Company's expense, in every way to secure the rights of each member of the Company Group in the Developments and any copyrights, patents, trademarks, service marks, database rights, domain names, mask work rights, moral rights, and other intellectual property rights relating thereto in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments that the Company shall deem necessary in order to apply for, obtain, maintain, and transfer such rights and in order to assign and convey to each member of the Company Group the sole and exclusive right, title, and interest in and to such Developments, and any intellectual property and other proprietary rights relating thereto. I further agree that my obligation to execute or cause to be executed, when it is in my power to do so, any such instrument or papers shall continue after the Assignment Period until the expiration of the last such intellectual property right to expire in any country of the world; *provided, however*, the Company shall reimburse me for my reasonable expenses incurred in connection with carrying out the foregoing obligation. If the Company is unable because of my mental or physical incapacity or unavailability for any other reason to secure my signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Developments or original works of authorship assigned to the Company as above, then I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney in fact to act for

and in my behalf and stead to execute and file any such applications or records and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance, and transfer of letters patent or registrations thereon with the same legal force and effect as if originally executed by me. I hereby waive and irrevocably quitclaim to the Company any and all' claims, of any nature whatsoever, that I now or hereafter have for past, present, or future infringement of any and all proprietary rights assigned to the Company.

Section 3. **Returning Company Group Documents.**

I agree that, at the time of termination of my employment with the Company for any reason, I will deliver to the Company (and will not keep in my possession, recreate, or deliver to anyone else) any and all Confidential Information and all other documents, materials, information, and property developed by me pursuant to my employment or otherwise belonging to the Company, I agree further that any non-personal property situated on the Company's premises and owned by the Company (or any other member of the Company Group), including disks and other storage media, filing cabinets, and other work areas, is subject to inspection by personnel of any member of the Company Group at any time with or without notice.

Section 4. **Disclosure of Agreement.**

As long as it remains in effect, I will disclose the existence of this Non-Interference Agreement to any prospective employer, partner, co-venturer, investor, or lender prior to entering into an employment, partnership, or other business relationship with such person or entity,

Section 5. **Restrictions on Interfering.**

(a) Non-Competition. During the period of my employment with the Company (the "Employment Period"), I shall not, directly or indirectly, individually or on behalf of any person, company, enterprise, or entity, or as a sole proprietor, partner, stockholder, director, officer, principal, agent, or executive, or in any other capacity or relationship, engage in any Competitive Activities or own any securities (debt or equity) in any person, company, enterprise, or entity that is engaged in Competitive Activities, within the United States or any other jurisdiction in which the Company Group is actively engaged in business.

(b) Non-Interference. During the Employment Period and the Post-Termination Noninterference Period, I shall not, directly or indirectly for my own account or for the account of any other individual or entity, engage in Interfering Activities.

(c) Definitions. For purposes of this Non-Interference Agreement:

(i) "Competitive Activities" shall mean any business activities in which any member of the Company Group is engaged (or has committed plans to engage) during the Employment Period.

(ii) "Interfering Activities" shall mean encouraging, soliciting, or inducing, or in any manner attempting to encourage, solicit, or induce, any Person employed by, or providing consulting services to, any member of the Company Group to terminate such Person's employment or services (or in the case of a consultant, materially reducing such services) with any member of the Company Group.

(iii) “Person” shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(iv) “Post-Termination Non-Interference Period” shall mean the period commencing on the date of the termination of the Employment Period for any reason and ending on the twelve (12) month anniversary of such date of termination,

(d) Non-Disparagement. I agree that during the Employment Period, and at all times thereafter, I will not make any disparaging or defamatory comments regarding any member of the Company Group or its respective current or former directors, officers, employees or shareholder in any respect or make any comments concerning any aspect of my relationship with any member of the Company Group or any conduct or events which precipitated any termination of my employment from any member of the Company Group. However, my obligations under this subparagraph (d) shall not apply to disclosures required by applicable law, regulation, or order of a court or governmental agency.

Section 6. **Reasonableness of Restrictions.**

I acknowledge and recognize the highly competitive nature of the Company’s business, that access to Confidential Information renders me special and unique within the Company’s industry, and that I will have the opportunity to develop substantial relationships with existing and prospective clients, accounts, customers, consultants, contractors, investors, and strategic partners of any member of the Company Group during the course of and as a result of my employment with the Company. In light of the foregoing, I recognize and acknowledge that the restrictions and limitations set forth in this Non-Interference Agreement are reasonable and valid in geographical and temporal scope and in all other respects and are essential to protect the value of the business and assets of any member of the Company Group. I acknowledge further that the restrictions and limitations set forth in this Non-Interference Agreement will not materially interfere with my ability to earn a living following the termination of my employment with the Company and that my ability to earn a livelihood without violating such restrictions is a material condition to my employment with the Company.

Section 7. **Independence; Severability; Blue Pencil.**

Each of the rights enumerated in this Non-Interference Agreement shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to any member of the Company Group at law or in equity. If any of the provisions of this Non-Interference Agreement or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable, the same shall not affect the remainder of this Non-Interference Agreement, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, I agree that the court making such determination shall have the power to reduce the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable.

Section 8. Injunctive Relief.

I expressly acknowledge that any breach or threatened breach of any of the terms and/or conditions set forth in this Non-Interference Agreement may result in substantial, continuing, and irreparable injury to the members of the Company Group. Therefore, I hereby agree that, in addition to any other remedy that may be available to the Company, any member of the Company Group shall be entitled to injunctive relief, specific performance, or other equitable relief by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Non-Interference Agreement without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Notwithstanding any other provision to the contrary, I acknowledge and agree that the Post-Termination Non-Interference Period shall be tolled during any period of violation of any of the covenants in Section 5 hereof and during any other period required for litigation during which the Company or any other member of the Company Group seeks to enforce such covenants against me if it is ultimately determined that I was in breach of such covenants.

Section 9. Cooperation.

I agree that, following any termination of my employment, I will continue to provide reasonable cooperation to the Company and/or any other member of the Company Group and its or their respective counsel in connection with any investigation, administrative proceeding, or litigation relating to any matter that occurred during my employment in which I was involved or of which I have knowledge. As a condition of such cooperation, the Company shall reimburse me for reasonable out-of-pocket expenses incurred at the request of the Company with respect to my compliance with this paragraph. I also agree that, in the event that I am subpoenaed by any person or entity (including, but not limited to, any government agency) to give testimony or provide documents (in a deposition, court proceeding, or otherwise) that in any way relates to my employment by the Company and/or any other member of the Company Group, I will give prompt notice of such request to the Company and will make no disclosure until the Company and/or the other member of the Company Group has had a reasonable opportunity to contest the right of the requesting person or entity to such disclosure.

Section 10. General Provisions.

(a) Governing Law, Venue and Jurisdiction. EXCEPT WHERE PREEMPTED BY FEDERAL LAW, THE VALIDITY, INTERPRETATION, CONSTRUCTION, AND PERFORMANCE OF THIS NON-INTERFERENCE AGREEMENT IS GOVERNED BY AND IS TO BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN THAT STATE, WITHOUT REGARD TO CONFLICT OF LAWS RULES. ANY DISPUTE OR CLAIM ARISING OUT OF OR RELATING TO THIS RELEASE OR CLAIM OF BREACH HEREOF SHALL BE BROUGHT EXCLUSIVELY IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA, TO THE EXTENT FEDERAL JURISDICTION EXISTS, AND IN ANY COURT SITTING IN SAN FRANCISCO,

CALIFORNIA, BUT ONLY IN THE EVENT FEDERAL JURISDICTION DOES NOT EXIST, AND ANY APPLICABLE APPELLATE COURTS. FURTHER, I HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS NON-INTERFERENCE AGREEMENT.

(b) Entire Agreement. This Non-Interference Agreement sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and merges all prior discussions between us. No modification or amendment to this Non-Interference Agreement, nor any waiver of any rights under this Non-Interference Agreement, will be effective unless in writing signed by the party to be charged. Any subsequent change or changes in my duties, obligations, rights, or compensation will not affect the validity or scope of this Non-Interference Agreement.

(c) No Right of Continued Employment. I acknowledge and agree that nothing contained herein shall be construed as granting me any right to continued employment by the Company, and the right of the Company to terminate my employment at any time and for no reason or any reason, with or without cause, is specifically reserved.

(d) Successors and Assigns. This Non-Interference Agreement will be binding upon my heirs, executors, administrators, and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. I expressly acknowledge and agree that this Noninterference Agreement may be assigned by the Company without my consent to any other member of the Company Group as well as any purchaser of all or substantially all of the assets or stock of the Company or of any business or division of the Company for which I provide services, whether by purchase, merger, or other similar corporate transaction, provided that the license granted pursuant to Section 2(a) may be assigned to any third party by the Company without my consent.

(e) Survival. The provisions of this Non-Interference Agreement shall survive the termination of my employment with the Company and/or the assignment of this Non-Interference Agreement by the Company to any successor in interest or other assignee.

* * *

I, Leslie Trigg, have executed this Confidentiality, Non-Interference, and Invention Assignment Agreement on the respective date set forth below:

Date: February 23, 2015

/s/ Leslie Trigg

(Signature)

Leslie Trigg

(Type/Print Name)

[Signature page to L. Trigg Confidentiality, Non-Interference, and Invention Assignment Agreement]

OUTSET MEDICAL, INC.

CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This Change in Control and Severance Agreement (the “**Agreement**”) is made between Outset Medical, Inc. (the “**Company**”) and (the “**Executive**”), effective as of _____, 2020 (the “**Effective Date**”).

This Agreement provides certain protections to the Executive in connection with a change in control of the Company or in connection with the involuntary termination of the Executive’s employment under the circumstances described in this Agreement. The Agreement supersedes and replaces the severance and termination related provision set forth in Section 8 of the Employment Agreement, dated as of February 23, 2015, by and between the Company and the Executive (the “**Prior Agreement**”). As of the Effective Date, the Prior Agreement is hereby terminated and of no further force and effect.

The Company and the Executive agree as follows:

1. **Term of Agreement.** This Agreement will have an initial term of three (3) years commencing on the Effective Date (the “**Initial Term**”). On the third (3rd) anniversary of the Effective Date, this Agreement will renew automatically for additional, one (1) year terms (each, an “**Additional Term**”) unless either party provides the other party with written notice of nonrenewal at least one (1) year prior to the date of automatic renewal. Notwithstanding the foregoing, if a Change in Control occurs (a) when there are fewer than twelve (12) months remaining during the Initial Term or (b) during an Additional Term, the term of this Agreement will extend automatically through the date that is twelve (12) months following the date of the Change in Control. If the Executive becomes entitled to the benefits under Section 3 of this Agreement, then the Agreement will not terminate until all of the obligations of the parties hereto with respect to this Agreement have been satisfied.

2. **At-Will Employment.** The Company and the Executive acknowledge that the Executive’s employment is and will continue to be at-will, as defined under applicable law.

3. **Severance Benefits.**

(a) **Qualifying Non-CIC Termination.** On a Qualifying Non-CIC Termination (as defined below), the Executive will be eligible to receive the following payments and benefits from the Company:

(i) **Salary Severance.** A single, lump sum payment equal to twelve (12) months of the Executive’s Salary (as defined below), less applicable withholdings.

(ii) **COBRA Coverage.** Subject to Section 3(d), the Company will pay the premiums for coverage under COBRA (as defined below) for the Executive and the Executive’s eligible dependents, if any, at the rates then in effect, subject to any subsequent changes in rates that are generally applicable to the Company’s active employees (the “**COBRA Coverage**”), until the earliest of (A) a period of twelve (12) months from the date of the Executive’s termination of employment, (B) the date upon which the Executive (and the Executive’s eligible dependents, as applicable) becomes covered under similar plans, or (C) the date upon which the Executive ceases to be eligible for coverage under COBRA.

(b) Qualifying CIC Termination. On a Qualifying CIC Termination, the Executive will be eligible to receive the following payments and benefits from the Company:

(i) Salary Severance. A single, lump sum payment, less applicable withholdings, equal to twelve (12) months of the Executive's Salary (such total number of months, the "**Severance Period**").

(ii) Bonus Severance. A single, lump sum payment equal to 100% of the Executive's target annual bonus as in effect for the fiscal year in which the Qualifying CIC Termination occurs, less applicable withholdings.

(iii) COBRA Coverage. Subject to Section 3(d), the Company will provide COBRA Coverage until the earliest of (A) a period of months from the date of the Executive's termination of employment equal to the Severance Period (not to exceed eighteen (18) months), (B) the date upon which the Executive (and the Executive's eligible dependents, as applicable) becomes covered under similar plans, or (C) the date upon which the Executive ceases to be eligible for coverage under COBRA.

(iv) Equity Vesting Acceleration. Vesting acceleration (and exercisability, as applicable) as to 100% of the then-unvested shares subject to each of the Executive's then-outstanding Company equity awards. In the case of an equity award with performance-based vesting, unless otherwise specified in the applicable equity award agreement governing such award, all performance goals and other vesting criteria will be deemed achieved at target. For the avoidance of doubt, in the event of the Executive's Qualifying Pre-CIC Termination (as defined below), any unvested portion of the Executive's then-outstanding equity awards will remain outstanding until the earlier of (x) three (3) months following the Qualifying Termination or (y) the occurrence of a Change in Control, solely so that any benefits due on a Qualifying Pre-CIC Termination can be provided if a Change in Control occurs within the three (3) month period following the Qualifying Termination (provided that in no event will the Executive's stock options or similar equity awards remain outstanding beyond the equity award's maximum term to expiration). If no Change in Control occurs within the three (3) month period following a Qualifying Termination, any unvested portion of the Executive's equity awards automatically and permanently will be forfeited on the three (3) month anniversary following the date of the Qualifying Termination without having vested.

(c) Termination Other Than a Qualifying Termination. If the termination of the Executive's employment with the Company Group is not a Qualifying Termination, then the Executive will not be entitled to receive severance or other benefits.

(d) Conditions to Receipt of COBRA Coverage. The Executive's receipt of COBRA Coverage is subject to the Executive electing COBRA continuation coverage within the time period prescribed pursuant to COBRA for the Executive and the Executive's eligible dependents, if any. If the Company determines in its sole discretion that it cannot provide the COBRA Coverage without potentially violating, or being subject to an excise tax under, applicable law (including, without

limitation, Section 2716 of the Public Health Service Act), then in lieu of any COBRA Coverage, the Company will provide to the Executive a taxable monthly payment payable on the last day of a given month (except as provided by the immediately following sentence), in an amount equal to the monthly COBRA premium that the Executive would be required to pay to continue his or her group health coverage in effect on the date of his or her Qualifying Termination (which amount will be based on the premium rates applicable for the first month of COBRA Coverage for the Executive and any of eligible dependents of the Executive) (each, a “**COBRA Replacement Payment**”), which COBRA Replacement Payments will be made regardless of whether the Executive elects COBRA continuation coverage and will end on the earlier of (x) the date upon which the Executive obtains other employment or (y) the date the Company has paid an amount totaling the number of COBRA Replacement Payments equal to the number of months in the applicable COBRA Coverage period. For the avoidance of doubt, the COBRA Replacement Payments may be used for any purpose, including, but not limited to continuation coverage under COBRA, and will be subject to any applicable withholdings. Notwithstanding anything to the contrary under this Agreement, if the Company determines in its sole discretion at any time that it cannot provide the COBRA Replacement Payments without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Executive will not receive the COBRA Replacement Payments or any further COBRA Coverage.

(e) Non-Duplication of Payment or Benefits. For purposes of clarity, in the event of a Qualifying Pre-CIC Termination, any severance payments and benefits to be provided to the Executive under Section 3(b) will be reduced by any amounts that already were provided to the Executive under Section 3(a). Notwithstanding any provision of this Agreement to the contrary, if the Executive is entitled to any cash severance, continued health coverage benefits, or vesting acceleration of any equity awards (other than under this Agreement) by operation of applicable law or under a plan, policy, contract, or arrangement sponsored by or to which any member of the Company Group is a party (“**Other Benefits**”), then the corresponding severance payments and benefits under this Agreement will be reduced by the amount of Other Benefits paid or provided to the Executive.

(f) Death of the Executive. In the event of the Executive’s death before all payments or benefits the Executive is entitled to receive under this Agreement have been provided, the unpaid amounts will be provided to the Executive’s designated beneficiary, if living, or otherwise to the Executive’s personal representative in a single lump sum as soon as possible following the Executive’s death.

(g) Transfer Between Members of the Company Group. For purposes of this Agreement, if the Executive is involuntarily transferred from one member of the Company Group to another, the transfer will not be a termination without Cause but may give the Executive the ability to resign for Good Reason.

(h) Exclusive Remedy. In the event of a termination of the Executive’s employment with the Company Group, the provisions of this Agreement are intended to be and are exclusive and in lieu of any other rights or remedies to which the Executive may otherwise be entitled, whether at law, tort or contract, or in equity. The Executive will be entitled to no benefits, compensation or other payments or rights upon termination of employment other than those benefits expressly set forth in this Agreement.

4. Accrued Compensation. On any termination of the Executive's employment with the Company Group, the Executive will be entitled to receive all accrued but unpaid vacation, expense reimbursements, wages, and other benefits due to the Executive under any Company-provided plans, policies, and arrangements.

5. Conditions to Receipt of Severance.

(a) Separation Agreement and Release of Claims. The Executive's receipt of any severance payments or benefits upon the Executive's Qualifying Termination under Section 3 is subject to the Executive signing and not revoking the Company's then-standard separation agreement and release of claims (which may include an agreement not to disparage any member of the Company Group, non-solicit provisions, an agreement to assist in any litigation matters, and other standard terms and conditions) (the "**Release**" and that requirement, the "**Release Requirement**"), which must become effective and irrevocable no later than the sixtieth (60th) day following the Executive's Qualifying Termination (the "**Release Deadline**"). If the Release does not become effective and irrevocable by the Release Deadline, the Executive will forfeit any right to severance payments or benefits under Section 3.

(b) Payment Timing. Any lump sum Salary and bonus payments under Sections 3(a)(i), 3(b)(i) and 3(b)(ii) will be provided on the first regularly scheduled payroll date of the Company following the date the Release becomes effective and irrevocable (the "**Severance Start Date**"), subject to any delay required by Section 5(d) below. Any taxable installments of any COBRA-related severance benefits that otherwise would have been made to the Executive on or before the Severance Start Date will be paid on the Severance Start Date, and any remaining installments thereafter will be provided as specified in the Agreement. Any restricted stock units, performance shares, performance units, and/or similar full value awards that accelerate vesting under Section 3(b)(iv) will be settled (x) on a date no later than ten (10) days following the date the Release becomes effective and irrevocable, or (y) if later, in the event of a Qualifying Pre-CIC Termination, on a date no later than the Change in Control.

(c) Return of Company Property. The Executive's receipt of any severance payments or benefits upon the Executive's Qualifying Termination under Section 3 is subject to the Executive returning all documents and other property provided to the Executive by any member of the Company Group (with the exception of a copy of the Company employee handbook and personnel documents specifically relating to the Executive), developed or obtained by the Executive in connection with his or her employment with the Company Group, or otherwise belonging to the Company Group.

(d) Section 409A. The Company intends that all payments and benefits provided under this Agreement or otherwise are exempt from, or comply with, the requirements of Section 409A of the Code and any guidance promulgated under Section 409A of the Code (collectively, "**Section 409A**") so that none of the payments or benefits will be subject to the additional tax imposed under Section 409A, and any ambiguities in this Agreement will be interpreted in accordance with this intent. No payment or benefits to be paid to the Executive, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A (together, the "**Deferred Payments**") will be paid or otherwise provided until the Executive has a "separation from service" within the meaning of Section

409A. If, at the time of the Executive's termination of employment, the Executive is a "specified employee" within the meaning of Section 409A, then the payment of the Deferred Payments will be delayed to the extent necessary to avoid the imposition of the additional tax imposed under Section 409A, which generally means that the Executive will receive payment on the first payroll date that occurs on or after the date that is 6 months and 1 day following the Executive's termination of employment. The Company reserves the right to amend this Agreement as it considers necessary or advisable, in its sole discretion and without the consent of the Executive or any other individual, to comply with any provision required to avoid the imposition of the additional tax imposed under Section 409A or to otherwise avoid income recognition under Section 409A prior to the actual payment of any benefits or imposition of any additional tax. Each payment, installment, and benefit payable under this Agreement is intended to constitute a separate payment for purposes of U.S. Treasury Regulation Section 1.409A-2(b)(2). In no event will any member of the Company Group reimburse, indemnify, or hold harmless the Executive for any taxes, penalties and interest that may be imposed, or other costs that may be incurred, as a result of Section 409A.

(e) Resignation of Officer and Director Positions. The Executive's receipt of any severance payments or benefits upon the Executive's Qualifying Termination under Section 3 is subject to the Executive resigning from all officer and director positions with all members of the Company Group and the Executive executing any documents the Company may require in connection with the same.

6. Limitation on Payments.

(a) Reduction of Severance Benefits. If any payment or benefit that the Executive would receive from any Company Group member or any other party whether in connection with the provisions in this Agreement or otherwise (the "**Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then the Payment will be equal to the Best Results Amount. The "**Best Results Amount**" will be either (x) the full amount of the Payment or (y) a lesser amount that would result in no portion of the Payment being subject to the Excise Tax, whichever of those amounts, taking into account the applicable federal, state and local employment taxes, income taxes and the Excise Tax, results in the Executive's receipt, on an after-tax basis, of the greater amount. If a reduction in payments or benefits constituting parachute payments is necessary so that the Payment equals the Best Results Amount, reduction will occur in the following order: (A) reduction of cash payments in reverse chronological order (that is, the cash payment owed on the latest date following the occurrence of the event triggering the Excise Tax will be the first cash payment to be reduced); (B) cancellation of equity awards that were granted "contingent on a change in ownership or control" within the meaning of Section 280G of the Code in the reverse order of date of grant of the awards (that is, the most recently granted equity awards will be cancelled first); (C) reduction of the accelerated vesting of equity awards in the reverse order of date of grant of the awards (that is, the vesting of the most recently granted equity awards will be cancelled first); and (D) reduction of employee benefits in reverse chronological order (that is, the benefit owed on the latest date following the occurrence of the event triggering the Excise Tax will be the first benefit to be reduced). In no event will the Executive have any discretion with respect to the ordering of Payment reductions. The Executive will be solely responsible for the payment of all personal tax liability that is incurred as a result of the payments and benefits received under this Agreement, and the Executive will not be reimbursed, indemnified, or held harmless by any member of the Company Group for any of those payments of personal tax liability.

(b) **Determination of Excise Tax Liability.** Unless the Company and the Executive otherwise agree in writing, the Company will select a professional services firm (the “**Firm**”) to make all determinations required under this Section 6, which determinations will be conclusive and binding upon the Executive and the Company for all purposes. For purposes of making the calculations required by this Section 6, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Executive will furnish to the Firm such information and documents as the Firm reasonably may request in order to make determinations under this Section 6. The Company will bear the costs and make all payments for the Firm’s services in connection with any calculations contemplated by this Section 6. The Company will have no liability to the Executive for the determinations of the Firm.

7. **Definitions.** The following terms referred to in this Agreement will have the following meanings:

(a) “**Board**” means the Company’s Board of Directors.

(b) “**Cause**” means: (i) the Executive’s conviction of, or plea of guilty or nolo contendere to, a felony or a crime involving moral turpitude; (ii) the Executive’s admission or conviction of, or plea of guilty or nolo contendere to, an intentional act of fraud, embezzlement or theft in connection with your duties or in the course of employment with the Company Group; (iii) the Executive’s intentional wrongful damage to property of the Company Group; (iv) intentional unauthorized or wrongful use or disclosure of secret processes or of proprietary or confidential information of the Company Group (or any other party to whom the Executive owes an obligation of nonuse or nondisclosure as a result of the Executive’s employment relationship with the Company), including but not limited to trade secrets and customer lists; (iv) the Executive’s violation of any agreement not to compete with the Company Group or to solicit either its customers or employees on behalf of competitors while remaining employed with the Company Group; (v) the Executive’s intentional violation of any policy or policies regarding ethical conduct; (vi) an act of dishonesty made by the Executive in connection with the Executive’s responsibilities as an employee which materially harms the Company Group, or (vii) the Executive’s intentional or continued failure to perform the Executive’s duties with the Company Group, as determined in good faith by the Company after being provided with notice of such failure, such notice specifying in reasonable detail the tasks which must be accomplished and a timeline for the accomplishment to avoid termination for Cause, and an opportunity to cure within thirty (30) days of receipt of such notice.

(c) “**Change in Control**” means the occurrence of any of the following events:

(i) A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group (“Person”), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of the Company; provided, however, that for purposes of this subsection, (A) the acquisition of additional stock by any one Person, who is considered to own more than 50% of the

total voting power of the stock of the Company will not be considered a Change in Control, and (B) if the stockholders of the Company immediately before such change in ownership continue to retain immediately after the change in ownership, in substantially the same proportions as their ownership of shares of the Company's voting stock immediately prior to the change in ownership, the direct or indirect beneficial ownership of 50% or more of the total voting power of the stock of the Company or of the ultimate parent entity of the Company, such event will not be considered a Change in Control under this subsection (i). For this purpose, indirect beneficial ownership will include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company, as the case may be, either directly or through one or more subsidiary corporations or other business entities; or

(ii) A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this subsection (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii) A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions; provided, however, that for purposes of this subsection (iii), the following will not constitute a change in the ownership of a substantial portion of the Company's assets: (A) a transfer to an entity that is controlled by the Company's stockholders immediately after the transfer, or (B) a transfer of assets by the Company to: (1) a stockholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company's stock, (2) an entity, 50% or more of the total value or voting power of which is owned, directly or indirectly, by the Company, (3) a Person, that owns, directly or indirectly, 50% or more of the total value or voting power of all the outstanding stock of the Company, or (4) an entity, at least 50% of the total value or voting power of which is owned, directly or indirectly, by a Person described in this subsection (iii)(B)(3). For purposes of this subsection (iii), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this definition, persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

Notwithstanding the foregoing, a transaction will not be deemed a Change in Control unless the transaction qualifies as a change in control event within the meaning of Section 409A.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the state of the Company's incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(d) **“Change in Control Period”** means the period beginning three (3) months prior to a Change in Control and ending twelve (12) months following a Change in Control.

(e) **“COBRA”** means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(f) **“Code”** means the Internal Revenue Code of 1986, as amended.

(g) **“Company Group”** means the Company and its subsidiaries.

(h) **“Confidentiality Agreement”** means the At-Will Employment, Confidential Information, Invention Assignment, Nonsolicitation, and Arbitration Agreement.

(i) **“Disability”** means a total and permanent disability as defined in Section 22(e)(3) of the Code.

(j) **“Good Reason”** means the termination of the Executive’s employment with the Company Group by the Executive in accordance with the next sentence after the occurrence of one or more of the following events without the Executive’s express written consent: (i) a material reduction of the Executive’s duties, authorities, or responsibilities relative to the Executive’s duties, authorities, or responsibilities in effect immediately prior to the reduction; provided, however, that continued employment following a Change in Control with substantially the same duties, authorities, or responsibilities with respect to the Company Group’s business and operations will not constitute “Good Reason” (for example, “Good Reason” does not exist if the Executive is employed by the Company Group or a successor with substantially the same duties, authorities, or responsibilities with respect to the Company Group’s business that the Executive had immediately prior to the Change in Control regardless of whether the Executive’s title is revised to reflect the Executive’s placement within the overall corporate hierarchy or whether the Executive provides services to a subsidiary, affiliate, business unit or otherwise); (ii) a reduction by a Company Group member in the Executive’s rate of annual base salary by more than 10%; (iii) a material change in the geographic location of the Executive’s primary work facility or location by more than thirty-five (35) miles from the Executive’s then present location; provided, that a relocation to a location that is within 35 miles from the Executive’s then-present primary residence will not be considered a material change in geographic location, or (iv) failure of a successor corporation to assume the obligations under this Agreement as contemplated by Section 8. In order for the termination of the Executive’s employment with a Company Group member to be for Good Reason, the Executive must not terminate employment without first providing written notice to the Company of the acts or omissions constituting the grounds for “Good Reason” within sixty (60) days of the initial existence of the grounds for “Good Reason” and a cure period of thirty (30) days following the date of written notice (the **“Cure Period”**), the grounds must not have been cured during that time, and the Executive must terminate the Executive’s employment within thirty (30) days following the Cure Period.

(k) **“Qualifying Pre-CIC Termination”** means a Qualifying CIC Termination that occurs prior to the date of the Change in Control.

(l) **“Qualifying Termination”** means a termination of the Executive’s employment either (i) by a Company Group member without Cause (excluding by reason of Executive’s death or Disability) or (ii) by the Executive for Good Reason, in either case, during the Change in Control Period (a **“Qualifying CIC Termination”**) or outside of the Change in Control Period (a **“Qualifying Non-CIC Termination”**).

(m) **“Salary”** means the Executive’s annual base salary as in effect immediately prior to the Executive’s Qualifying Termination (or if the termination is due to a resignation for Good Reason based on a material reduction in base salary, then the Executive’s annual base salary in effect immediately prior to the reduction) or, if the Executive’s Qualifying Termination is a Qualifying CIC Termination and the amount is greater, at the level in effect immediately prior to the Change in Control.

8. **Successors.** This Agreement will be binding upon and inure to the benefit of (a) the heirs, executors, and legal representatives of the Executive upon the Executive’s death, and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, “successor” means any person, firm, corporation, or other business entity which at any time, whether by purchase, merger, or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of the Executive to receive any form of compensation payable pursuant to this Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance, or other disposition of the Executive’s right to compensation or other benefits will be null and void.

9. **Notice.**

(a) **General.** All notices and other communications required or permitted under this Agreement shall be in writing and will be effectively given (i) upon actual delivery to the party to be notified, (ii) upon transmission by email, (iii) twenty-four (24) hours after confirmed facsimile transmission, (iv) 1 business day after deposit with a recognized overnight courier, or (v) three (3) business days after deposit with the U.S. Postal Service by first class certified or registered mail, return receipt requested, postage prepaid, addressed (A) if to the Executive, at the address the Executive shall have most recently furnished to the Company in writing, (B) if to the Company, at the following address:

Outset Medical, Inc.
3052 Orchard Dr, San Jose, CA 95134
Attention: Vice President of People Operations

(b) **Notice of Termination.** Any termination by a Company Group member for Cause will be communicated by a notice of termination to the Executive, and any termination by the Executive for Good Reason will be communicated by a notice of termination to the Company, in each case given in accordance with Section 9(a) of this Agreement. The notice will indicate the specific termination provision in this Agreement relied upon, will set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and will specify the termination date (which will be not more than thirty (30) days after the later of (i) the giving of the notice or (ii) the end of any applicable cure period).

10. **Resignation.** The termination of the Executive’s employment for any reason will also constitute, without any further required action by the Executive, the Executive’s voluntary resignation from all officer and/or director positions held at any member of the Company Group, and at the Board’s request, the Executive will execute any documents reasonably necessary to reflect the resignations.

11. Miscellaneous Provisions.

(a) No Duty to Mitigate. The Executive will not be required to mitigate the amount of any payment contemplated by this Agreement, nor will any payment be reduced by any earnings that the Executive may receive from any other source except as specified in Section 3(e).

(b) Waiver; Amendment. No provision of this Agreement will be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by an authorized officer of the Company (other than the Executive) and by the Executive. No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party will be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Headings. All captions and section headings used in this Agreement are for convenient reference only and do not form a part of this Agreement.

(d) Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes in their entirety all prior representations, understandings, undertakings or agreements (whether oral or written and whether expressed or implied) of the parties with respect to the subject matter of this Agreement, including, for the avoidance of doubt, any other employment letter or agreement, severance policy or program, or equity award agreement.

(e) Choice of Law. This Agreement will be governed by the laws of the State of California without regard to California's conflicts of law rules that may result in the application of the laws of any jurisdiction other than California. To the extent that any lawsuit is permitted under this Agreement, Employee hereby expressly consents to the personal and exclusive jurisdiction and venue of the state and federal courts located in California for any lawsuit filed against the Executive by the Company.

(f) Arbitration. Any and all controversies, claims, or disputes with anyone under this Agreement (including the Company and any employee, officer, director, stockholder or benefit plan of the Company in their capacity as such or otherwise) arising out of, relating to, or resulting from the Executive's employment with the Company Group, shall be subject to arbitration in accordance with the provisions of the Confidentiality Agreement.

(g) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

(h) Withholding. All payments and benefits under this Agreement will be paid less applicable withholding taxes. The Company is authorized to withhold from any payments or benefits all federal, state, local, and/or foreign taxes required to be withheld from the payments or benefits and make any other required payroll deductions. No member of the Company Group will pay the Executive's taxes arising from or relating to any payments or benefits under this Agreement.

(i) Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[Signature page follows.]

By its signature below, each of the parties signifies its acceptance of the terms of this Agreement, in the case of the Company by its duly authorized officer.

COMPANY

OUTSET MEDICAL, INC.

By: _____

Title: _____

Date: _____

EXECUTIVE

Date: _____

OUTSET MEDICAL, INC.

CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This Change in Control and Severance Agreement (the “**Agreement**”) is made between Outset Medical, Inc. (the “**Company**”) and (the “**Executive**”), effective as of _____, 2020 (the “**Effective Date**”).

This Agreement provides certain protections to the Executive in connection with a change in control of the Company or in connection with the involuntary termination of the Executive’s employment under the circumstances described in this Agreement.

The Company and the Executive agree as follows:

1. **Term of Agreement.** This Agreement will have an initial term of three (3) years commencing on the Effective Date (the “**Initial Term**”). On the third (3rd) anniversary of the Effective Date, this Agreement will renew automatically for additional, one (1) year terms (each, an “**Additional Term**”) unless either party provides the other party with written notice of nonrenewal at least one (1) year prior to the date of automatic renewal. Notwithstanding the foregoing, if a Change in Control occurs (a) when there are fewer than twelve (12) months remaining during the Initial Term or (b) during an Additional Term, the term of this Agreement will extend automatically through the date that is twelve (12) months following the date of the Change in Control. If the Executive becomes entitled to the benefits under Section 3 of this Agreement, then the Agreement will not terminate until all of the obligations of the parties hereto with respect to this Agreement have been satisfied.

2. **At-Will Employment.** The Company and the Executive acknowledge that the Executive’s employment is and will continue to be at-will, as defined under applicable law.

3. **Severance Benefits.**

(a) **Qualifying Non-CIC Termination.** On a Qualifying Non-CIC Termination (as defined below), the Executive will be eligible to receive the following payments and benefits from the Company:

(i) **Salary Severance.** A single, lump sum payment equal to six (6) months of the Executive’s Salary (as defined below), less applicable withholdings.

(ii) **COBRA Coverage.** Subject to Section 3(d), the Company will pay the premiums for coverage under COBRA (as defined below) for the Executive and the Executive’s eligible dependents, if any, at the rates then in effect, subject to any subsequent changes in rates that are generally applicable to the Company’s active employees (the “**COBRA Coverage**”), until the earliest of (A) a period of six (6) months from the date of the Executive’s termination of employment, (B) the date upon which the Executive (and the Executive’s eligible dependents, as applicable) becomes covered under similar plans, or (C) the date upon which the Executive ceases to be eligible for coverage under COBRA.

(b) Qualifying CIC Termination. On a Qualifying CIC Termination, the Executive will be eligible to receive the following payments and benefits from the Company:

(i) Salary Severance. A single, lump sum payment, less applicable withholdings, equal to six (6) months of the Executive's Salary (such total number of months, the "**Severance Period**").

(ii) Bonus Severance. A single, lump sum payment equal to 100% of the Executive's target annual bonus as in effect for the fiscal year in which the Qualifying CIC Termination occurs, less applicable withholdings.

(iii) COBRA Coverage. Subject to Section 3(d), the Company will provide COBRA Coverage until the earliest of (A) a period of months from the date of the Executive's termination of employment equal to the Severance Period (not to exceed eighteen (18) months), (B) the date upon which the Executive (and the Executive's eligible dependents, as applicable) becomes covered under similar plans, or (C) the date upon which the Executive ceases to be eligible for coverage under COBRA.

(iv) Equity Vesting Acceleration. Vesting acceleration (and exercisability, as applicable) as to 100% of the then-unvested shares subject to each of the Executive's then-outstanding Company equity awards. In the case of an equity award with performance-based vesting, unless otherwise specified in the applicable equity award agreement governing such award, all performance goals and other vesting criteria will be deemed achieved at target. For the avoidance of doubt, in the event of the Executive's Qualifying Pre-CIC Termination (as defined below), any unvested portion of the Executive's then-outstanding equity awards will remain outstanding until the earlier of (x) three (3) months following the Qualifying Termination or (y) the occurrence of a Change in Control, solely so that any benefits due on a Qualifying Pre-CIC Termination can be provided if a Change in Control occurs within the three (3) month period following the Qualifying Termination (provided that in no event will the Executive's stock options or similar equity awards remain outstanding beyond the equity award's maximum term to expiration). If no Change in Control occurs within the three (3) month period following a Qualifying Termination, any unvested portion of the Executive's equity awards automatically and permanently will be forfeited on the three (3) month anniversary following the date of the Qualifying Termination without having vested.

(c) Termination Other Than a Qualifying Termination. If the termination of the Executive's employment with the Company Group is not a Qualifying Termination, then the Executive will not be entitled to receive severance or other benefits.

(d) Conditions to Receipt of COBRA Coverage. The Executive's receipt of COBRA Coverage is subject to the Executive electing COBRA continuation coverage within the time period prescribed pursuant to COBRA for the Executive and the Executive's eligible dependents, if any. If the Company determines in its sole discretion that it cannot provide the COBRA Coverage without potentially violating, or being subject to an excise tax under, applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then in lieu of any COBRA Coverage, the Company will provide to the Executive a taxable monthly payment payable on the last day of a given month (except as provided by the immediately following sentence), in an amount equal to the monthly

COBRA premium that the Executive would be required to pay to continue his or her group health coverage in effect on the date of his or her Qualifying Termination (which amount will be based on the premium rates applicable for the first month of COBRA Coverage for the Executive and any of eligible dependents of the Executive) (each, a “**COBRA Replacement Payment**”), which COBRA Replacement Payments will be made regardless of whether the Executive elects COBRA continuation coverage and will end on the earlier of (x) the date upon which the Executive obtains other employment or (y) the date the Company has paid an amount totaling the number of COBRA Replacement Payments equal to the number of months in the applicable COBRA Coverage period. For the avoidance of doubt, the COBRA Replacement Payments may be used for any purpose, including, but not limited to continuation coverage under COBRA, and will be subject to any applicable withholdings. Notwithstanding anything to the contrary under this Agreement, if the Company determines in its sole discretion at any time that it cannot provide the COBRA Replacement Payments without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Executive will not receive the COBRA Replacement Payments or any further COBRA Coverage.

(e) Non-Duplication of Payment or Benefits. For purposes of clarity, in the event of a Qualifying Pre-CIC Termination, any severance payments and benefits to be provided to the Executive under Section 3(b) will be reduced by any amounts that already were provided to the Executive under Section 3(a). Notwithstanding any provision of this Agreement to the contrary, if the Executive is entitled to any cash severance, continued health coverage benefits, or vesting acceleration of any equity awards (other than under this Agreement) by operation of applicable law or under a plan, policy, contract, or arrangement sponsored by or to which any member of the Company Group is a party (“**Other Benefits**”), then the corresponding severance payments and benefits under this Agreement will be reduced by the amount of Other Benefits paid or provided to the Executive.

(f) Death of the Executive. In the event of the Executive’s death before all payments or benefits the Executive is entitled to receive under this Agreement have been provided, the unpaid amounts will be provided to the Executive’s designated beneficiary, if living, or otherwise to the Executive’s personal representative in a single lump sum as soon as possible following the Executive’s death.

(g) Transfer Between Members of the Company Group. For purposes of this Agreement, if the Executive is involuntarily transferred from one member of the Company Group to another, the transfer will not be a termination without Cause but may give the Executive the ability to resign for Good Reason.

(h) Exclusive Remedy. In the event of a termination of the Executive’s employment with the Company Group, the provisions of this Agreement are intended to be and are exclusive and in lieu of any other rights or remedies to which the Executive may otherwise be entitled, whether at law, tort or contract, or in equity. The Executive will be entitled to no benefits, compensation or other payments or rights upon termination of employment other than those benefits expressly set forth in this Agreement.

4. Accrued Compensation. On any termination of the Executive’s employment with the Company Group, the Executive will be entitled to receive all accrued but unpaid vacation, expense reimbursements, wages, and other benefits due to the Executive under any Company-provided plans, policies, and arrangements.

5. Conditions to Receipt of Severance.

(a) Separation Agreement and Release of Claims. The Executive's receipt of any severance payments or benefits upon the Executive's Qualifying Termination under Section 3 is subject to the Executive signing and not revoking the Company's then-standard separation agreement and release of claims (which may include an agreement not to disparage any member of the Company Group, non-solicit provisions, an agreement to assist in any litigation matters, and other standard terms and conditions) (the "**Release**" and that requirement, the "**Release Requirement**"), which must become effective and irrevocable no later than the sixtieth (60th) day following the Executive's Qualifying Termination (the "**Release Deadline**"). If the Release does not become effective and irrevocable by the Release Deadline, the Executive will forfeit any right to severance payments or benefits under Section 3.

(b) Payment Timing. Any lump sum Salary or bonus payments under Sections 3(a)(i), 3(b)(i) and 3(b)(ii) will be provided on the first regularly scheduled payroll date of the Company following the date the Release becomes effective and irrevocable (the "**Severance Start Date**"), subject to any delay required by Section 5(d) below. Any taxable installments of any COBRA-related severance benefits that otherwise would have been made to the Executive on or before the Severance Start Date will be paid on the Severance Start Date, and any remaining installments thereafter will be provided as specified in the Agreement. Any restricted stock units, performance shares, performance units, and/or similar full value awards that accelerate vesting under Section 3(b)(iv) will be settled (x) on a date no later than ten (10) days following the date the Release becomes effective and irrevocable, or (y) if later, in the event of a Qualifying Pre-CIC Termination, on a date no later than the Change in Control.

(c) Return of Company Property. The Executive's receipt of any severance payments or benefits upon the Executive's Qualifying Termination under Section 3 is subject to the Executive returning all documents and other property provided to the Executive by any member of the Company Group (with the exception of a copy of the Company employee handbook and personnel documents specifically relating to the Executive), developed or obtained by the Executive in connection with his or her employment with the Company Group, or otherwise belonging to the Company Group.

(d) Section 409A. The Company intends that all payments and benefits provided under this Agreement or otherwise are exempt from, or comply with, the requirements of Section 409A of the Code and any guidance promulgated under Section 409A of the Code (collectively, "**Section 409A**") so that none of the payments or benefits will be subject to the additional tax imposed under Section 409A, and any ambiguities in this Agreement will be interpreted in accordance with this intent. No payment or benefits to be paid to the Executive, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A (together, the "**Deferred Payments**") will be paid or otherwise provided until the Executive has a "separation from service" within the meaning of Section 409A. If, at the time of the Executive's termination of employment, the Executive is a "specified employee" within the meaning of Section 409A, then the payment of the Deferred Payments will be

delayed to the extent necessary to avoid the imposition of the additional tax imposed under Section 409A, which generally means that the Executive will receive payment on the first payroll date that occurs on or after the date that is 6 months and 1 day following the Executive's termination of employment. The Company reserves the right to amend this Agreement as it considers necessary or advisable, in its sole discretion and without the consent of the Executive or any other individual, to comply with any provision required to avoid the imposition of the additional tax imposed under Section 409A or to otherwise avoid income recognition under Section 409A prior to the actual payment of any benefits or imposition of any additional tax. Each payment, installment, and benefit payable under this Agreement is intended to constitute a separate payment for purposes of U.S. Treasury Regulation Section 1.409A-2(b)(2). In no event will any member of the Company Group reimburse, indemnify, or hold harmless the Executive for any taxes, penalties and interest that may be imposed, or other costs that may be incurred, as a result of Section 409A.

(e) Resignation of Officer and Director Positions. The Executive's receipt of any severance payments or benefits upon the Executive's Qualifying Termination under Section 3 is subject to the Executive resigning from all officer and director positions with all members of the Company Group and the Executive executing any documents the Company may require in connection with the same.

6. Limitation on Payments.

(a) Reduction of Severance Benefits. If any payment or benefit that the Executive would receive from any Company Group member or any other party whether in connection with the provisions in this Agreement or otherwise (the "**Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then the Payment will be equal to the Best Results Amount. The "**Best Results Amount**" will be either (x) the full amount of the Payment or (y) a lesser amount that would result in no portion of the Payment being subject to the Excise Tax, whichever of those amounts, taking into account the applicable federal, state and local employment taxes, income taxes and the Excise Tax, results in the Executive's receipt, on an after-tax basis, of the greater amount. If a reduction in payments or benefits constituting parachute payments is necessary so that the Payment equals the Best Results Amount, reduction will occur in the following order: (A) reduction of cash payments in reverse chronological order (that is, the cash payment owed on the latest date following the occurrence of the event triggering the Excise Tax will be the first cash payment to be reduced); (B) cancellation of equity awards that were granted "contingent on a change in ownership or control" within the meaning of Section 280G of the Code in the reverse order of date of grant of the awards (that is, the most recently granted equity awards will be cancelled first); (C) reduction of the accelerated vesting of equity awards in the reverse order of date of grant of the awards (that is, the vesting of the most recently granted equity awards will be cancelled first); and (D) reduction of employee benefits in reverse chronological order (that is, the benefit owed on the latest date following the occurrence of the event triggering the Excise Tax will be the first benefit to be reduced). In no event will the Executive have any discretion with respect to the ordering of Payment reductions. The Executive will be solely responsible for the payment of all personal tax liability that is incurred as a result of the payments and benefits received under this Agreement, and the Executive will not be reimbursed, indemnified, or held harmless by any member of the Company Group for any of those payments of personal tax liability.

(b) **Determination of Excise Tax Liability.** Unless the Company and the Executive otherwise agree in writing, the Company will select a professional services firm (the “**Firm**”) to make all determinations required under this Section 6, which determinations will be conclusive and binding upon the Executive and the Company for all purposes. For purposes of making the calculations required by this Section 6, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Executive will furnish to the Firm such information and documents as the Firm reasonably may request in order to make determinations under this Section 6. The Company will bear the costs and make all payments for the Firm’s services in connection with any calculations contemplated by this Section 6. The Company will have no liability to the Executive for the determinations of the Firm.

7. **Definitions.** The following terms referred to in this Agreement will have the following meanings:

(a) “**Board**” means the Company’s Board of Directors.

(b) “**Cause**” means: (i) the Executive’s conviction of, or plea of guilty or nolo contendere to, a felony or a crime involving moral turpitude; (ii) the Executive’s admission or conviction of, or plea of guilty or nolo contendere to, an intentional act of fraud, embezzlement or theft in connection with your duties or in the course of employment with the Company Group; (iii) the Executive’s intentional wrongful damage to property of the Company Group; (iv) intentional unauthorized or wrongful use or disclosure of secret processes or of proprietary or confidential information of the Company Group (or any other party to whom the Executive owes an obligation of nonuse or nondisclosure as a result of the Executive’s employment relationship with the Company), including but not limited to trade secrets and customer lists; (iv) the Executive’s violation of any agreement not to compete with the Company Group or to solicit either its customers or employees on behalf of competitors while remaining employed with the Company Group; (v) the Executive’s intentional violation of any policy or policies regarding ethical conduct; (vi) an act of dishonesty made by the Executive in connection with the Executive’s responsibilities as an employee which materially harms the Company Group, or (vii) the Executive’s intentional or continued failure to perform the Executive’s duties with the Company Group, as determined in good faith by the Company after being provided with notice of such failure, such notice specifying in reasonable detail the tasks which must be accomplished and a timeline for the accomplishment to avoid termination for Cause, and an opportunity to cure within thirty (30) days of receipt of such notice.

(c) “**Change in Control**” means the occurrence of any of the following events:

(i) A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group (“Person”), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of the Company; provided, however, that for purposes of this subsection, (A) the acquisition of additional stock by any one Person, who is considered to own more than 50% of the total voting power of the stock of the Company will not be considered a Change in Control, and (B) if the stockholders of the Company immediately before such change in ownership continue to retain immediately after the change in ownership, in substantially the same proportions as their ownership of

shares of the Company's voting stock immediately prior to the change in ownership, the direct or indirect beneficial ownership of 50% or more of the total voting power of the stock of the Company or of the ultimate parent entity of the Company, such event will not be considered a Change in Control under this subsection (i). For this purpose, indirect beneficial ownership will include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company, as the case may be, either directly or through one or more subsidiary corporations or other business entities; or

(ii) A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this subsection (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii) A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions; provided, however, that for purposes of this subsection (iii), the following will not constitute a change in the ownership of a substantial portion of the Company's assets: (A) a transfer to an entity that is controlled by the Company's stockholders immediately after the transfer, or (B) a transfer of assets by the Company to: (1) a stockholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company's stock, (2) an entity, 50% or more of the total value or voting power of which is owned, directly or indirectly, by the Company, (3) a Person, that owns, directly or indirectly, 50% or more of the total value or voting power of all the outstanding stock of the Company, or (4) an entity, at least 50% of the total value or voting power of which is owned, directly or indirectly, by a Person described in this subsection (iii)(B)(3). For purposes of this subsection (iii), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this definition, persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

Notwithstanding the foregoing, a transaction will not be deemed a Change in Control unless the transaction qualifies as a change in control event within the meaning of Section 409A.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the state of the Company's incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(d) **"Change in Control Period"** means the period beginning three (3) months prior to a Change in Control and ending twelve (12) months following a Change in Control.

(e) “**COBRA**” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(f) “**Code**” means the Internal Revenue Code of 1986, as amended.

(g) “**Company Group**” means the Company and its subsidiaries.

(h) “**Confidentiality Agreement**” means the At-Will Employment, Confidential Information, Invention Assignment, Nonsolicitation, and Arbitration Agreement.

(i) “**Disability**” means a total and permanent disability as defined in Section 22(e)(3) of the Code.

(j) “**Good Reason**” means the termination of the Executive’s employment with the Company Group by the Executive in accordance with the next sentence after the occurrence of one or more of the following events without the Executive’s express written consent: (i) a material reduction of the Executive’s duties, authorities, or responsibilities relative to the Executive’s duties, authorities, or responsibilities in effect immediately prior to the reduction; provided, however, that continued employment following a Change in Control with substantially the same duties, authorities, or responsibilities with respect to the Company Group’s business and operations will not constitute “Good Reason” (for example, “Good Reason” does not exist if the Executive is employed by the Company Group or a successor with substantially the same duties, authorities, or responsibilities with respect to the Company Group’s business that the Executive had immediately prior to the Change in Control regardless of whether the Executive’s title is revised to reflect the Executive’s placement within the overall corporate hierarchy or whether the Executive provides services to a subsidiary, affiliate, business unit or otherwise); (ii) a reduction by a Company Group member in the Executive’s rate of annual base salary by more than 10%; (iii) a material change in the geographic location of the Executive’s primary work facility or location by more than thirty-five (35) miles from the Executive’s then present location; provided, that a relocation to a location that is within 35 miles from the Executive’s then-present primary residence will not be considered a material change in geographic location, or (iv) failure of a successor corporation to assume the obligations under this Agreement as contemplated by Section 8. In order for the termination of the Executive’s employment with a Company Group member to be for Good Reason, the Executive must not terminate employment without first providing written notice to the Company of the acts or omissions constituting the grounds for “Good Reason” within sixty (60) days of the initial existence of the grounds for “Good Reason” and a cure period of thirty (30) days following the date of written notice (the “**Cure Period**”), the grounds must not have been cured during that time, and the Executive must terminate the Executive’s employment within thirty (30) days following the Cure Period.

(k) “**Qualifying Pre-CIC Termination**” means a Qualifying CIC Termination that occurs prior to the date of the Change in Control.

(l) “**Qualifying Termination**” means a termination of the Executive’s employment either (i) by a Company Group member without Cause (excluding by reason of Executive’s death or Disability) or (ii) by the Executive for Good Reason, in either case, during the Change in Control Period (a “**Qualifying CIC Termination**”) or outside of the Change in Control Period (a “**Qualifying Non-CIC Termination**”).

(m) “**Salary**” means the Executive’s annual base salary as in effect immediately prior to the Executive’s Qualifying Termination (or if the termination is due to a resignation for Good Reason based on a material reduction in base salary, then the Executive’s annual base salary in effect immediately prior to the reduction) or, if the Executive’s Qualifying Termination is a Qualifying CIC Termination and the amount is greater, at the level in effect immediately prior to the Change in Control.

8. **Successors.** This Agreement will be binding upon and inure to the benefit of (a) the heirs, executors, and legal representatives of the Executive upon the Executive’s death, and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, “successor” means any person, firm, corporation, or other business entity which at any time, whether by purchase, merger, or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of the Executive to receive any form of compensation payable pursuant to this Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance, or other disposition of the Executive’s right to compensation or other benefits will be null and void.

9. **Notice.**

(a) **General.** All notices and other communications required or permitted under this Agreement shall be in writing and will be effectively given (i) upon actual delivery to the party to be notified, (ii) upon transmission by email, (iii) twenty-four (24) hours after confirmed facsimile transmission, (iv) 1 business day after deposit with a recognized overnight courier, or (v) three (3) business days after deposit with the U.S. Postal Service by first class certified or registered mail, return receipt requested, postage prepaid, addressed (A) if to the Executive, at the address the Executive shall have most recently furnished to the Company in writing, (B) if to the Company, at the following address:

Outset Medical, Inc.
3052 Orchard Dr., San Jose, CA 95134
Attention: Vice President of People Operations

(b) **Notice of Termination.** Any termination by a Company Group member for Cause will be communicated by a notice of termination to the Executive, and any termination by the Executive for Good Reason will be communicated by a notice of termination to the Company, in each case given in accordance with Section 9(a) of this Agreement. The notice will indicate the specific termination provision in this Agreement relied upon, will set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and will specify the termination date (which will be not more than thirty (30) days after the later of (i) the giving of the notice or (ii) the end of any applicable cure period).

10. **Resignation.** The termination of the Executive’s employment for any reason will also constitute, without any further required action by the Executive, the Executive’s voluntary resignation from all officer and/or director positions held at any member of the Company Group, and at the Board’s request, the Executive will execute any documents reasonably necessary to reflect the resignations.

11. Miscellaneous Provisions.

(a) No Duty to Mitigate. The Executive will not be required to mitigate the amount of any payment contemplated by this Agreement, nor will any payment be reduced by any earnings that the Executive may receive from any other source except as specified in Section 3(e).

(b) Waiver; Amendment. No provision of this Agreement will be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by an authorized officer of the Company (other than the Executive) and by the Executive. No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party will be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Headings. All captions and section headings used in this Agreement are for convenient reference only and do not form a part of this Agreement.

(d) Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes in their entirety all prior representations, understandings, undertakings or agreements (whether oral or written and whether expressed or implied) of the parties with respect to the subject matter of this Agreement, including, for the avoidance of doubt, any other employment letter or agreement, severance policy or program, or equity award agreement.

(e) Choice of Law. This Agreement will be governed by the laws of the State of California without regard to California's conflicts of law rules that may result in the application of the laws of any jurisdiction other than California. To the extent that any lawsuit is permitted under this Agreement, Employee hereby expressly consents to the personal and exclusive jurisdiction and venue of the state and federal courts located in California for any lawsuit filed against the Executive by the Company.

(f) Arbitration. Any and all controversies, claims, or disputes with anyone under this Agreement (including the Company and any employee, officer, director, stockholder or benefit plan of the Company in their capacity as such or otherwise) arising out of, relating to, or resulting from the Executive's employment with the Company Group, shall be subject to arbitration in accordance with the provisions of the Confidentiality Agreement.

(g) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

(h) Withholding. All payments and benefits under this Agreement will be paid less applicable withholding taxes. The Company is authorized to withhold from any payments or benefits all federal, state, local, and/or foreign taxes required to be withheld from the payments or benefits and make any other required payroll deductions. No member of the Company Group will pay the Executive's taxes arising from or relating to any payments or benefits under this Agreement.

(i) Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[Signature page follows.]

By its signature below, each of the parties signifies its acceptance of the terms of this Agreement, in the case of the Company by its duly authorized officer.

COMPANY

OUTSET MEDICAL, INC.

By: _____

Title: _____

Date: _____

EXECUTIVE

Date: _____

OUTSET MEDICAL, INC.

AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

Dated as of January 27, 2020

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AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

This Amended and Restated Stockholders Agreement (this “**Agreement**”) is dated as of this 27th day of January, 2020 and entered into by and among the institutional investors listed on Schedule I hereto (the “**Institutional Investors**”); the individuals whose names and addresses appear from time to time on Schedule II hereto (the “**Other Investors**”); the individuals whose names and addresses appear from time to time on Schedule IV hereto (the “**Key Common Holders**”); and OUTSET MEDICAL, INC., a Delaware corporation (the “**Company**”). The Institutional Investors and the Other Investors are hereinafter each referred to as an “**Investor**” and collectively referred to as the “**Investors**”.

RECITALS

WHEREAS, the Company and certain of the Investors (the “**Prior Investors**”) have previously entered into an Amended and Restated Stockholders Agreement dated as of August 20, 2018 (the “**Prior Stockholders Agreement**”);

WHEREAS, in order to induce certain of the Investors (the “**Series E Investors**”) to purchase shares of Series E Convertible Preferred Stock of the Company, par value \$0.001 per share (the “**Series E Preferred Stock**”), pursuant to that certain Series E Preferred Stock Purchase Agreement of even date herewith (as the same may be amended from time to time, the “**Series E Securities Purchase Agreement**”), the Company and the Majority Institutional Investors hereby agree to amend and restate the Prior Stockholders Agreement to add the Series E Investors as parties to this Agreement and make certain other changes; and

WHEREAS, the Board of Directors of the Company (the “**Board**”) has determined that it is in the best interests of the Company that the Company enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. COVENANTS OF THE PARTIES

(a) Legends.

(i) The certificates evidencing (x) the Purchased Equity Shares and Granted Equity Shares (together with any Share Equivalents and any shares of capital stock of the Company issued with respect to such Purchased Equity Shares or Granted Equity Shares by way of a stock dividend or distribution payable thereon (including, without limitation, any shares of Common Stock issued pursuant to Section 1.6 of Part B of Article IV of the Certificate of Incorporation as payment for the Accrued Dividends (as defined therein)) or stock split, reverse stock split, recapitalization, reclassification, reorganization, exchange, subdivision or combination thereof, the “**Shares**”) Owned by the Investors or (y) shares of Common Stock (the “**Common Shares**”)

Owned by the Key Common Holders will bear substantially the following legend reflecting the restrictions on the Transfer of such securities contained in this Agreement:

“THE SECURITIES EVIDENCED HEREBY ARE SUBJECT TO THE TERMS OF THAT CERTAIN AMENDED AND RESTATED STOCKHOLDERS AGREEMENT (AS AMENDED FROM TIME TO TIME) BY AND AMONG OUTSET MEDICAL, INC. AND CERTAIN INVESTORS IDENTIFIED THEREIN, INCLUDING CERTAIN RESTRICTIONS ON TRANSFER. A COPY OF THIS AGREEMENT HAS BEEN FILED WITH THE SECRETARY OF OUTSET MEDICAL, INC. AND IS AVAILABLE UPON REQUEST.”

(ii) If any certificates representing any Shares held by an Investor or Common Shares held by a Key Common Holder do not bear substantially the foregoing legend, such Investor or such Key Holder, as applicable, shall, as promptly as practicable after the date hereof, deliver all such certificates to the Company to enable the Company to place such legend on such certificates.

(iii) In the event that the restrictive legend set forth in **Section 1(a)(i)** above has ceased to be applicable to the Shares held by an Investor or the Common Shares held by a Key Common Holder, the Company shall provide such Investor or such Key Holder, as applicable, or his, her or its Transferee(s), at his, her or its request, with new certificates for such Shares or Common Shares, as applicable, not bearing the legend with respect to which the restriction has ceased and terminated. In connection with and following the Company’s initial registered offering of Common Stock of the Company or its successor to the public (the **“Initial Public Offering”**), if an Investor Transfers Shares in accordance with this Agreement (other than to Permitted Transferees), with respect to only the securities being Transferred, the Company shall provide such Investor, or his, her or its Transferee(s), at his, her or its request, with new certificates for such Shares being Transferred not bearing the legend with respect to which the restriction has ceased and terminated.

(b) **Additional Investors and Key Common Holders.** The parties hereto acknowledge that certain Persons, including, without limitation, directors, employees and consultants of the Company and its Affiliates and their Permitted Transferees, may become stockholders of the Company or holders of Share Equivalents after the date hereof. Except with respect to Transfers made pursuant to **Section 3**, as a condition to the issuance of shares of capital stock of the Company to them (including Share Equivalents), the Company may require such Persons to execute and deliver (i) an agreement in writing to be bound by the terms and conditions of this Agreement pursuant to a Joinder Agreement substantially in the form attached as **Exhibit A** hereto (a **“Joinder Agreement”**) or (ii) an agreement reasonably satisfactory to Warburg Pincus Private Equity X, L.P., Warburg Pincus X Partners, L.P. and WP X Finance, L.P. (collectively the **“WP X Funds”**, and together with any successors and affiliated funds, including Permitted Transferees, **“Warburg Pincus”**) containing restrictions substantially similar to those applicable to the Other Investors; *provided, however*, unless the consent of the WP X Funds is obtained, any such Persons shall not have the subscription rights contemplated by **Section 3(e)** herein; *provided further*, however, that if such Person is only receiving Granted Equity Shares, unless required by the Board, such Person shall not be required to become a party to this Agreement. With respect to any such Person required to become a party to this Agreement who is a director, employee or consultant of the Company, such Person shall be, and such Joinder Agreement or other agreement shall provide that such Person be, for purposes hereof, an Other Investor; *provided, however*,

unless the consent of the WP X Funds is obtained, any such Person shall not have the subscription rights contemplated by **Section 3(e)** herein. With respect to any such Person required to become a party to this Agreement who is not a director, employee or consultant of the Company, such Person shall be, and such Joinder Agreement or other agreement shall provide that such Person be, for purposes hereof, an Institutional Investor, Key Common Holder or an Other Investor, as determined by the Board with the written consent of the WP X Funds.

(c) Financial Reports and Other Information.

(i) For so long as (i) an Institutional Investor (other than the Vertical Funds, D1 and their respective Affiliates), together with such Institutional Investor's Affiliates, Owns Shares representing more than seven percent (7%) of the outstanding shares of Common Stock on a Fully Diluted Basis, (ii) a Mutual Fund Investor Owns any Shares, (iii) the Vertical Funds and their Affiliates Own any Shares, or (iv) D1 and its Affiliates collectively Own more than 50% of the Series E Shares purchased by D1 at the first closing (as adjusted for any stock split, dividend, recapitalization or the like), the Company shall provide to such Institutional Investor or Mutual Fund Investor the following:

(A) Quarterly Statements. As promptly as practical after they are provided to the Board, but in any event within sixty (60) days after the end of each of the first three (3) quarters of each fiscal year of the Company the unaudited quarterly financial statements of the Company and its subsidiaries, along with the then current capitalization table;

(B) Annual Audit. As promptly as practical after they are provided to the Board, but in any event no later than June 30th of the following fiscal year of the Company, audited annual financial statements of the Company and its subsidiaries, along with the then current capitalization table;

(C) Annual Budget. As promptly as practical after it is approved by the Board, a copy of the annual budget of the Company and its subsidiaries for the next fiscal year;

(D) Audit Reports. Promptly following receipt thereof, one copy of each audit report submitted to the Company by its independent accountants in connection with any annual (*provided, however*, the audit report of the Company's independent accountants in connection with the annual audit must be submitted along with the applicable audited financial statements), interim or special audit made by them of the books of the Company and its subsidiaries;

(E) Reports to Stockholders and Creditors. As promptly as practical after it is provided to the Company's stockholders or lenders, any material report that is provided to such stockholders or lenders;

(F) Capitalization Changes. As promptly as practical after the number of shares of Common Stock outstanding on a Fully Diluted Basis increases or decreases by more than one percent (1%), an updated capitalization table reflecting such changes; and

(G) Requested Information. As promptly as practical, such other data and information as from time to time may be reasonably requested by such Institutional Investor or Mutual Fund Investor.

(ii) Notwithstanding the foregoing, the Company shall have no obligation to provide the information required pursuant to this **Section 1(c)** to an Institutional Investor or Mutual Fund Investor to the extent that such Institutional Investor or Mutual Fund Investor and/or one of its Affiliates is a member of the Board or an employee of the Company and otherwise has access to such information. Notwithstanding anything else in this **Section 1(c)** to the contrary, the Company may cease providing the information set forth in this **Section 1(c)** during the period starting with the date sixty (60) days before the Company's good-faith estimate of the date of filing of a registration statement in connection with its Initial Public Offering 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 1(c)** 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.

(d) Inspection Rights. From and after the date hereof and for so long as (i) an Institutional Investor (other than the Vertical Funds, D1 and their respective Affiliates), together with its Affiliates, Owns at least seven percent (7%) of the outstanding Common Stock on a Fully Diluted Basis, (ii) a Mutual Fund Investor Owns any Shares, (iii) the Vertical Funds and their Affiliates Own any Shares, or (iv) D1 and its Affiliates collectively Own more than 50% of the Series E Shares purchased by D1 at the first closing (as adjusted for any stock split, dividend, recapitalization or the like), the Company will permit such Institutional Investor or Mutual Fund Investor and its nominees, assignees and representatives to, upon 48 hours advance notice, visit and inspect any of the properties of the Company and its subsidiaries, to examine all its books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss its affairs, finances and accounts with its officers, directors, key employees and independent public accountants or any of them (and by this provision the Company authorizes said accountants to discuss with such Institutional Investor or Mutual Fund Investor and its nominees, permitted assigns and representatives the finances and affairs of the Company and its subsidiaries), all at such reasonable times and as often as may be reasonably requested. The inspection rights in this **Section 1(d)** shall expire with respect to the Vertical Funds and their Affiliates upon completion of an Initial Public Offering.

(e) CFIUS. Mubadala and each of the other Investors and the Company and their respective affiliates and directors, officers, agents, and advisers agree to pursue no remedy against the other parties with respect to any claims and any damages to such parties that may result, directly or indirectly, after the date hereof, arising out of or relating to: (i) the decision not to make any filing pursuant to an applicable U.S. federal, state or local foreign investment law, regulation or order, including Section 721 of the Defense Production Act of 1950, as amended, including the implementing regulations thereof ("**Foreign Investment Law of the U.S.**"), or (ii) any inquiry, action, decision or order by a U.S. governmental authority pursuant to a Foreign Investment Law of the U.S., in each case, relating in any manner whatsoever to the Company or its businesses.

2. BOARD OF DIRECTORS.

(a) Election of Directors.

(i) As of the date hereof, the Board will consist of Scott Bartos, D. Keith Grossman, Thomas J. Carella, Leslie Trigg, Rohit Vishnoi, Patrick Hackett and Camilla Macapili Languille. From and after the date hereof, the Investors, Key Common Holders and the Company shall take all reasonable action within their respective power, including, but not limited to, the voting of (or acting by written consent with respect to) all shares of capital stock of the Company Owned by them (including the Shares and the Common Shares), required to cause the authorized size of the Board to be seven (7) members or such other number as the Board may from time to time establish (subject to any additional approvals required by the Certificate of Incorporation), and at all times throughout the term of this Agreement to include:

(A) as the directors elected by the holders of a majority of the outstanding shares of Preferred Stock (on an as-converted to Common Stock basis) pursuant to Section 3.2 of Part B of Article IV of the Certificate of Incorporation: (A) as long as Warburg Pincus and its Affiliates collectively hold shares of Common Stock and Preferred Stock representing, in the aggregate, at least twenty percent (20%) of the then total outstanding shares of Common Stock and Preferred Stock (on an as-converted to Common Stock basis), three (3) representatives designated by Warburg Pincus, two (2) of whom shall initially be Thomas J. Carella and Patrick Hackett (each, a “**Warburg Pincus Director**”), and one of (1) whom shall be a person who (x) is not an employee of Warburg Pincus or any of its Affiliates and (y) is Independent (as defined below), who shall initially be Scott Bartos (the “**Non-Employee Warburg Pincus Director**”), provided that the Investors, the Key Common Holders and the Company shall take all reasonable action within their respective power to ensure that the Non-Employee Warburg Director is the Chair of the Audit Committee of the Board; (B) as long as Warburg Pincus and its Affiliates collectively hold shares of Common Stock and Preferred Stock representing, in the aggregate, at least ten percent (10%) of the then total outstanding shares of Common Stock and Preferred Stock (on an as-converted to Common Stock basis) but less than twenty percent (20%) of the then total outstanding shares of Common Stock and Preferred Stock (on an as-converted to Common Stock basis), two (2) representatives designated by Warburg Pincus, each of whom shall be Warburg Pincus Directors; and (C) as long as Warburg Pincus and its Affiliates collectively hold shares of Common Stock and Preferred Stock representing, in the aggregate, less than ten percent (10%) of the then total outstanding shares of Common Stock and Preferred Stock (on an as-converted to Common Stock basis) (but at least one share of the Company), one (1) representative designated by Warburg Pincus, who shall be a Warburg Pincus Director;

(B) as the director elected by the holders of Series D Preferred Stock, as long as Mubadala and its Affiliates Owns Shares representing at least seven percent (7%) of the outstanding shares of Common Stock on a Fully Diluted Basis, one (1) representative who shall be designated by Mubadala (the “**Mubadala Director**”), who shall initially be Camilla Macapili Languille; and

(C) as the directors elected by the holders of the Preferred Stock and Common Stock, voting together as a single class on an as-converted basis, (A) one (1) representative who shall be the Company’s then current Chief Executive Officer, who shall

initially be Leslie Trigg (the “**CEO Director**”), *provided*, that if for any reason the CEO Director shall cease to serve as the Chief Executive Officer of the Company, the Investors, the Key Common Holders and the Company shall take all reasonable action within their respective power (a) to remove the former Chief Executive Officer of the Company from the Board if such person has not resigned as a member of the Board, and (b) to elect such person’s replacement as Chief Executive Officer of the Company as the new CEO Director; and (B) two (2) representatives who shall be Independent, each of whom shall be designated by a majority of the other sitting directors (which majority must include at least one Warburg Pincus Director), who shall initially be D. Keith Grossman and Rohit Vishnoi; *provided*, that one of the Independent Directors (as defined below) shall also be the Chair of the Board; and *provided, further*, that, notwithstanding anything to the contrary provided herein, (y) as long as Warburg Pincus is entitled to designate only two Warburg Pincus Directors and not a Non-Employee Warburg Pincus Director, the number of directors elected in accordance with this Section 2(a)(i) (C)(B) shall be three (3), each of whom shall be Independent and designated by a majority of the other sitting directors, one of whom will be the Chair of the Board and one of whom will be the Chair of the Audit Committee of the Board, and (z) as long as Warburg Pincus is entitled to designate only one Warburg Pincus Director and not a Non-Employee Warburg Pincus Director, the number of directors elected in accordance with this Section 2(a)(i) (C)(B) shall be four (4), each of whom shall be Independent and designated by a majority of the other sitting directors, one of whom will be the Chair of the Board and one of whom will be the Chair of the Audit Committee of the Board (the “**Independent Directors**”).

Each Warburg Pincus Director and the Non-Employee Warburg Pincus Director shall be a “**Series A Director**” for the purposes of the Certificate of Incorporation and the Mubadala Director shall be the “**Series D Director**” for the purposes of the Certificate of Incorporation. For purposes of this Section 2(a)(i), “**Independent**” shall mean a person other than (a) an executive officer or employee of the Company or any Key Holder (as defined below) or any Affiliate of a Key Holder, (b) any Affiliate of a Key Holder or (c) any other individual having a relationship with either the Company or any Key Holder which would interfere with the exercise of independent judgement in carrying out the responsibilities of a director (as determined in good faith by the Board). Notwithstanding the foregoing definition, the following persons shall not be considered Independent: (A) a person who is, or at any time during the past three years was or currently is, employed by the Company or any Key Holder; (B) a person who accepted or who has a Family Member (as defined below) who accepted any compensation from the Company or any Key Holder in excess of \$100,000 during any period of twelve consecutive months within the three years preceding the determination of independence; (C) a person who is a Family Member of an individual who is, or at any time during the past three years was, employed by the Company or any Key Holder as an executive officer of is an Affiliate of a Key Holder; or (D) a person who is, or has a Family Member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the Company or any Key Holder made, or from which the Company or any Key Holder received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient’s consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following: (i) payments arising solely from investments in the Company’s securities; or (ii) payments under non-discretionary charitable contribution matching programs. A “**Family Member**” of a Person shall mean a spouse; natural or adoptive parent, child or sibling; stepparent, stepchild, stepbrother or stepsister; father-, mother-, daughter-, son-, brother-, or sister-in-law; aunt or uncle; grandparent or grandchild; or the spouse of a grandparent or grandchild. For the purposes of the definition of “Independent”, the

“Company” shall include any direct or indirect subsidiaries or parent entity of, or any other entity controlled by or under common control with, the Company. For the purposes of this **Section 2(a)(i)**, “**Key Holder**” shall mean any Person who Owns Shares or Common Shares representing two percent (2%) or more of the outstanding Common Stock on a Fully Diluted Basis.

(ii) From the date on which the Company completes an Initial Public Offering, and for as long as Warburg Pincus and/or Mubadala, and their respective Affiliates own at least five percent (5%) and seven percent (7%), respectively, of the issued and outstanding Common Stock, the Company will nominate and use its best efforts (including, without limitation, soliciting proxies for each of the Warburg Pincus and Mubadala designees to the same extent as it does for any of its other nominees to the Board) to have (i) such number of individuals designated by Warburg Pincus and its Affiliates elected to the Board so that the number of individuals designated by Warburg Pincus and its Affiliates for election to the Board as compared to the size of the Board is proportionate to the number of Shares of issued and outstanding Common Stock then Owned by Warburg Pincus and its Affiliates as compared to the number of Shares of issued and outstanding Common Stock at such time, and (ii) one (1) individual designated by Mubadala elected to the Board; *provided, however*, that as long as Warburg Pincus and its Affiliates own at least five percent (5%) of the issued and outstanding Common Stock, Warburg Pincus shall have the right to designate at least one (1) individual for election to the Board. Following the Initial Public Offering, for as long as Warburg Pincus is entitled to appoint one or more persons to the Board, the Board, or a committee thereof consisting of non-employee directors (as such term is defined for purposes of Rule 16b-3 under the Exchange Act), shall, if requested by Warburg Pincus, and to the extent then permitted under applicable law, adopt resolutions and otherwise use reasonable efforts (without material cost to the Company) to cause any acquisition from the Company of securities or disposition of securities to the Company (including in connection with any exercise of warrants or other derivative securities held by Warburg Pincus or their Affiliates) to be exempt under Rule 16b-3 under the Exchange Act.

(b) **Replacement Directors.** In the event that any Warburg Pincus Director, Non-Employee Warburg Pincus Director or Mubadala Director, as applicable, designated in the manner set forth in **Section 2(a)** hereof is unable to serve, or once having commenced to serve, is removed or withdraws from the Board (a “**Withdrawing Director**”), such Withdrawing Director’s replacement (the “**Substitute Director**”) will be designated by Warburg Pincus or Mubadala, as applicable, so long as they continue to have the right to appoint a director under **Section 2(a)**; provided that any such replacement Non-Employee Warburg Pincus Director shall (a) not be an employee of Warburg Pincus or any of its Affiliates, (b) be Independent (as defined below) and (z) be the Chair of the Audit Committee of the Board. In the event that any Independent Director serving on the Board is unable to serve, or once having commenced to serve, is removed or withdraws from the Board, such former Independent Director’s replacement will be designated by and meet the same criteria as set forth in Section 2(a)(i)(C)(B). The Investors, the Key Common Holders and the Company agree to take all action within their respective power, including but not limited to, the voting of (or acting by written consent with respect to) all capital stock of the Company Owned by them (i) to cause the election of such Substitute Director or such replacement Independent Director promptly following his or her nomination pursuant to this **Section 2(b)** and (ii) upon the written request of Warburg Pincus (with respect to the Warburg Pincus Director and the Non-Employee Warburg Pincus Director only), Mubadala (with respect to the Mubadala Director only) or the holders of a majority of the Preferred Stock and Common Stock, voting

together as a single class on an as-converted basis (with respect to any Independent Director only), as applicable, to remove, with or without cause, any Warburg Pincus Director, the Non-Employee Warburg Pincus Director, the Mubadala Director or any Independent Director, as applicable.

(c) Committees of the Board. In the event that the Board establishes any committee thereof, (i) so long as Warburg Pincus is entitled to designate the Warburg Pincus Directors pursuant to this Agreement, a majority of the members of such committee shall be appointed by the Warburg Pincus Directors unless prohibited by law or applicable rules or regulations of any stock exchange or automated dealer quotation system on which the Common Stock is listed, excluding any committee formed to consider a transaction between Warburg Pincus and the Company, and (ii) so long as Mubadala is entitled to designate the Mubadala Director pursuant to this Agreement, such Mubadala Director shall be entitled to be a member of any committees of the Board unless prohibited by law or applicable rules or regulations of any stock exchange or automated dealer quotation system on which the Common Stock is listed, excluding any committee formed to consider a transaction between Mubadala and the Company.

(d) Warburg Pincus Observer Rights. From and after the date hereof and for so long as Warburg Pincus and its Affiliates Own at least five percent (5%) of the outstanding Common Stock on a Fully Diluted Basis, Warburg Pincus shall have the right to designate one (1) representative (the “**Warburg Pincus Observer**”) to attend and observe all meetings of the Board and any committees thereof (excluding any committee formed to consider a transaction between Warburg Pincus and the Company). The Warburg Pincus Observer shall be given notice of (in the same manner that notice is given to other members of the Board) all meetings (whether in person, telephonic or otherwise) of the Board, including all committee meetings. The Warburg Pincus Observer shall receive a copy of all notices, agendas and other material information distributed to the Board and any committees thereof (excluding any committee formed to consider a transaction between Warburg Pincus and the Company), whether provided to directors in advance or, during or after any meeting, regardless of whether the Warburg Pincus Observer shall be in attendance at the meeting. Notwithstanding anything to the contrary, such Warburg Pincus Observer shall agree to hold in confidence and trust all information so provided under this section; and provided further, that the Company reserves the right to withhold any information and to exclude such Warburg Pincus Observer from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, in each case as determined by the Board in good faith.

(e) Fidelity Observer Rights. From and after the date hereof until the earlier of the date (i) the Company completes an Initial Public Offering or (ii) Fidelity Management & Research Company (“**Fidelity**”) and its Affiliates Own less than five percent (5%) of the outstanding Common Stock on a Fully Diluted Basis, Fidelity shall have the right to designate one (1) representative (the “**Fidelity Observer**”) to attend and observe all meetings of the Board and any committees thereof (excluding any committee formed to consider a transaction between Fidelity and the Company). The Fidelity Observer shall be given notice of (in the same manner that notice is given to other members of the Board) all meetings (whether in person, telephonic or otherwise) of the Board, including all committee meetings. The Fidelity Observer shall receive a copy of all notices, agendas and other material information distributed to the Board and any committees thereof (excluding any committee formed to consider a transaction between Fidelity

and the Company) at the same time as distributed to the Board or such committee, whether provided to directors in advance or, during or after any meeting, regardless of whether the Fidelity Observer shall be in attendance at the meeting. Regardless of whether Fidelity has observer rights pursuant to this **Section 2(e)**, the Company shall promptly respond in a manner that is materially accurate, and shall use commercially reasonable efforts to cause its transfer agent to promptly respond in a manner that is materially accurate to all requests for information made on behalf of any Fidelity fund or account relating to (a) accounting or securities law matters required in connection with its audit or (b) the actual holdings of the Fidelity funds or accounts, including in relation to the total outstanding shares; provided however, that the Company shall not be obligated to provide any such information that could reasonably result in a violation of applicable law or conflict with the Company's insider trading policy or a confidentiality obligation of the Company. Notwithstanding anything to the contrary, all information provided to the Fidelity Observer under this section shall be subject to Section 3.05 of the Registration Rights Agreement; and provided further, that the Company reserves the right to withhold any information and to exclude such Fidelity Observer from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, in each case as determined by the Board in good faith. These rights shall expire once no Fidelity fund or account holds any securities of the Company that are restricted under the Securities Act of 1933, as amended.

(f) T. Rowe Price Observer And Other Rights.

(i) From and after the date hereof until the earlier of the date (i) the Company completes an Initial Public Offering or (ii) the T. Rowe Price Investors own, collectively, less than five percent (5%) of the outstanding Common Stock on a Fully Diluted Basis, the T. Rowe Price Investors shall have the right to designate one (1) representative (the "**T. Rowe Price Observer**") to attend and observe all meetings of the Board and any committees thereof (excluding any committee formed to consider a transaction between T. Rowe Price or any T. Rowe Price Investor and the Company). The T. Rowe Price Observer shall be given notice of (in the same manner that notice is given to other members of the Board) all meetings (whether in person, telephonic or otherwise) of the Board, including all committee meetings. The T. Rowe Price Observer shall receive a copy of all notices, agendas and other material information distributed to the Board and any committees thereof (excluding any committee formed to consider a transaction between T. Rowe Price or any T. Rowe Price Investor and the Company) at the same time as distributed to the Board or such committee, whether provided to directors in advance or, during or after any meeting, regardless of whether the T. Rowe Price Observer shall be in attendance at the meeting. Notwithstanding anything to the contrary, all information provided to the T. Rowe Price Observer under this section shall be subject to Section 3.05 of the Registration Rights Agreement; and provided further, that the Company reserves the right to withhold any information and to exclude such T. Rowe Price Observer from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, in each case as determined by the Board in good faith.

(ii) Regardless of whether T. Rowe Price Investors have observer rights pursuant to **Section 2(f)(i)** above, the Company shall promptly respond in a manner that is materially accurate, and shall use commercially reasonable efforts to cause its transfer agent to

promptly respond in a manner that is materially accurate, to all requests for information made on behalf of any T. Rowe Price Investor relating to (a) accounting or securities law matters required in connection with its audit or (b) the actual holdings of such T. Rowe Price Investor, including in relation to the total outstanding shares; provided however, that the Company shall not be obligated to provide any such information that could reasonably result in a violation of applicable law or conflict with the Company's insider trading policy or a confidentiality obligation of the Company. On or prior to the effectiveness of the Initial Public Offering, the Company shall provide each T. Rowe Price Investor written confirmation of its equity holdings in the Company (on an as-converted basis). The Company understands and acknowledges that in the regular course of a T. Rowe Price Investor's business, such T. Rowe Price Investor may invest in companies, other than the Company, that have issued securities that are publicly traded (each, a "**Public Company**"). Accordingly, the Company covenants and agrees that before providing material non-public information about a Public Company ("**Public Company Information**") to a T. Rowe Price Investor, the Company will provide prior written notice to the following compliance personnel at such T. Rowe Price Investor describing such information in reasonable detail: Ellen York, Vice President, ellen.york@troweprice.com, 410-345-4676 or in her absence to Sneha Parmar, Assistant Vice President, sneha.parmar@troweprice.com, 410-577- 8644. The Company shall not disclose Public Company Information to any T. Rowe Price Investor without written authorization from the applicable compliance personnel listed above, *provided, however*, that, the Company will be permitted to disclose agreements entered into with Public Companies in the ordinary course of business, such as routine customer, supplier, advertising and publishing agreements without such written authorization.

(g) Mubadala Observer Rights. From and after the date hereof and for so long as Mubadala and its Affiliates Own at least five percent (5%) of the outstanding Common Stock on a Fully Diluted Basis, Mubadala shall have the right to designate one (1) representative (the "**Mubadala Observer**") to attend and observe all meetings of the Board and any committees thereof (excluding any committee formed to consider a transaction between Mubadala and the Company). The Mubadala Observer shall be given notice of (in the same manner that notice is given to other members of the Board) all meetings (whether in person, telephonic or otherwise) of the Board, including all committee meetings. The Mubadala Observer shall receive a copy of all notices, agendas and other material information distributed to the Board and any committees thereof (excluding any committee formed to consider a transaction between Mubadala and the Company), whether provided to directors in advance or, during or after any meeting, regardless of whether the Mubadala Observer shall be in attendance at the meeting. Notwithstanding anything to the contrary, such Mubadala Observer shall agree to hold in confidence and trust all information so provided under this section; and provided further, that the Company reserves the right to withhold any information and to exclude such Mubadala Observer from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, in each case as determined by the Board in good faith.

(h) Vertical Funds Observer Rights. From and after the date hereof and until completion of an Initial Public Offering, for so long as the Vertical Funds and their Affiliates Own any Shares, the Vertical Funds shall have the right to designate one (1) representative (the "**Vertical Funds Observer**") to attend and observe all meetings of the Board and any committees thereof (excluding any committee formed to consider a transaction between the Vertical Funds and

the Company). The Vertical Funds Observer shall be given notice of (in the same manner that notice is given to other members of the Board) all meetings (whether in person, telephonic or otherwise) of the Board, including all committee meetings. The Vertical Funds Observer shall receive a copy of all notices, agendas and other material information distributed to the Board and any committees thereof (excluding any committee formed to consider a transaction between the Vertical Funds and the Company), whether provided to directors in advance or, during or after any meeting, regardless of whether the Vertical Funds Observer shall be in attendance at the meeting. Notwithstanding anything to the contrary, such Vertical Funds Observer shall agree to hold in confidence and trust all information so provided under this section; and provided further, that the Company reserves the right to withhold any information and to exclude such Vertical Funds Observer from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, in each case as determined by the Board in good faith.

(i) D1 Observer Rights. From and after the date hereof and for so long as D1 Capital Partners LP (“**D1**”) and its Affiliates own at least fifty percent (50%) of the shares of Series E Preferred Stock (or Common Stock issued on conversion of such shares of Series E Preferred Stock) purchased by D1 pursuant to the Series E Securities Purchase Agreement, D1 shall have the right to designate one (1) representative (the “**D1 Observer**”) to attend and observe all meetings of the Board and any committees thereof (excluding any committee formed to consider a transaction between D1 and the Company). The D1 Observer shall be given notice of (in the same manner that notice is given to other members of the Board) all meetings (whether in person, telephonic or otherwise) of the Board, including all committee meetings. The D1 Observer shall receive a copy of all notices, agendas and other material information distributed to the Board and any committees thereof (excluding any committee formed to consider a transaction between D1 and the Company), whether provided to directors in advance or, during or after any meeting, regardless of whether the D1 Observer shall be in attendance at the meeting. Notwithstanding anything to the contrary, such D1 Observer shall agree to hold in confidence and trust all information so provided under this section; and provided further, that the Company reserves the right to withhold any information and to exclude such D1 Observer from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, in each case as determined by the Board in good faith.

(j) Directors of Subsidiaries. From and after the date hereof and for or so long as (i) Warburg Pincus is entitled to elect at least one (1) member of the Board, Warburg Pincus shall be entitled to designate such Warburg Pincus Board designees (which directors shall be the Warburg Pincus Directors) to the board of directors or managers of each subsidiary, and (ii) Mubadala is entitled to elect a member to the Board, Mubadala shall be entitled to designate such Mubadala Board designee (which shall be the Mubadala Director) to the board of directors or managers of each subsidiary. In the event that Warburg Pincus or Mubadala, as applicable, exercise their respective rights pursuant to this **Section 2(i)** (Directors of Subsidiaries), the Company shall take all action within its power to cause such designee(s) to be appointed to such boards. Such designee(s) shall have the same right to participate on committees of the board of such subsidiaries as such designees have pursuant to **Section 2(c)** (Committees of the Board).

(k) **Indemnification, Expense Reimbursement and Other Rights.** In addition to any other indemnification rights the Warburg Pincus and Mubadala designees have pursuant to the Certificate of Incorporation, the Bylaws of the Company and any agreement with the Company, each Warburg Pincus Director, the Non-Employee Warburg Pincus Director and the Mubadala Director shall have the right to enter into, and the Company agrees to enter into, an indemnification agreement with each such Warburg Pincus Director, the Non-Employee Warburg Pincus Director and the Mubadala Director, as applicable, which indemnification agreement shall be consistent with indemnification agreements customarily entered into between companies and their independent board members. Following the Initial Public Offering, each Warburg Pincus Board designee shall be entitled to the same equity grants and other stock incentives provided to non-employee members of the Board (which grants shall have the same vesting and other terms provided to non-employee members of the Board) and the Warburg Pincus designees shall be paid the same Board and committee fees, if any, paid to non-employee members of the Board. The Company shall reimburse the reasonable expenses incurred by the Warburg Pincus designees, the Warburg Pincus Observer and the Vertical Funds Observer in connection with attending (whether in person or telephonically) all meetings of the Board or committees thereof or other Company related meetings to the same extent as all other members of the Board are reimbursed for such expenses (or, in case any such expense reimbursement policy shall apply only to non-employee directors, to the same extent as all other non-employee directors). The Company shall maintain director and officer insurance covering the Warburg Pincus Directors and the Mubadala Director on the same terms and with the same amount of coverage as is provided to other members of the Board.

3. TRANSFER OF STOCK

(a) **Resale of Securities.** Subject to compliance with **Section 3(b)** (Transfer Restrictions) to the extent applicable, any Institutional Investor shall be entitled to freely Transfer any Shares Owned by such Institutional Investor to any Person at any time and from time to time. No Other Investor shall Transfer any Shares Owned by such Other Investor other than in accordance with the provisions of this Agreement, including this **Section 3** (Transfer of Stock), and any other agreements binding such Other Investor. Any Transfer made by an Other Investor in violation of this Agreement, including this **Section 3** (Transfer of Stock), shall be null and void and of no effect. The Company shall not record on its stock transfer books or otherwise any Transfer of Shares in violation of the terms and conditions set forth herein. No Other Investor will pledge or otherwise grant a security interest in any Shares Owned by such Other Investor.

(b) **Transfer Restrictions.**

(i) **Transfer Restrictions Applicable to Other Investors that Are Not Mutual Fund Investors.** Until the earlier of (A) the Initial Public Offering, (B) the closing of a Deemed Liquidation Event and (C) the third anniversary of the date hereof, any Other Investor that is not a Mutual Fund Investor (a “**Transferring Investor**”) shall be prohibited from Transferring any Shares without the prior written consent of the Company and the WP X Funds, which consent may be withheld in their sole discretion; *provided, however*, a Transferring Investor shall be permitted to Transfer any Purchased Equity Shares Owned and Granted Equity Shares (but only to the extent vested) Owned by such Transferring Investor without the consent of the Company and the WP X Funds in connection with any of the following: (i) Transfers pursuant to

Section 3(d) (Drag-Along Rights); (ii) Transfers pursuant to **Section 3(b)(vi)(B)**; (iii) any Transfer to the Company, Warburg Pincus or D1 made with the consent of the Company, as approved by the Board; (iv) Transfers to Permitted Transferees made in compliance with this Agreement; and (v) Transfers pursuant to the terms of a Deemed Liquidation Event.

(ii) Transfer Restrictions Applicable to Mutual Fund Investors (other than Mubadala). Until the earlier of (A) the closing of the Initial Public Offering and (B) the closing of a Deemed Liquidation Event, no Mutual Fund Investor shall Transfer any Shares other than: (i) Transfers pursuant to **Section 3(c)** (Restrictions on Sales of Control of the Company) and **Section 3(d)** (Drag-Along Rights); (ii) Transfers to Qualified Purchasers following compliance with **Section 3(b)(vi)(C)** below; (iii) Transfers pursuant to the terms of a Deemed Liquidation Event; and (iv) Transfers to investment funds that share the same investment advisor with such Mutual Fund Investor.

(iii) Transfer Restrictions Applicable to Mubadala. Until the earlier of (A) the closing of the Initial Public Offering, (B) the closing of a Deemed Liquidation Event and (C) the third anniversary of the date hereof, Mubadala shall not Transfer any Shares other than: (i) Transfers pursuant to **Section 3(c)** (Restrictions on Sales of Control of the Company) and **Section 3(d)** (Drag-Along Rights); (ii) Transfers pursuant to the terms of a Deemed Liquidation Event; (iii) Transfers to Affiliates of Mubadala (excluding other operating companies into which Mubadala has invested); (iv) Transfers to entities owned by the Government of Abu Dhabi, subject to the Company's consent (which consent shall not be unreasonably withheld by the Company); or (v) Transfers to existing stockholders of the Company following compliance with **Section 3(b)(vi)** below. Following the third anniversary of the date hereof, in the event there has not been a closing of an Initial Public Offering or a Deemed Liquidation Event, then Mubadala may Transfer Shares owned by it to Persons not listed on **Exhibit B** (the "**Non- Permitted Transferees**") unless consented to by the Company (which consent may be withheld in the Company's sole discretion), according to the ROFO process set forth below. In the event Mubadala proposes to Transfer Shares following the third anniversary of the date hereof, Mubadala shall provide notice to the Company and to the Institutional Investors at least 30 days prior to consummation of the proposed Transfer (a "**ROFO Notice**"). The ROFO Notice shall include, with respect to the Transfer, at a minimum the number of Shares involved (the "**ROFO Shares**") and the non-binding desired closing date and purchase price (the "**Floor Price**"). The ROFO Shares shall be subject to a right of first offer, first, in favor of the Company and, second, in favor of the Institutional Investors that has made an Offer (each a "**ROFO**"). To exercise its ROFO, each of the Company and the Institutional Investors shall deliver an offer (each, an "**Offer**") to Mubadala within ten (10) days of receipt of the ROFO Notice. The Offer shall indicate the number of ROFO Shares the Company and each Institutional Investor is offering to purchase pursuant to their respective ROFOs, which may be up to the total number of ROFO Shares, and the purchase price and any other terms and conditions relevant to the purchase of the ROFO Shares. Mubadala shall be free to choose to sell all or any portion of the ROFO Shares to the Company or any of the Institutional Investors (each, a "**ROFO Investor**") based upon the terms of any Offer but may not sell the ROFO Shares to an Institutional Investor at the same or a lower price than the Company or any other Institutional Investor is offering to buy the ROFO Shares until the Company or any such other Institutional Investors, as applicable, has purchased all the ROFO Shares it is willing to purchase. If the ROFO Investors have offered to purchase more than the total number of ROFO Shares not being purchased by the Company, such ROFO Shares shall be allocated

among the ROFO Investors pro rata based on a fraction, the numerator of which shall be the number of Purchased Equity Shares held by a ROFO Investor and the denominator of which shall be the number of Purchased Equity Shares held by all ROFO Investors. If the ROFO Investors do not elect to purchase all of the ROFO Shares not being purchased by the Company, Mubadala may sell that portion of the ROFO Shares which have not been subscribed for by the Company and the ROFO Investor(s) to any Person, other than the Non-Permitted Transferees, at a price not below the Floor Price and if there are any other material terms and conditions, upon the same material terms and conditions set forth in the ROFO Notice. If Mubadala is willing to sell the ROFO Shares at the purchase price and upon such other terms and conditions specified in an Offer then the closing of the purchase of ROFO Shares shall occur according to the timeline set forth below in the last sentence of this **Section 3(b)(iii)**. If Mubadala is unwilling to sell the ROFO Shares at the purchase price and/or upon any other terms and conditions specified in any Offer provided by the Company or the Institutional Investors, then it shall provide notice (the “**Rejection Notice**”) to the Company and the Institutional Investors within thirty (30) days following the expiration of the Company and Institutional Investors’ ten (10) day Offer period. Following delivery of the Rejection Notice, Mubadala may solicit offers from any Person, other than the Non-Permitted Transferees, for a period of thirty (30) days thereafter but may not disclose any Offer to such third parties. In the event that one or more Person(s), other than Non-Permitted Transferees, offers to purchase the ROFO Shares at an aggregate price that is greater than the aggregate price specified in the Offer(s), Mubadala may sell the ROFO Shares to such Person(s) at such price for up to 180 days from the date of the Rejection Notice, at which time such unsubscribed ROFO Shares shall again be subject to a ROFO. If the Offer(s) failed to offer to purchase the total number of ROFO Shares, Mubadala shall be free to sell the unsubscribed ROFO Shares in accordance with the previous sentence, at any price above the Floor Price. If Mubadala does not receive any offers other than from the Company and the Institutional Investors, and such Offer(s) are to acquire the total number of ROFO Shares at a price greater than or equal to the Floor Price, Mubadala shall consummate the sale of the ROFO Shares for the price in the Offer(s) and upon such other terms and conditions mutually agreeable to the parties. If the consideration proposed to be paid for the ROFO Shares is in property, services or other non-cash consideration, the fair market value of the consideration (the “**FMV**”) shall be as determined in good faith by the Board, subject to the consent of Mubadala, not to be unreasonably withheld. If Mubadala disputes the FMV determined by the Board (a “**FMV Dispute**”), the Company shall obtain an appraisal from a third-party appraiser mutually agreeable to the Company and Mubadala (“**Appraiser**”), within 45 days of receipt of notice from Mubadala of such FMV Dispute, and the determination of such Appraiser, absent manifest error, shall be binding upon each of the Company and Mubadala. The costs and expenses of the Appraiser shall be borne by the Company if the Appraiser’s determination of FMV is different (more or less) than the FMV determined by the Board, but if not, then such costs and expenses shall be borne by Mubadala. If the Company or a ROFO Investor cannot for any reason pay for the ROFO Shares specified in its Exercise Notice in the same form of non-cash consideration, the Company or such ROFO Investor may pay the cash value equivalent thereof, as determined in good faith by the Board or through the resolution of a FMV Dispute. The closing of the purchase of ROFO Shares by the Company and any ROFO Investors shall take place by the later of (i) the date specified in the ROFO Notice as the intended date of the proposed Transfer, (ii) 45 days after delivery of the Offer, subject to an additional 45-day extension as necessary to obtain any required regulatory approvals and (iii) 10 days after the resolution of a FMV Dispute.

(iv) Transfers by Permitted Transferees and Qualified Purchasers.

(A) A Permitted Transferee of Shares or Common Shares of a Transferring Investor or Transferring Key Common Holder, as applicable, pursuant to this Agreement may subsequently Transfer his, her or its Shares or Common Shares, as applicable, only (i) to the Transferring Investor or Key Common Holder who Transferred such Shares or Common Shares, as applicable, to the Permitted Transferee, (ii) to a Person that is a Permitted Transferee of such Transferring Investor or Key Common Holder that originally transferred such shares to the Permitted Transferee, (iii) to D1, (iv) pursuant to a Deemed Liquidation Event or (v) pursuant to **Section 3(d)** (Drag-Along Rights). Each Permitted Transferee of any Transferring Investor or Key Common Holder to which Shares or Key Common Holder Shares are Transferred shall, and such Transferring Investor and Key Common Holder shall use best efforts to cause such Permitted Transferee to, Transfer back to such Transferring Investor or Key Common Holder (or to another Permitted Transferee of such Transferring Investor or Key Common Holder, as applicable) the Shares and Key Common Holder Shares it acquired from such Transferring Investor or Key Common Holder if such Permitted Transferee ceases to be a Permitted Transferee of such Transferring Investor or Key Common Holder, as applicable.

(B) A Qualified Purchaser of Shares of a Mutual Fund Investor pursuant to this Agreement may subsequently Transfer his, her or its Shares only to the Mutual Fund Investor who Transferred such Shares to the Qualified Purchaser or to a Person that is a Qualified Purchaser of such Mutual Fund Investor at the time of such Transfer. Each Qualified Purchaser of any Mutual Fund Investor to which Shares are Transferred shall, and such Mutual Fund Investor shall use best efforts to cause such Qualified Purchaser to, Transfer back to such Mutual Fund Investor (or to another Qualified Purchaser) the Shares it acquired from such Mutual Fund Investor if such Qualified Purchaser ceases to be a Qualified Purchaser.

(v) Transfers – Generally. No Transfer of Shares Owned by any Investor or Common Shares Owned by any Key Common Holder may be made by such Investor or Key Common Holder, as applicable, unless (i) as a condition precedent to the Transfer, the Transferee has agreed in writing to be bound by the terms and conditions of this Agreement pursuant to a Joinder Agreement and have the same rights and obligations of such transferring Investor (including if the Investor is (I) Warburg Pincus (including the WP X Funds), the same rights and obligations as Warburg Pincus and the WP X Funds hereunder, or (II) the Vertical Funds, the same rights and obligations as the Vertical Funds hereunder (other than if (A) the Transfer is conducted pursuant to and in accordance with **Section 3(d)** (Drag-Along Rights) or (B) the Transfer is to the Company or one or more of the Institutional Investors) or such transferring Key Common Holder, as applicable, and (ii) the Transfer complies in all respects with the applicable provisions of this Agreement. Absent Mubadala's prior written consent, no Transfer of Shares by any Investor may be made if such Transfer would result in Mubadala and its Affiliates and any entities owned by the Government of Abu Dhabi, in each case to the knowledge of the transferor based on representations requested by the transferor, collectively holding 50% or more of (i) the total outstanding Series D Preferred Stock or (ii) the total outstanding capital stock of the Company.

(vi) Right of First Refusal.

(A) Applicable to a Transferring Investor and Key Common Holder. In the event that a Transferring Investor proposes to Transfer Shares or a Key Common Holder proposes to Transfer Common Shares (the “**Transferring Key Common Holder**”) (i) to a

Person that is not otherwise permitted pursuant to the terms of this Agreement without the prior written consent of the Company and the WP X Funds or (ii) following the third anniversary of the date hereof (except in connection with Transfers pursuant to **Section 3(b)(iii)**), such Transferring Investor and Transferring Key Common Holder shall provide copies of the proposed terms of the Transfer to the Company and the Institutional Investors at least 45 days prior to consummation of the proposed Transfer (a “**ROFR Notice**”). The ROFR Notice shall include, with respect to the Transfer, at a minimum, the name and address of the prospective third party Transferee, the number of Shares and Common Shares involved (the “**ROFR Shares**”), the price at which the ROFR Shares are being sold and the estimated closing date. The ROFR Shares shall be subject to a right of first refusal, first, in favor of the Company and, second, in favor of the Institutional Investors (each a “**ROFR**”). To exercise its ROFR, the Company must deliver a notice (an “**Exercise Notice**”) to the Transferring Investor, the Transferring Key Common Holder and the Institutional Investors within ten (10) days of its receipt of the ROFR Notice. The Exercise Notice shall indicate the number of ROFR Shares the Company is electing to purchase pursuant to its ROFR, which may be up to the total number of ROFR Shares. If the Company does not elect to purchase all of the ROFR Shares, an Institutional Investor may and, in order to exercise its ROFR, must, deliver an Exercise Notice to the Transferring Investor, the Transferring Key Common Holder and the Company following the expiration of the Company’s ten (10) day Exercise Notice period and within twenty (20) days of its receipt of the ROFR Notice. The Exercise Notice shall indicate the number of ROFR Shares such Institutional Investor (a “**ROFR Investor**”) is electing to purchase pursuant to its ROFR, which may be up to the total number of ROFR Shares not being purchased by the Company. If the ROFR Investors have elected to purchase more than the total number of ROFR Shares not being purchased by the Company, such ROFR Shares shall be allocated among the ROFR Investors pro rata based on a fraction, the numerator of which shall be the number of Purchased Equity Shares held by a ROFR Investor and the denominator of which shall be the number of Purchased Equity Shares held by all ROFR Investors. If the ROFR Investors do not elect to purchase all of the ROFR Shares not being purchased by the Company, the Transferring Investor and Transferring Key Common Holder shall sell that portion of the ROFR Shares which have been subscribed for by the Company and the ROFR Investor(s) to the Company and such ROFR Investor(s), as applicable, and the Transferring Investor and Transferring Key Common Holder shall be free to Transfer the remaining Shares to the proposed Transferee set forth in the ROFR Notice on the terms and conditions set forth in the ROFR Notice for up to 180 days, at which time such unsubscribed Shares shall again be subject to a ROFR. If the consideration proposed to be paid for the ROFR Shares 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. If the Company or a ROFR Investor cannot for any reason pay for the ROFR Shares specified in its Exercise Notice in the same form of non- cash consideration, the Company or such ROFR Investor may pay the cash value equivalent thereof, as determined in good faith by the Board. The closing of the purchase of ROFR Shares by the Company and any ROFR Investors shall take place by the later of (i) the date specified in the ROFR Notice as the intended date of the proposed Transfer and (ii) 45 days after delivery of the ROFR Notice.

(B) Applicable to a Major Transferring Holder. Notwithstanding anything in Section 3(b)(vi)(A) or 3(b)(vi)(C) to the contrary, in the event that any Investor (other than a Mutual Fund Investor) or Key Common Holder Owning Shares or Common Shares, as applicable, representing more than five percent (5%) of the outstanding shares of Common Stock on a Fully Diluted Basis (each, for the purposes of this Section 3(b)(vi)(B), a “**Major Transferring**”

Holder”) intends to make or accept an offer to Transfer Shares or Common Shares that constitute twenty percent (20%) or more of the Shares or Common Shares, applicable, Owned by such Transferring Investor or Key Common Holder (the “**Major Transfer Shares**”), and, to the extent that **Section 3(b)(vi)(A)** or **Section 3(b)(vi)(C)** is otherwise applicable to such transfer, prior to proceeding with the process set forth in **Section 3(b)(vi)(A)** or **Section 3(b)(vi)(C)**, as applicable, the Major Transferring Holder shall provide written notice to D1 prior to accepting or making such offer to Transfer, (a “**Major Transfer ROFN Notice**”). The Major Transfer ROFN Notice shall include, with respect to the Transfer, the number of Shares or Common Shares that the Major Transferring Holder desires to Transfer (the “**Major Transfer ROFN Shares**”), and the minimum price (the “**Minimum Price**”) at which the Major Transferring Holder desires to Transfer the Major Transfer ROFN Shares. The Major Transfer ROFN Shares shall be subject to a right of first negotiation in favor of D1 under this **Section 3(b)(vi)(B)**, prior to the ROFR set forth in **Section 3(b)(vi)(A)** or the Qualified Transfer ROFR set forth in **Section 3(b)(vi)(C)** (the “**Major Transfer ROFN**”). To exercise the Major Transfer ROFN, D1 must deliver a written notice (a “**ROFN Exercise Notice**”) to the Major Transferring Holder within five (5) Business Days of its receipt of the Major Transfer ROFN Notice stating that it desires to enter into good faith negotiations with the Major Transferring Holder regarding the purchase of all of the Major Transfer ROFN Shares. If D1 does provide the ROFN Exercise Notice within such period, then Major Transferring Holder shall negotiate in good faith with D1 concerning the terms of the purchase and sale of the total amount of the Major Transfer ROFN Shares for a period of five (5) Business Days (the “**Exclusive Negotiation Period**”). If D1 does not provide the ROFN Exercise Notice within such period, or if D1 does provide the ROFN Exercise Notice within such period and the parties thereafter do not execute an agreement with respect to the purchase and sale of all of the Major Transfer ROFN Shares within the Exclusive Negotiation Period, then, subject to any other restrictions contained herein or in the Restated Certificate or Bylaws, the Major Transferring Holder shall be free to negotiate and enter into an agreement to Transfer no less than 95% of the total number of Major Transfer ROFN Shares to any third party at a price per share equal to or greater than the lesser of (x) the Minimum Price and (y) the per share price, if any, offered by D1, or otherwise on terms and conditions (including, without limitation, type of consideration, payment structure, closing conditions and certainty, transaction structure, tax treatment and escrow and indemnification provisions) that are more favorable, on the whole, to the Major Transferring Holder than the terms and conditions, if any, offered by D1 (as determined in good faith by the Major Transferring Holder); *provided*, if the Major Transferring Shareholder does not Transfer all of such Major Transfer ROFN Shares in accordance with the terms hereof within 180 days of the last day of the Exclusive Negotiation Period, such non-Transferred Major Transfer ROFN Shares shall again be subject to a Major Transfer ROFN in favor of D1. If the consideration proposed to be paid for the Major Transfer ROFN Shares 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.

(C) Applicable to a Mutual Fund Investor. In the event that a Mutual Fund Investor (except in connection with Transfers pursuant to **Section 3(b)(iii)**) proposes to make a Transfer of Shares to a Qualified Purchaser (a “**Qualified Transfer**”), such Mutual Fund Investor shall provide copies of the terms of the Qualified Transfer to the Company and the Institutional Investors at least 45 days prior to consummation of the proposed Qualified Transfer (a “**Qualified Transfer ROFR Notice**”). The Qualified Transfer ROFR Notice shall include, with respect to the Qualified Transfer, at a minimum, the name and address of the prospective Qualified Purchaser,

the number of Shares involved (the “**Qualified Transfer ROFR Shares**”), the price at which the Qualified Transfer ROFR Shares are being sold and the estimated closing date. The Qualified Transfer ROFR Shares shall be subject to a right of first refusal in favor of the Institutional Investors (a “**Qualified Transfer ROFR**”). To exercise its Qualified Transfer ROFR, an Institutional Investor must deliver a notice to the Mutual Fund Investor and the Company within twenty (20) days of its receipt of the Qualified Transfer ROFR Notice (a “**Qualified Transfer Exercise Notice**”). The Qualified Transfer Exercise Notice shall indicate the number of Qualified Transfer ROFR Shares such Institutional Investor (a “**Qualified Transfer ROFR Investor**”) is electing to purchase pursuant to its Qualified Transfer ROFR, which may be up to the total number of Qualified Transfer ROFR Shares. If the Qualified Transfer ROFR Investors have elected to purchase more than the total number of Qualified Transfer ROFR Shares, the Qualified Transfer ROFR Shares shall be allocated among the Qualified Transfer ROFR Investors pro rata based on a fraction, the numerator of which shall be the number of Purchased Equity Shares held by a Qualified Transfer ROFR Investor and the denominator of which shall be the number of Purchased Equity Shares held by all Qualified Transfer ROFR Investors. If the Qualified Transfer ROFR Investors do not elect to purchase all of the Qualified Transfer ROFR Shares, then the Institutional Investors shall be deemed to have forfeited any right to purchase such Qualified Transfer ROFR Shares, and the selling Mutual Fund Investor shall be free to sell all, but not less than all, of the Qualified Transfer ROFR Shares to the Qualified Purchaser on terms and conditions substantially similar to (and in no event more favorable in the aggregate than) the terms and conditions set forth in the Qualified ROFR Transfer Notice, it being understood and agreed that (i) any such sale or transfer is subject to the other terms and restrictions of this Agreement, including without limitation, the terms and restrictions set forth in **Section 3(b)(v)**; (ii) any future Qualified Transfer shall remain subject to the terms and conditions of this Agreement, including this **Section 3(b)(vi)(B)**; and (iii) such sale shall be consummated within 180 days after receipt of the Qualified Transfer ROFR Notice by the Company and, if such sale is not consummated within such 180 day period, such sale shall again become subject to the Qualified Transfer ROFR on the terms set forth herein. If the consideration proposed to be paid for the Qualified Transfer ROFR Shares 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. If a Qualified Transfer ROFR Investor cannot for any reason pay for the Qualified Transfer ROFR Shares specified in its Qualified Transfer Exercise Notice in the same form of non-cash consideration, such Qualified Transfer ROFR Investor may pay the cash value equivalent thereof, as determined in good faith by the Board. The closing of the purchase of Qualified Transfer ROFR Shares by the Qualified Transfer ROFR Investors shall take place by the later of (i) the date specified in the Qualified Transfer ROFR Notice as the intended date of the proposed Qualified Transfer and (ii) 45 days after delivery of the Qualified Transfer ROFR Notice.

(D) Exempted Transfers. Notwithstanding the foregoing or anything to the contrary herein, the provisions of **Section 3(b)(vi)(A)**, **Section 3(b)(vi)(B)** or **Section 3(b)(vi)(C)** shall not apply to the Transfer of Shares or Common Shares pursuant (i) to the terms of a Deemed Liquidation Event or (iii) **Section 3(d)** (Drag-Along Rights).

(c) Restrictions on Sales of Control of the Company. No Investor or Key Common Holder shall be party to any transaction or series of related transactions in which a person or entity, or a group of related persons or entities, acquires from stockholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company (a

“**Stock Sale**”) unless all holders of Preferred Stock are allowed to participate in such transaction and the consideration received pursuant to such transaction is allocated among the parties thereto in the manner specified in the Certificate of Incorporation, as in effect immediately prior to the Stock Sale (as if such transaction were a Deemed Liquidation Event), unless holders of at least (a) a majority of the outstanding shares of the Series A Preferred Stock voting together as a single class, (b) a majority of the outstanding shares of the Series B Preferred Stock voting together as a single class, (c) a majority of the outstanding shares of the Series C Preferred Stock voting as a single class, (d) a majority of the outstanding shares of the Series D Preferred Stock voting together as a single class, and (e) a majority of the outstanding shares of the Series E Preferred Stock voting together as a single class, elect otherwise by written notice given to the Company at least five days prior to the effective date of any such transaction or series of related transactions. For the avoidance of doubt, the redemption by the Company of outstanding shares of Preferred Stock pursuant to the Certificate of Incorporation shall in no event be considered a Stock Sale subject to this **Section 3(c)**.

(d) Drag-Along Rights.

(i) Subject to **Section 3(d)(v)**, if at any time and from time to time after the date of this Agreement, Warburg Pincus and its Affiliates (the “**Majority Holders**”) desire to (i) Transfer in a bona fide arms’ length sale all of their Shares to any Person or Persons who are not Affiliates of the Company or the Majority Holders, (ii) approve any merger of the Company with or into any other Person who is not an Affiliate of the Company or the Majority Holders that would constitute a Deemed Liquidation Event or (iii) approve any sale of all or substantially all of the Company’s assets to any Person or Persons who are not Affiliates of the Company or the Majority Holders that would constitute a Deemed Liquidation Event (for purposes of this **Section 3(d)** (Drag-Along Rights), any such Person is referred to as the “**Proposed Transferee**” and any such transaction is referred to as the “**Proposed Sale**”), the Majority Holders shall have the right (for purposes of **Section 3(d)**, the “**Drag-Along Right**”), but not the obligation, (x) in the case of a Transfer of the type referred to in clause (i) of this sentence, to require each other Investor and each Key Common Holder to sell to the Proposed Transferee all of such Investor’s Shares or such Key Common Holder’s Common Shares, as applicable, with the aggregate consideration for the sale of shares held by the Majority Holders, the other Investors and the Key Common Holders paid to such Investors and the Key Common Holders according to the Certificate of Incorporation in effect immediately prior to such sale (as if such transaction were a Deemed Liquidation Event) or (y) in the case of a merger or sale of assets or other Deemed Liquidation Event referred to in clauses (ii) or (iii) of this sentence, to require each other Investor and each Key Common Holder to vote (or act by written consent with respect to) all Shares or Common Shares then Owned by such other Investor or Key Common Holder, as applicable, in favor of such transaction and to waive any dissenters’ rights, appraisal rights or similar rights such Investor or such Key Common Holder may have under applicable law. Subject to **Section 3(d)(v)**, each Investor and each Key Common Holder agrees to take all steps necessary to enable such Investor or such Key Common Holder, as applicable, to comply with the provisions of this **Section 3(d)** (Drag-Along Rights) to facilitate the Majority Holders’ exercise of a Drag-Along Right.

(ii) Notwithstanding the foregoing, an Investor or Key Common Holder will not be required to comply with this **Section 3(d)** in connection with any Proposed Sale unless upon the consummation of the Proposed Sale (i) each holder of each class or series of the Company’s

stock will receive the same form of consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of stock, (ii) each holder of a series of Preferred Stock will receive the same amount of consideration per share of such series of Preferred Stock as is received by other holders in respect of their shares of such same series, and (iii) each holder of Common Stock will receive the same amount of consideration per share of Common Stock as is received by other holders in respect of their shares of Common Stock; *provided, however*, that, notwithstanding the foregoing, if the consideration to be paid in exchange for the Shares Owned by an Investor or the Common Shares Owned by a Key Common Holder pursuant to this **Section 3(d)** includes any securities and due receipt thereof by any Investor would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Investor or Key Common Holder of any information other than such information as a prudent issuer would generally furnish in an offering made solely to “**accredited investors**” as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Investor or Key Common Holder, applicable, in lieu thereof, against surrender of such Shares Owned by such Investor or such Common Shares Owned by such Key Common Holder which would have otherwise been sold by such Investor or such Key Common Holder, an amount in cash equal to the fair value (as determined in good faith by the Board) of the securities which such Investor or such Key Common Holder would otherwise receive as of the date of the issuance of such securities in exchange for such Shares Owned by such Investor or such Common Shares Owned by such Key Common Holder.

(iii) To exercise a Drag-Along Right, the Majority Holders shall give each Investor and each Key Common Holder a written notice (for purposes of this **Section 3(d)**, a “**Drag-Along Notice**”) containing the terms of payment and other material terms and conditions of the Proposed Transferee’s offer. Subject to **Section 3(d)(v)**, each Investor and each Key Common Holder shall thereafter be obligated to sell or vote (or act by written consent with respect to) all Shares (including any Share Equivalents) Owned by such Investor and all Common Shares Owned by such Key Common Holder, as applicable, *provided* that the sale to the Proposed Transferee is consummated within 180 days of delivery of the Drag-Along Notice. If the sale, merger or other transaction contemplated by this **Section 3(d)** (Drag-Along Rights) is not consummated within such 180-day period, then each Investor and each Key Common Holder shall no longer be obligated to sell such Shares Owned by such Investor or such Common Shares Owned by such Key Common Holder pursuant to that specific Drag-Along Right but shall remain subject to the provisions of this **Section 3(d)** (Drag-Along Rights).

(iv) Subject to **Section 3(d)(v)**, each Investor and each Key Common Holder shall execute and deliver such instruments of conveyance and transfer and take such other action, including executing any purchase agreement, merger agreement, indemnity agreement, escrow agreement or related documents, as may be reasonably required by the Majority Holders or the Company in order to carry out the terms and provisions of this **Section 3(d)** (Drag-Along Rights); *provided, however*, that (i) except as provided below, each Investor will be severally liable for its pro rata portion of any purchase price adjustment, escrow or indemnification obligations resulting from any inaccuracy of any representations and warranties made by the Company, (ii) any representations and warranties to be made by such Investor in connection with the Proposed Sale are limited to the following representations and warranties that (a) such Investor holds all right, title and interest in and to the Shares such Investor purports to hold, free and clear of all liens and

encumbrances, (b) the obligations of such Investor in connection with the transaction have been duly authorized, if applicable, (c) the documents to be entered into by such Investor have been duly executed by such Investor and delivered to the acquirer and are enforceable against such Investor in accordance with their respective terms, (d) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of such Investor's obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency, (e) such Investor is an "**accredited investor**" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission under the Securities Act, and (f) such Investor has not engaged any brokers, finders or similar agents in connection with the Proposed Sale, (iii) each Investor will be 100% liable on a several basis for any representations, warranties and indemnities with respect to the unencumbered title to Shares Owned by such Investor, the power, authority and legal right of such Investor to Transfer Shares Owned by such Investor pursuant to such Drag-Along Right, the absence of any Encumbrance or adverse claim regarding Shares Owned by such Investor and related matters pertaining solely to such Investor (including fraud by such Investor), (iv) each Investor's pro rata share for purposes of the foregoing clause (i) shall equal the proportion of any payments arising from such liability that results in such Investor receiving the same consideration in the sale pursuant to such Drag-Along Right as such Investor would have received had the aggregate consideration payable in the sale pursuant to such Drag-Along Right equaled the aggregate consideration payable in such sale net of the aggregate amount of all payments that are required to be made by such Investor in respect of such liabilities described in clause (i) and (iv) no Investor shall be required to be bound by a non-compete, no-hire, non-solicit or similar restrictive covenant (excluding, for clarity, any such restrictive covenants that existed prior to the sale pursuant to such Drag-Along Right). Notwithstanding the foregoing, except in the case of fraud by the Investor, the aggregate amount of liability of each Investor shall not exceed the proceeds received by such Investor in connection with the sale pursuant to such Drag-Along Right. Each Investor (other than D1, Fidelity, the T. Rowe Price Investors and their respective Affiliates) acknowledges the rights of the WP X Funds to act on behalf of such Investor pursuant to **Section 6(l)** (Grant of Irrevocable Proxy). At the closing of the proposed transaction, each Investor and each Key Common Holder shall deliver, against receipt of the consideration payable in such transaction, certificates representing the Shares which the Investor Owns or the Common Shares which the Key Common Holder Owns, together with executed stock powers or other instruments of transfer acceptable to the Majority Holders.

(v) Notwithstanding the foregoing, a separate consent of the holders of a majority of the shares of Series E Preferred Stock (which such majority shall include the affirmative written consent of D1 for so long as D1 and its Affiliates continues to own at least 15,131,477 shares of Series E Preferred Stock (as adjusted for stock splits, combinations, recapitalizations and the like)) shall be required for the Majority Holders to exercise their Drag Along Right with respect to any Proposed Sale in which the per share proceeds received per share of Series E Preferred Stock (or Common Stock issuable upon conversion thereof) at or upon the initial closing of such Proposed Sale is less than 1.2x the Series E Original Issue Price (as defined in the Certificate of Incorporation, and as adjusted for stock splits, combinations, recapitalizations and the like); *provided* that for purposes of the preceding clause, any consideration subject to an escrow or conditioned or contingent upon future events, including earn outs, milestones or the like, shall not be included in the calculation of the per share proceeds payable on the Series E Preferred Stock (or Common Stock issuable upon conversion thereof) at or upon the initial closing of the Proposed Sale.

(e) Subscription Right.

(i) If at any time after the date hereof and prior to the Initial Public Offering, the Company proposes to issue equity securities of any kind (for purposes of this **Section 3(e)**, the term “**equity securities**” shall include any warrants, options or other rights to acquire equity securities or debt securities convertible into equity securities) of the Company (other than the issuance of securities (i) upon conversion of the Preferred Stock pursuant to the Certificate of Incorporation, (ii) to the public in a firm commitment underwriting pursuant to a registration statement filed under the Securities Act, (iii) pursuant to the acquisition of another Person by the Company or any subsidiary, whether by purchase of stock, merger, consolidation, purchase of all or substantially all of the assets of such Person or otherwise, provided such acquisition has been approved by the Board and such securities are being issued as consideration for the transaction and not in connection with financing the transaction, (iv) pursuant to an employee stock option plan, stock bonus plan, stock purchase plan, employment agreement or other management equity program approved by the Board, including at least one Warburg Pincus Director, (v) to vendors, lenders and customers of and consultants to the Company or any subsidiary or in connection with a strategic partnership (provided such securities are being issued as consideration for the strategic partnership and not in connection with financing the strategic partnership), in each case, to the extent such issuance has been approved by the Board, including at least one Warburg Pincus Director, (vi) by reason of a dividend, stock split or other distribution on shares of Common Stock or Preferred Stock (including, without limitation, any shares of Common Stock issued pursuant to Section 1.6 of Part B of Article IV of the Certificate of Incorporation as payment for the Accrued Dividends (as defined therein)), (vii) pursuant to the Series E Securities Purchase Agreement, (viii) to any Other Investor pursuant to the terms of any employment or similar agreement between the Company and such Other Investor to the extent such employment or similar agreement was approved by the Board, including at least one Warburg Pincus Director), or (ix) upon the exercise of warrants, issued and outstanding as of the date hereof, to purchase the capital stock of the Company, then, subject to the provisions set forth below, including **Section 3(e)(vi)** below, as to each Institutional Investor and each Mutual Fund Investor (including Mubadala and its Affiliates, such Affiliates subject to Company consent, such consent not to be unreasonably withheld) and each Other Investor listed on Schedule III hereto, provided that such Other Investor is an employee of the Company or its subsidiaries at such time (each a “**Subscription Right Investor**”), the Company shall:

(A) give written notice setting forth in reasonable detail (1) the designation and all of the terms and provisions of the securities proposed to be issued (the “**Proposed Securities**”), including, where applicable, the voting powers, preferences and relative participating, optional or other special rights, and the qualification, limitations or restrictions thereof and interest or dividend rate and maturity; (2) the price and other terms of the proposed sale of such securities; (3) the amount of such securities proposed to be issued; and (4) such other information as a Subscription Right Investor may reasonably request in order to evaluate the proposed issuance; and

(B) offer to issue to each such Subscription Right Investor a portion of the Proposed Securities equal to a percentage determined by dividing (1) the number of shares of Common Stock Owned by such Subscription Right Investor as a result of Purchased Equity Shares (excluding, for the sake of clarity, any Granted Equity Shares, whether or not vested), by (2) the total number of shares of Common Stock then outstanding on a Fully Diluted Basis.

(ii) Each such Subscription Right Investor must exercise his, her or its purchase rights hereunder, in whole or in part, within ten (10) days after receipt of such notice from the Company or such shorter period as may be required by the Company if the Company determines in good faith that a shorter period is necessary. If all of the Proposed Securities offered to such Subscription Right Investors are not fully subscribed for by such Subscription Right Investors, the remaining Proposed Securities will be reoffered to the Subscription Right Investors purchasing their full allotment upon the terms set forth in this **Section 3(e)** (Subscription Right), until all such Proposed Securities are fully subscribed for or until all such Subscription Right Investors have subscribed for all such Proposed Securities which they desire to purchase, except that such Subscription Right Investors must exercise their purchase rights within three (3) Business Days after receipt of all such reoffers or such shorter period as may be required by the Company if the Company determines in good faith that a shorter period is necessary. To the extent that the Company offers two or more securities to all prospective purchasers in a proposed issuance in units, such as convertible notes coupled with attached warrants (and only in such units), such Subscription Right Investors must purchase such units as a whole and will not be given the opportunity to purchase only one of the securities making up such unit.

(iii) Upon the expiration of the offering periods described above (as such periods may be shortened by the Company), the Company will be free to sell such Proposed Securities that such Subscription Right Investors have not elected to purchase during the 90 days following such expiration on terms and conditions not materially more favorable to the purchasers thereof than those offered to such Subscription Right Investors. Any Proposed Securities offered or sold by the Company after such ninety (90)-day period must be reoffered to such Subscription Right Investors pursuant to this **Section 3(e)** (Subscription Right).

(iv) The election by a Subscription Right Investor not to exercise such Subscription Right Investor's subscription rights under this **Section 3(e)** (Subscription Right) in any one instance shall not affect such Subscription Right Investor's right (other than in respect of a reduction in such Subscription Right Investor's percentage holdings) as to any subsequent proposed issuance subject to this **Section 3(e)** (Subscription Right). If the Company determines in good faith that circumstances require the Company to sell the Proposed Securities to the Institutional Investors or their respective Affiliates, the Company shall be permitted to sell such Proposed Securities to such Institutional Investors and/or their respective Affiliates provided that promptly following such sale, the Company permits each Subscription Right Investor having rights under this **Section 3(e)** (Subscription Right) to purchase such Subscription Right Investor's proportionate amount of such Proposed Securities in the manner contemplated by this **Section 3(e)** (Subscription Right).

(v) Each such Subscription Right Investor shall, if requested by the Company and the Institutional Investors participating in such issuance of equity securities, execute a stockholders agreement (or consent to an amendment to this Agreement) with respect to such Proposed Securities with terms that are (to the extent practicable) substantially equivalent to, *mutatis mutandis*, the terms of this Agreement.

(vi) Notwithstanding the foregoing and without limiting the rights of any Investor under the Series E Securities Purchase Agreement, if (i) the Institutional Investors and/or their Affiliates waive their subscription rights pursuant to this **Section 3(e)** or otherwise elect to not exercise their subscription rights pursuant to this **Section 3(e)** and (ii) no Institutional Investor or Affiliate of an Institutional Investor purchases any of the Proposed Securities, then, as to each Other Investor who has subscription rights pursuant to this **Section 3(e)**, such Other Investors shall automatically without any further action be deemed to have waived their rights pursuant to this **Section 3(e)**.

4. TERMINATION.

(a) Upon the closing of a Qualified Public Offering or, at the written election of the Majority Institutional Investors (including D1), an Initial Public Offering, this Agreement shall automatically terminate except with respect to the following Sections which shall survive such termination in accordance with their terms:

- (i) **Section 1(a)** (Legends);
- (ii) **Sections 2(a)(ii)** (Post-IPO Board Seats);
- (iii) **Section 2(c)** (Committees of the Board);
- (iv) **Section 2(d)** (Warburg Pincus Observer Rights);
- (v) **Section 2(i)** (Directors of Subsidiaries);
- (vi) **Section 2(j)** (Indemnification, Expense Reimbursement and Other Rights);
- (vii) **Section 4** (Termination);
- (viii) **Section 5** (Interpretation of this Agreement); and
- (ix) **Section 6** (Miscellaneous) (except **Section 6(l)** (Grant of Irrevocable Proxy), which shall terminate).

(b) At the written election of the Majority Institutional Investors upon a Deemed Liquidation Event that is approved in accordance with the Certificate of Incorporation this Agreement shall automatically terminate.

(c) This Agreement shall terminate on the date on which the Majority Institutional Investors and the Majority Other Investors shall have agreed in writing to terminate this Agreement; *provided that* **Section 3(b)(vi)(B)** shall survive such termination unless D1 has agreed in writing to terminate this Agreement.

(d) Notwithstanding the foregoing, this Agreement shall automatically terminate with respect to Mutual Fund Investors immediately prior to the consummation of the Initial Public Offering.

5. INTERPRETATION OF THIS AGREEMENT

(a) **Terms Defined.** As used in this Agreement, the following terms have the respective meaning set forth below:

Affiliate: shall mean any Person or entity, directly or indirectly controlling, controlled by or under common control with such Person or entity, or any venture capital or other investment fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company or investment advisor with, such Person or entity; provided that neither the Company nor any of its subsidiaries shall be deemed to be an Affiliate of the Investors.

Business Day: shall mean any day other than a Saturday, Sunday or a day on which banks in New York, New York are authorized or obligated by law or executive order to close.

Certificate of Incorporation: shall mean the Certificate of Incorporation of the Company as it may be amended from time to time, including pursuant to a Certificate of Designations, if any.

Common Stock: shall mean the common stock, par value \$0.001 per share, of the Company.

Competitor: shall mean NxStage Medical, Gambro (a subsidiary of Baxter International, Inc.), Fresenius, B. Braun Medical, Nipro Medical Corporation, DaVita or any Person determined in good faith by the Board of Directors to offer products or services competitive with, or otherwise to be a competitor of, the business of the Company and/or its subsidiaries.

Deemed Liquidation Event: shall have the meaning set forth in the Certificate of Incorporation.

Encumbrance: shall mean any charge, claim, community or other marital property interest, right of first option, right of first refusal, mortgage, pledge, lien or other encumbrance (except as resulting from the express terms of this Agreement, the Certificate of Incorporation, the Registration Rights Agreement, any Granted Equity Shares and any document executed or delivered to effect the purposes of this Agreement, the Certificate of Incorporation, the Registration Rights Agreement or any Granted Equity Shares).

Exchange Act: shall mean the Securities Exchange Act of 1934, as amended, including the rules and regulations promulgated thereunder, or any successor statute thereto.

Fully Diluted Basis: shall mean all outstanding shares of the Common Stock assuming (i) the conversion of all outstanding shares of Preferred Stock and (ii) the exercise of all outstanding Share Equivalents without regard to any restrictions or conditions with respect to the exercisability of such Share Equivalents; *provided, however*, when determining the outstanding

shares of Common Stock on a Fully Diluted Basis, any outstanding unvested Granted Equity Shares (including Common Stock) with vesting tied to the issuance of additional shares of Preferred Stock shall be excluded from such computation.

Granted Equity Shares: shall mean shares of Common Stock or Share Equivalents that are granted or issued pursuant to any of the Company's stock option plans, stock bonus plans, stock incentive plans or other similar plans approved by the Board.

Key Common Holder: shall have the meaning set forth in the preamble.

Institutional Investor: shall have the meaning set forth in the preamble, and shall include, solely for purposes of **Section 3(b)(vi)(A) – (C)**, unless otherwise stated herein, Mubadala.

Investment Fund: shall mean, collectively, (i) a private equity or other investment fund that (A) makes investments in multiple companies and was not formed primarily to invest in the Company or its subsidiaries or (B) is an alternative investment vehicle for a fund described in clause (A) and (ii) any Person directly or indirectly wholly-owned by any private equity or other investment fund (or group of Affiliated private equity or other investment funds) described in clause (i) and/or any general partner or managing member who is an Affiliate thereof.

Majority Institutional Investors: shall mean Institutional Investors Owning a majority of the Shares Owned by the Institutional Investors, which majority shall include the WP X Funds.

Majority Other Investors: shall mean Other Investors Owning a majority of the Shares (excluding for this purpose any Granted Equity Shares that are not vested) Owned by the Other Investors.

Mubadala and the Mubadala Investor: shall mean Aurora Investment Company LLC.

Mutual Fund Investor: shall mean (a) each of Fidelity and its respective Affiliates who are, in each case, Other Investors, and either (i) an investment company registered as such under the Investment Company Act of 1940, as amended or (ii) an advisory client of an investment adviser registered as such under the Investment Advisers Act of 1940, as amended, (b) each T. Rowe Price Investor and (c) the Mubadala Investor.

Owns, Own, Owning or Owned: shall mean beneficial ownership, assuming the conversion (whether or not then convertible) of all outstanding securities convertible (including Preferred Stock) into Common Stock and the exercise of all outstanding Share Equivalents. No Investor shall be deemed to Own any shares of Preferred Stock issuable pursuant to the Securities Purchase Agreements prior to the date of issuance of such shares of Preferred Stock to such Investor.

Permitted Transferee: shall mean, (i) D1, (ii) in the case of any Institutional Investor, Key Common Holder or any Other Investor that is not a natural person, any Affiliate of such Investor or Key Common Holder, (iii) in the case of Mubadala, any Person who acquires the ROFO Shares in compliance with the provisions set forth in **Section 3(b)(iii)**, and (iv) in the case of Other Investors or Key Common Holders who are natural persons, any trust established for the sole benefit of such Other Investor or Key Common Holder or such Other Investor's or Key Common

Holder's spouse or direct lineal descendants provided such Other Investor or Key Common Holder is the trustee of such trust, or any Person in which the direct and beneficial owner of all voting securities of such Person is such Other Investor or Key Common Holder, or such Other Investor's or Key Common Holder's heirs, executors, administrators or personal representatives upon the death, incompetency or disability of such Other Investor or Key Common Holder.

Person: shall mean an individual, partnership (whether general or limited), joint-stock company, corporation, limited liability company, trust or unincorporated organization, and a government or agency or political subdivision thereof.

Preferred Stock: shall mean the Company's (i) Series A Convertible Preferred Stock, par value \$0.001 per share (the "**Series A Preferred Stock**"), (ii) Series B Convertible Preferred Stock, par value \$0.001 per share (the "**Series B Preferred Stock**"), (iii) Series C Preferred Stock, par value \$0.001 per share (the "**Series C Preferred Stock**"), (iv) Series D Convertible Preferred Stock, par value \$0.001 per share (the "**Series D Preferred Stock**"), and (v) the Series E Preferred Stock.

Purchased Equity Shares: shall mean shares of Common Stock or Share Equivalents (including the Preferred Stock) that are purchased for value by an Investor or Key Common Holder pursuant to the Securities Purchase Agreements, by way of transfer or otherwise. In no event shall Granted Equity Shares be deemed to be Purchased Equity Shares.

Qualified Public Offering: shall mean an Initial Public Offering that would qualify for mandatory conversion of the Preferred Stock pursuant to the Certificate of Incorporation.

Qualified Purchaser: shall mean (i) an Investment Fund with at least \$500 million in assets under management (provided such Investment Fund is not an "**activist**" (as commonly known in the investment industry) Investment Fund or generally known for making "**activist**"- styled investments) or (ii) a strategic investor (e.g., publicly listed corporation, private company, etc.) that is not a Competitor or an Affiliate of a Competitor.

Registration Rights Agreement: shall mean that certain Amended and Restated Registration Rights Agreement dated as of the date hereof by and among the Company and the stockholders named therein, as the same may be amended and/or restated from time to time.

SEC: shall mean the Securities and Exchange Commission or any successor agency.

Security, Securities: shall have the meaning set forth in Section 2(1) of the Securities Act:

Securities Act: shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, or any successor statute thereto.

Securities Purchase Agreements: shall mean collectively, (i) the Series A Securities Purchase Agreement, (ii) the Series B Securities Purchase Agreement, (iii) the Series C Securities Purchase Agreement, (iv) the Series D Securities Purchase Agreement and (v) the Series E Securities Purchase Agreement.

Series A Securities Purchase Agreement: shall mean the Securities Purchase Agreement, dated February 22, 2010, by and among the Company and certain of the Prior Investors (as amended) pursuant to which such Prior Investors purchased shares of Series A Preferred Stock.

Series B Securities Purchase Agreement: shall mean the Securities Purchase Agreement, dated May 5, 2015, by and among the Company and certain of the Prior Investors (as amended) pursuant to which such Prior Investors purchased shares of Series B Preferred Stock.

Series C Securities Purchase Agreement: shall mean the Securities Purchase Agreement, dated April 19, 2017, by and among the Company and certain of the Prior Investors (as amended) pursuant to which such Prior Investors purchased shares of Series C Preferred Stock.

Series D Securities Purchase Agreement: shall mean the Series D Preferred Stock Purchase Agreement, dated August 20, 2018, by and among the Company and certain of the Prior Investors pursuant to which such Prior Investors purchased shares of Series D Preferred Stock.

Series E Securities Purchase Agreement: shall have the meaning set forth in the recitals of this Agreement.

Share Equivalent: shall mean any stock, warrants, rights, calls, options or other securities exchangeable or exercisable for, or convertible into, directly or indirectly, shares of Common Stock.

Transfer: shall mean any sale, assignment, pledge, transfer, hypothecation or other disposition or encumbrance, and each of “**Transferred**”, “**Transferee**” and “**Transferor**” have a correlative meaning.

T. Rowe Price: shall mean T. Rowe Price Associates, Inc. and any successor or affiliated registered investment advisor to the T. Rowe Price Investors.

T. Rowe Price Investors: shall mean the Investors advised or subadvised by T. Rowe Price.

Vertical Funds: shall mean Vertical Fund I, L.P., a Delaware limited partnership, and Vertical Fund II, L.P., a Delaware limited partnership.

(b) Accounting Principles. Where the character or amount of any asset or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, this shall be done in accordance with U.S. generally accepted accounting principles at the time in effect, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

(c) Directly or Indirectly. Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

(d) **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed entirely within such State.

(e) **Section Headings.** The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof.

6. MISCELLANEOUS

(a) Notices.

(i) All communications under this Agreement shall be in writing and shall be delivered by hand or facsimile or by electronic mail or mailed by overnight courier or by registered or certified mail, postage prepaid:

(A) if to any of the Investors, at the address or facsimile number or electronic mail address of such Investor shown on Schedule I or Schedule II, or at such other address as the Investor may have furnished the Company and the other Investors in writing; and

(B) if to the Company, at 1830 Bering Drive, San Jose, CA 95112, marked for attention of the Chief Executive Officer, with a copy (which shall not constitute notice) to: Frank Rahmani, Cooley LLP, 3175 Hanover Street, Palo Alto, CA 94304, or at such other address as it may have furnished in writing to each of the Investors.

(ii) Any notice so addressed shall be deemed to be given: if delivered by hand, or facsimile, on the date of such delivery if a Business Day and delivered during regular business hours, otherwise the first Business Day thereafter; if sent via electronic mail, upon confirmation of delivery when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day; if mailed by overnight courier, on the date of delivery; and if mailed by registered or certified mail, on the third Business Day after the date of such mailing.

(b) **FIRPTA.** Upon request of Investor, the Company shall provide (i) a statement (in such form as may be reasonably requested by Investor) conforming to the requirements of Section 1.897-2(h)(1)(i) and 1.1445-2(c)(3)(i) of the U.S. Treasury Regulations certifying that interests in the Company do not constitute "*United States real property interests*" under Section 897(c) of the Internal Revenue Code of 1986, as amended, and (ii) evidence in form and substance satisfactory to Investor that the Company has delivered to the Internal Revenue Service the notification required under Section 1.897-2(h)(2) of the U.S. Treasury Regulations.

(c) **Reproduction of Documents.** This Agreement and all documents relating thereto, including, without limitation, (i) consents, waivers and modifications which may hereafter be executed, (ii) documents received by each Investor pursuant hereto and (iii) financial statements, certificates and other information previously or hereafter furnished to each Investor, may be reproduced by each Investor by photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and each Investor may destroy any original document so reproduced. All parties hereto agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the

original is in existence and whether or not such reproduction was made by each Investor in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

(d) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties, provided that no Other Investor shall be permitted to assign any of his, her or its rights or obligations pursuant to this Agreement without the prior written consent of the Company and the Majority Institutional Investors, unless such assignment is in connection with a Transfer explicitly permitted by this Agreement and, prior to such assignment, such assignee complies with the requirements of this Agreement. Any attempted assignment by an Other Investor in violation of the foregoing shall be null and void.

(e) Entire Agreement; Amendment and Waiver.

(i) With respect to Investors other than the Mutual Fund Investors (which Mutual Fund Investors are covered by **Section 6(e)(ii)** below), except with respect to (x) the representations and warranties set forth in each Investor's respective Securities Purchase Agreement between each Investor and the Company (A) relating to such Investor's authority to execute and deliver such Securities Purchase Agreement(s) or (B) which formed the basis for determining that an exemption from the registration, permit, qualification and prospectus delivery requirements (as applicable) of the Securities Act and all applicable state and foreign securities laws applied, this Agreement, and (y) the management rights letter dated as of the date hereof between D1 and the Company (the "**D1 MRL**") constitutes the entire understandings of the parties hereto and supersedes all prior agreements (whether written or oral) or understandings with respect to the subject matter hereof among such parties. As such, other than with respect to (x) rights provided under the Delaware General Corporation Law arising in connection with the ownership of Common Stock and (y) any rights granted pursuant to this Agreement or the D1 MRL, each Investor (other than the Mutual Fund Investors) hereto acknowledges, releases and expressly waives and disclaims any contractual or other rights including, but not limited to registration rights, rights of first refusal and co-sale, board seats and preemptive or similar rights to purchase securities of the Company or participate in any future financings by the Company (collectively the "**Rights**" and each a "**Right**"). To the extent any Investor (other than the Mutual Fund Investors) previously possessed contractual or other rights with respect to any Right (including pursuant to any provision of that certain Stockholders Agreement, dated May 5, 2003, by and among the Company and the stockholders named therein (the "**2003 Stockholders Agreement**")), such Investor (x) hereby expressly waives and disclaims such Right or Rights, (y) consents to the Common Stockholders Agreement, dated as of February 22, 2010, by and among the Company and the stockholders named therein (the "**Common Stockholders Agreement**") which amended and restated the 2003 Stockholders Agreement and (z) hereby expressly acknowledges that such Investor is not a party to the Common Stockholders Agreement and expressly relinquishes and disclaims any rights under the Common Stockholders Agreement. Any authorization, consent or commitment of Mubadala hereunder or in connection herewith shall be null and void unless duly executed by not less than two (2) authorized officers of Mubadala.

(ii) This Agreement, the Securities Purchase Agreements and the Registration Rights Agreement constitute the entire understandings of the parties hereto and supersede all prior

agreements or understandings with respect to the subject matter hereof among such parties. The terms and provisions of this Agreement may only be amended, modified or waived at any time and from time to time by a writing executed by the Company and the Majority Institutional Investors; provided that, any amendment, modification or waiver that would affect the rights, benefits or obligations of any Other Investor or group of Other Investors shall require the written consent of such Other Investor or the majority of such group of Other Investors, as applicable, only if such amendment, modification or waiver would adversely affect such rights, benefits or obligations of such Other Investor or such group of Other Investors in a manner that is worse than the manner in which such amendment or waiver affects the other Investors; *provided, further*, that that any amendment, termination or waiver of (i) Sections 1(c), 1(d), 2(e), 3(b), 6(e) and 6(l) that are adverse to Fidelity shall require the prior written consent of Fidelity, and (ii) Sections 3(c), 3(d) and 3(e) shall require the prior written consent of the holders of a majority of the then outstanding Series B Preferred Stock; *provided, further*, that that any amendment, termination or waiver of (i) Sections 1(c), 1(d), 2(f), 3(b), 6(e) and 6(l) that are adverse to the T. Rowe Price Investors shall require the prior written consent of T. Rowe Price Investors and (ii) Sections 3(c), 3(d) and 3(e) shall require the prior written consent of the holders of a majority of the then outstanding shares of Series C Preferred Stock; provided further, that any amendment, termination or waiver of (i) Sections 1(c), 1(d), 2(a), 2(b), 2(c), 2(g), 3(b), 6(e) and 6(l) that are adverse to Mubadala shall require the written consent of Mubadala, and (ii) Sections 3(c), 3(d) and 3(e) shall require the prior written consent of the holders of a majority of the then outstanding shares of Series D Preferred Stock; provided further, that any amendment, termination or waiver of Sections 1(c), 1(d), 2(h) or 6(e) that are adverse to the Vertical Funds and their Affiliates shall require the prior written consent of the Vertical Funds; provided further, that any amendment, termination or waiver of Sections 2(i), 3(d), Section 3(b)(vi)(B) or 6(e) that are adverse to D1 and their Affiliates shall require the prior written consent of D1; and provided further, that the holders of a majority of the outstanding Series E Preferred Stock, which such majority shall also include the affirmative written consent of D1 for so long as D1 and its Affiliates continues to own at least 15,131,477 shares of Series E Preferred Stock (as adjusted for stock splits, combinations, recapitalizations and the like), shall also be required for any waiver of Section 3(e) where the issuance of the Proposed Securities is fully subscribed for by a strategic investor in the Company that is not coupled with any joint venture, collaboration, partnership, license or similar agreement or arrangement between the Company and such strategic investor. The Company shall give 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(e)** shall be binding on all parties hereto, regardless of whether any such party has consented thereto.

(f) Severability. In the event that any part or parts of this Agreement shall be held illegal or unenforceable by any court or administrative body of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

(g) Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each Investor shall execute and deliver any additional documents and instruments and perform any additional acts that the Company or Warburg Pincus determines to be necessary or appropriate to effectuate and perform the provisions of this Agreement and those transactions.

(h) No Partnership. Nothing in this Agreement and no actions taken by the parties under this Agreement shall constitute a partnership, association or other co-operative entity between any of the parties or cause any party to be deemed the agent of any other party for any purpose.

(i) Specific Performance. It is hereby agreed and acknowledged that it will be impossible to measure in money the damages that would be suffered if the parties fail to comply with any of the obligations herein imposed on them and that, in the event of any such failure, an aggrieved Person will be irreparably damaged and will not have an adequate remedy at law. Any such party shall, therefore, be entitled (in addition to any other remedy to which such party may be entitled at law or in equity) to injunctive relief, including specific performance, to enforce such obligations, without the posting of any bond and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law.

(j) Third Party Beneficiaries. This Agreement does not create any rights, claims or benefits inuring to any Person that is not a party hereto, and it does not create or establish any third party beneficiary hereto.

(k) Counterparts. This Agreement may be executed in two or more counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

(l) GRANT OF IRREVOCABLE PROXY. EACH OTHER INVESTOR (OTHER THAN FIDELITY AND ITS AFFILIATES AND EACH T. ROWE PRICE INVESTOR) AND KEY COMMON HOLDER HEREBY GRANTS TO EACH OF THE WP X FUNDS SUCH OTHER INVESTOR'S OR KEY COMMON HOLDER'S PROXY, AND APPOINTS EACH OF THE WP X FUNDS, OR ANY DESIGNEE OR NOMINEE OF THE WP X FUNDS, AS SUCH OTHER INVESTOR'S OR KEY COMMON HOLDER'S ATTORNEY-IN-FACT (WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION), FOR AND IN ITS NAME, PLACE AND STEAD, (I) TO VOTE OR ACT BY WRITTEN CONSENT WITH RESPECT TO THE GRANTED EQUITY SHARES (WHETHER OR NOT VESTED) NOW OR HEREAFTER OWNED BY SUCH OTHER INVESTOR (OR ANY TRANSFEREE THEREOF) (INCLUDING THE RIGHT TO SIGN HIS, HER OR ITS NAME TO ANY CONSENT, CERTIFICATE OR OTHER DOCUMENT RELATING TO THE COMPANY THAT DELAWARE LAW MAY REQUIRE) IN CONNECTION WITH ANY AND ALL MATTERS, INCLUDING, WITHOUT LIMITATION, MATTERS SET FORTH HEREIN AS TO WHICH ANY VOTE OR ACTIONS MAY BE REQUESTED OR REQUIRED; (II) TO VOTE OR ACT BY WRITTEN CONSENT WITH RESPECT TO THE SHARES (INCLUDING ANY PURCHASED EQUITY SHARES OR GRANTED EQUITY SHARES) AND THE COMMON SHARES NOW OR HEREAFTER OWNED BY SUCH OTHER INVESTOR OR KEY COMMON HOLDER (OR ANY TRANSFEREE THEREOF) (INCLUDING THE RIGHT TO SIGN HIS, HER OR ITS NAME TO ANY CONSENT, CERTIFICATE OR OTHER DOCUMENT RELATING TO THE COMPANY THAT APPLICABLE LAW MAY REQUIRE) IN CONNECTION WITH ANY AND ALL MATTERS CONTEMPLATED BY SECTION 3(D) (DRAG-ALONG RIGHTS), (III) TO TAKE ANY

AND ALL REASONABLE ACTION NECESSARY TO SELL OR OTHERWISE TRANSFER ANY SHARES (INCLUDING ANY PURCHASED EQUITY SHARES OR GRANTED EQUITY SHARES) OWNED BY SUCH OTHER INVESTOR OR KEY COMMON HOLDER AS CONTEMPLATED BY SECTION 3(D) (DRAG- ALONG RIGHTS) HEREOF AND (IV) WITH RESPECT TO OTHER INVESTORS THAT ARE NOT EMPLOYEES OF THE COMPANY OR ITS SUBSIDIARIES (INCLUDING FORMER EMPLOYEES), TO VOTE OR ACT BY WRITTEN CONSENT WITH RESPECT TO THE PURCHASED EQUITY SHARE NOW OR HEREAFTER OWNED BY SUCH OTHER INVESTOR (OR ANY TRANSFEREE THEREOF) (INCLUDING THE RIGHT TO SIGN HIS, HER OR ITS NAME TO ANY CONSENT, CERTIFICATE OR OTHER DOCUMENT RELATING TO THE COMPANY THAT DELAWARE LAW MAY REQUIRE) IN CONNECTION WITH ANY AND ALL MATTERS, INCLUDING, WITHOUT LIMITATION, MATTERS SET FORTH HEREIN AS TO WHICH ANY VOTE OR ACTIONS MAY BE REQUESTED OR REQUIRED. THIS PROXY IS COUPLED WITH AN INTEREST AND SHALL BE IRREVOCABLE, AND EACH SUCH OTHER INVESTOR (OTHER THAN FIDELITY AND ITS AFFILIATES AND EACH T. ROWE PRICE INVESTOR) WILL TAKE SUCH FURTHER ACTION OR EXECUTE SUCH OTHER INSTRUMENTS AS MAY BE REASONABLY NECESSARY TO EFFECTUATE THE INTENT OF THIS PROXY AND, EXCEPT WITH RESPECT TO ANY OTHER PROXY GIVEN BY THE OTHER INVESTOR TO THE COMPANY OR WARBURG PINCUS, HEREBY REVOKES ANY PROXY PREVIOUSLY GRANTED BY SUCH OTHER INVESTOR WITH RESPECT TO SUCH OTHER INVESTOR'S SHARES. IN THE EVENT THAT THE PROXY GRANTED IN THIS SECTION 6(L) (GRANT OF IRREVOCABLE PROXY) IS INCONSISTENT WITH THE TERMS OF ANY OTHER PROXY GRANTED BY AN OTHER INVESTOR TO THE WP X FUNDS OR ANY OTHER PERSON, INCLUDING PURSUANT TO ANY STOCK INCENTIVE OR OTHER EQUITY COMPENSATION PLAN OF THE COMPANY, THEN THE TERMS OF THE PROXY GRANTED IN THIS SECTION 6(L) (GRANT OF IRREVOCABLE PROXY) SHALL GOVERN. IN THE EVENT THAT ANY OR ALL PROVISIONS OF THIS SECTION 6(L) (GRANT OF IRREVOCABLE PROXY), ARE DETERMINED TO BE UNENFORCEABLE, EACH OTHER INVESTOR (OTHER THAN FIDELITY AND ITS AFFILIATES AND EACH T. ROWE PRICE INVESTOR) AND KEY COMMON HOLDER WILL ENTER INTO A PROXY THAT, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, PRESERVES THE INTENT AND PROVIDES THE WP X FUNDS SUBSTANTIALLY THE SAME BENEFITS OF THIS SECTION 6(L) (GRANT OF IRREVOCABLE PROXY). NOTWITHSTANDING THE ABOVE, MUBADALA'S GRANT OF A PROXY UNDER THIS SECTION (K) (GRANT OF IRREVOCABLE PROXY) IS LIMITED TO MATTERS SET FORTH IN SECTIONS 2(A)-(B) (BOARD OF DIRECTORS) AND SECTION 3(D) (DRAG ALONG RIGHTS) ONLY AND THIS SECTION 6(L) SHALL NOT APPLY TO MUBADALA WITH RESPECT TO MATTERS SET FORTH IN OTHER SECTIONS OF THIS AGREEMENT.

(m) Agreements to Be Bound. Upon acceptance by the Company of a Joinder Agreement or as contemplated by **Section 1(b)** (Additional Investors or Key Common Holders), Schedule I, Schedule II or Schedule IV hereof, as applicable, shall be amended to include the applicable joining party and attached to this Agreement and be effective with no further action or consent required.

(n) **After Acquired Securities.** Each Investor and Key Common Holder agrees that, except as otherwise provided herein, all of the provisions of this Agreement shall apply to all of the Shares or Common Shares now Owned (including any Granted Equity Shares and Purchased Equity Shares) or which may be issued or Transferred hereafter to such Investor or Key Common Holder in consequence of any additional issuance, purchase, Transfer, exchange or reclassification of any of such Shares, corporate reorganization, or any other form of recapitalization, consolidation, acquisition, stock split or stock dividend, or which are acquired by an Investor or a Common Holder in any other manner.

(o) **WAIVER OF JURY TRIAL.** EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTIONS, SUITS, DEMAND LETTERS, JUDICIAL, ADMINISTRATIVE OR REGULATORY PROCEEDINGS, OR HEARINGS, NOTICES OF VIOLATION OR INVESTIGATIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (I) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER AND (II) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY.

(p) **“Market Stand-Off” Agreement.** Each of the Other Investors (other than any Mutual Fund Investor, whose obligations with respect to the subject matter of this Section 6(p) (“Market Stand-Off” Agreement) are governed by the Registration Rights Agreement) and each Key Common Holder, agrees, if requested by the Company or the managing underwriter or underwriters of an offering of equity securities of the Company, not to offer for sale, sell, pledge or otherwise transfer or dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any Person at any time in the future of) any Shares or Common Shares held or owned by such Other Investor or such Key Common Holder, as applicable, or securities convertible into or exercisable or exchangeable for Shares or Common Shares during the period beginning seven (7) days before and ending 180 days (in the event of the Initial Public Offering) or 90 days (in the event of any other offering of equity securities) (or, in each case, such other period as may be reasonably requested by the Company or the managing underwriter or underwriters to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in the FINRA rules or any successor provisions or amendments thereto) after the date of the underwriting agreement entered into in connection with such offering of equity securities of the Company. If requested by the managing underwriter or underwriters of any such offering of the Company, the Other Investors and the Key Common Holders shall execute a separate agreement to the foregoing effect. The Company may impose stop-transfer instructions with respect to the Shares and Common Shares (or other securities) subject to the foregoing restriction until the end of the period referenced above.

(q) **Lost, etc. Certificates Evidencing Shares; Exchange.** Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of any certificate evidencing any Shares owned by an Investor and (in the case of loss, theft or destruction) of a bond or an indemnity satisfactory to it, and upon surrender and cancellation of

such certificate, if mutilated, the Company will make and deliver in lieu of such certificate a new certificate of like tenor and for the number of securities evidenced by such certificate which remain outstanding. Upon surrender of any certificate representing any Shares for exchange at the office of the Company, the Company at its expense will cause to be issued in exchange therefor new certificates in such denomination or denominations as may be requested for the same aggregate number of Shares represented by the certificate so surrendered and registered as such holder may request.

(r) Terms Generally. The words “*hereby*”, “*herein*”, “*hereof*”, “*hereunder*” and words of similar import refer to this Agreement as a whole and not merely to the specific section, paragraph or clause in which such word appears. All references herein to Articles and Sections shall be deemed references to Articles and Sections of this Agreement unless the context shall otherwise require. The words “*include*”, “*includes*” and “*including*” shall be deemed to be followed by the phrase “*without limitation*”. The definitions given for terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. References herein to any agreement or letter shall be deemed references to such agreement or letter as it may be amended, restated or otherwise revised from time to time. Whenever required by the context hereof, the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

(s) Draftsmanship. Each of the parties signing this Agreement on the date first set forth above has been represented by his, her or its own counsel and acknowledges that he, she or it has participated in the drafting of this Agreement, and any applicable rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in connection with the construction or interpretation of this Agreement. Each of the parties joining this Agreement after the date first set forth above has been represented by his, her or its own counsel, has read and understands the terms of this Agreement and has been afforded the opportunity to ask questions concerning the Company and this Agreement, and any applicable rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in connection with the construction or interpretation of this Agreement.

(t) State of Residence. Each Other Investor that is a natural person represents and warrants that it is a resident of the state set forth on such Other Investor’s signature page hereto. In the event an Other Investor changes its state of residence, such Other Investor shall promptly inform the Company of its new state of resident.

(u) Consent of Spouse. If any Other Investor or Key Common Holder is married or marries or remarries after the date of this Agreement, at the request of the Company such Other Investor or Key Common Holder shall cause his or her spouse to execute and deliver to the Company a consent of spouse in the form reasonably requested by the Company and consistent with spousal consent forms for investments of the type contemplated by this Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

OUTSET MEDICAL, INC.

By: /s/ Leslie Trigg
Name: Leslie Trigg
Title: President and Chief Executive Officer

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

AURORA INVESTMENT COMPANY LLC

By: /s/ Andre Namphy
Name: Andre Namphy
Title: Authorised Signatory

By: /s/ Camilla Macapili Languille
Name: Camilla Macapili Languille
Title: Authorised Signatory

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

D1 CAPITAL PARTNERS MASTER LP

By: D1 Capital Partners GP Sub LLC, its General Partner

By: /s/ Dan Sundheim
Name: Dan Sundheim
Title: Founder and CEO

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**FIDELITY SELECT PORTFOLIOS: HEALTH CARE
PORTFOLIO**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

**FIDELITY SELECT PORTFOLIOS: SELECT MEDICAL
TECHNOLOGY AND DEVICES PORTFOLIO**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

FIDELITY ADVISOR SERIES VII: FIDELITY
ADVISOR HEALTH CARE FUND

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

VARIABLE INSURANCE PRODUCTS FUND IV: HEALTH
CARE PORTFOLIO

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**FIDELITY MT. VERNON STREET TRUST: FIDELITY
SERIES GROWTH COMPANY FUND**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

**FIDELITY MT. VERNON STREET TRUST: FIDELITY
GROWTH COMPANY FUND**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

**FIDELITY MT. VERNON STREET TRUST: FIDELITY
GROWTH COMPANY K6 FUND**

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

FIDELITY GROWTH COMPANY COMMINGLED POOL

By: Fidelity Management Trust Company, as Trustee

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

FIDELITY CENTRAL INVESTMENT PORTFOLIOS LLC:
FIDELITY HEALTH CARE CENTRAL FUND

By: /s/ Colm Hogan
Name: Colm Hogan
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PERCEPTIVE LIFE SCIENCES MASTER FUND LTD

By: /s/ James H Mannix
Name: James H Mannix
Title: CEO

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

T. ROWE PRICE HEALTH SCIENCES FUND, INC.
TD MUTUAL FUNDS - TD HEALTH SCIENCES FUND
VALIC COMPANY I – HEALTH SCIENCES FUND
T. ROWE PRICE HEALTH SCIENCES PORTFOLIO
Each account, severally and not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or
Sub adviser, as applicable

By: /s/ Jon Wood
Name: Jon Wood
Title: Vice President

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

T. ROWE PRICE NEW HORIZONS FUND, INC.
T. ROWE PRICE NEW HORIZONS TRUST
T. ROWE PRICE U.S. EQUITIES TRUST
MASSMUTUAL SELECT FUNDS - MASSMUTUAL
SELECT T. ROWE PRICE SMALL AND MID CAP BLEND
FUND

Each account, severally and not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or
Sub adviser, as applicable

By: /s/ Francisco Alonso

Name: Francisco Alonso

Title: Vice President

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PFM Healthcare Master Fund, L.P.

By: Partner Fund Management, L.P., its investment adviser

By: /s/ Yuan DuBord
Name: Yuan DuBord
Title: CFO

PFM Healthcare Principals Fund, L.P.

By: Partner Investment Management, L.P., its investment adviser

By: /s/ Yuan DuBord
Name: Yuan DuBord
Title: CFO

Partner Investment L.P.,

By: Partner Fund Management, L.P., its investment adviser

By: /s/ Yuan DuBord
Name: Yuan DuBord
Title: CFO

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

WARBURG PINCUS X PARTNERS, L.P.

By: Warburg Pincus X, L.P., its General Partner

By: Warburg Pincus X GP L.P., its General Partner

By: WPP GP LLC, its General Partner

By: Warburg Pincus Partners, L.P., its Managing Member

By: Warburg Pincus Partners GP LLC, its General Partner

By: Warburg Pincus & Co., its Managing Member

By: /s/ Steven Glenn

Name: Steven Glenn

Title: Partner

WP X FINANCE, L.P.

By: WPX GP, L.P., its Managing General Partner

By: Warburg Pincus Private Equity X, L.P., its General Partner

By: Warburg Pincus X, L.P., its General Partner

By: Warburg Pincus X GP L.P., its General Partner

By: WPP GP LLC, its General Partner

By: Warburg Pincus Partners, L.P., its Managing Member

By: Warburg Pincus Partners GP LLC, its General Partner

By: Warburg Pincus & Co., its Managing Member

By: /s/ Steven Glenn

Name: Steven Glenn

Title: Partner

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Rebecca Chambers

/s/ Rebecca Chambers

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Leslie Trigg

/s/ Leslie Trigg

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Bhavesh Patel

/s/ Bhavesh Patel

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

D. Keith Grossman

/s/ D. Keith Grossman

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Jamie Lewis

/s/ Jamie Lewis

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Jennifer Mascioli-Tudor

/s/ Jennifer Mascioli-Tudor

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Jim Curtis

/s/ Jim Curtis

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Kulwant Sandhu

/s/ Kulwant Sandhu

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Michael Baker

/s/ Michael Baker

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Stacey Porter

/s/ Stacey Porter

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Martin Vazquez

/s/ Martin Vazquez

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Michael Aragon

/s/ Michael Aragon

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KEY COMMON HOLDER:

Chad Hoskins

/s/ Chad Hoskins

(Signature)

[SIGNATURE PAGE TO AMENDED AND RESTATED STOCKHOLDERS AGREEMENT]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

MONTAGUE SQUARE

LEASE

BY AND BETWEEN

**WH SILICON VALLEY IV LP,
A Delaware limited partnership**

AND

**OUTSET MEDICAL, INC.,
a Delaware corporation**

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LEASE

For valuable consideration, Landlord and Tenant hereby covenant and agree as follows:

1. Basic Lease Terms.

1.1. Reference Date of Lease. September 19, 2019

1.2. Landlord. WH SILICON VALLEY IV LP, a Delaware limited partnership ("Landlord")

Address for Payment of Rent: WH Silicon Valley IV LP
PO Box 516588
Los Angeles, CA 90051-0598

Address For Notices: c/o Washington Holdings, LLC
600 University Street, Suite 2820
Seattle, WA 98101

1.3. Tenant. **OUTSET MEDICAL, INC.**, a Delaware corporation ("Tenant")

Trade Name: N/A

Address for Invoices: At the Premises

Address for Notices: At the Premises

Taxpayer ID Number: 20-0514392

1.4. Building. The building shown on Exhibit B and located at the address commonly known as 3052 Orchard Drive, San Jose, CA 95134 (the "Building").

1.5. Premises; Premises Area. All of the Building as generally shown on the attached Exhibit A (the "Premises"). The Premises shall consist of approximately 40,413 rentable square feet (the "Premises Area").

1.6. Outside Area. All areas and facilities within the Project (as defined below) exclusive of the interior of the Building which are not appropriated to the exclusive occupancy of tenants, including all non-reserved vehicle parking areas, perimeter roads, traffic lanes, driveways, sidewalks, pedestrian walkways, landscaped areas, signs, service delivery facilities, truck maneuvering areas, trash disposal facilities, common storage areas, common utility facilities and all other areas for non-exclusive use (the "Outside Area"). Landlord reserves the right to change, reconfigure or rearrange the Outside Area and to do such other acts in and to the Outside Area as Landlord deems necessary or desirable, provided that Landlord shall use commercially reasonable efforts not to adversely impact or impair Tenant's use of or access to the Premises.

1.7. Project. The project in which the Premises and Building are located (and which includes the Premises and Building) is commonly known as Montague Square (the "Project"), as

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

generally shown on Exhibit B attached hereto and incorporated herein, and which contains approximately [***] rentable square feet of space. Landlord reserves the right to construct additional buildings within the Project, in which event the area of such buildings shall be added to the area of the existing buildings to determine the total building area of the Project. Landlord further reserves the right to incorporate into the Project any real property adjacent to the Project and on which one or more buildings have been constructed.

1.8. Permitted Use. General office, medical device assembly, research and development, warehousing of Tenant’s product all in conformity with the municipal zoning requirements of the City of San Jose and for any other legally permitted use or purpose with Landlord’s approval, which shall not be unreasonably withheld, conditioned or delayed (the “Permitted Use”).

1.9. Lease Term.

1.9.1. Commencement Date. The “Commencement Date” shall be thirty (30) days following the date on which Landlord has delivered the Premises to Tenant with the Landlord’s Work described in Exhibit C Substantially Completed (as that term is defined in Exhibit C). The Commencement Date is anticipated to occur on February 15, 2020 (the “Target Commencement Date”).

1.9.2. Expiration Date. The last day of the eighty-fourth (84th) full calendar month after the month in which the Commencement Date occurs (the “Expiration Date”).

1.9.3. Extension Option. [***]

1.9.4. Number of Full Calendar Months. Approximately eighty-four (84) full calendar months plus the First Partial Month, if any (as defined below); if the Commencement Date does not occur on the first day of a month, the Lease Term shall additionally include that portion of the month in which the Commencement Date occurs and which follows the Commencement Date (the “First Partial Month”).

1.10. Base Rent. Subject to Paragraphs 3 and 4.1, monthly payments of base rent (“Base Rent”) shall be according to the following schedule:

<u>Period of Time</u>	<u>Monthly Base Rent</u>
Months 1— 3	[***]
Months 4 — 12	[***]
Months 13 — 24	[***]
Months 25 — 36	[***]
Months 37 — 48	[***]
Months 49 — 60	[***]
Months 61— 72	[***]
Months 73 — 84	[***]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

* Tenant shall nevertheless be obligated to pay all Additional Rent during this period, including without limitation Tenant's Proportionate Share of Operating Expenses and Tenant's Proportionate Share of Taxes.

If the Commencement Date does not occur on the first day of a month, Base Rent for the First Partial Month shall be equal to the initial monthly Base Rent set forth in the chart above, prorated to reflect the number of days during the First Partial Month.

1.11. Letter of Credit. Within [***] days of the Effective Date, Tenant shall cause to be deposited with Landlord an original letter of credit (the "Letter of Credit") in the principal amount of Five Hundred Ninety-One Thousand Three Hundred Seven and 44/100 Dollars (\$591,307.44). The Letter of Credit shall be subject to the terms and conditions of Paragraph 5 below.

1.12. Tenant's Proportionate Share(s). Subject to Paragraph 8.2, (i) Tenant's initial proportionate share for Taxes (as defined in Paragraph 8.2.1) for the Building is [***] and for the entire Project is [***], and (ii) Tenant's initial proportionate share for Operating Expenses (as defined in Paragraph 8.3) is for the Building is [***] and for the entire Project is [***].

1.13. Estimated Operating Expenses and Taxes: The aggregate estimated initial payment for allocation toward Operating Expenses and Taxes for the first full calendar month of the Term is [***].

1.14. Intentionally omitted.

1.15. Landlord's Work. Those improvements to the Premises to be constructed by Landlord pursuant to Exhibit C attached hereto and incorporated herein ("Landlord's Work").

1.16. Landlord's Agents. Landlord's agents, partners, subsidiaries, directors, officers, and employees ("Landlord's Agents").

1.17. Tenant's Agents. Tenant's agents, employees, contractors, subtenants, or invitees ("Tenant's Agents").

This lease (this "Lease") is entered into as of the Reference Date set forth above by Landlord and Tenant (each as defined above in the Basic Lease Terms).

2. Delivery of Possession and Commencement; Landlord's Work; Early Access.

2.1. Delivery of Possession and Commencement. If Landlord shall be delayed in substantially completing the Landlord's Work in the Premises as a result of Tenant Delay (as hereinafter defined), then, for purposes of determining the Commencement Date, the date of substantial completion shall be deemed to be the day that Landlord's Work would have been substantially completed absent any such Tenant Delay. The term "Tenant Delays" as used in this Lease shall mean any delay or delays resulting from one or more of the following:

2.1.1. Tenant's failure to furnish information or approvals within any time period specified in this Lease, including the failure to approve plans by any applicable due date, provided such failure is not caused by Landlord or its agents;

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

2.1.2. Tenant's selection of equipment or materials that have long lead times after first being informed by Landlord that the selection may result in a delay;

2.1.3. Changes requested or made by Tenant to previously approved plans and specifications after first being informed by Landlord that the changes may result in a delay;

2.1.4. The performance of work in the Premises by Tenant or Tenant's contractor(s) during the performance of Landlord's Work; or

2.1.5. A breach of, or a default by Tenant under this Lease (including, without limitation Exhibit C), which continues beyond any applicable notice and cure period;

Landlord shall have no liability to Tenant for any such delays in the delivery of possession and neither Landlord nor Tenant shall have the right to terminate this Lease as the result of such delays, except as set forth in the immediately succeeding sentence. If Landlord is unable to deliver the Premises to Tenant with the Landlord's Work Substantially Complete within [***] days following the Target Commencement Date (the "Outside Delivery Date") due to reasons other than Tenant Delays, a Review Grace Period (as defined in Exhibit C) or force majeure, then Tenant shall be entitled to one (1) day of abatement of Base Rent for each additional day of delay in delivering the Premises (the "Outside Delivery Rental Abatement"), which abatement shall be applied beginning after the expiration of any applicable Rent abatement period specified elsewhere herein; provided, however, [***].

2.2. Landlord's Work; As-Is Delivery. The Premises shall be delivered to Tenant with Landlord's Work Substantially Completed as set forth in Exhibit C. The existence of any "punchlist"-type items in the Landlord's Work shall not postpone the Commencement Date of this Lease, provided that Landlord's Work is otherwise Substantially Complete. Landlord shall promptly and diligently complete any "punchlist" items in Landlord's Work within [***] days subject to Tenant Delay and force majeure. Landlord shall deliver the Premises, roof, parking lots and any path of travel to the Building and/or Premises, HVAC, plumbing, sewer lines, electrical and related mechanical systems in good working order and condition and in compliance with all Applicable Laws and shall warrant the same for a period of [***] months. Pursuant to said warranty, Landlord shall maintain such elements in good working order and condition, or remedy any breach of said warranty, at Landlord's sole cost not subject to reimbursement or inclusion in Operating Expenses, for a period of [***] months following the Commencement Date.

Tenant hereby acknowledges that Tenant has inspected the Premises and, subject to the performance of Landlord's Work, agrees to accept the same "AS IS" and in their present condition, and without any representation or warranty by or from Landlord as to the condition of the Premises, the habitability of the Premises, the fitness of the Premises for the Permitted Use and/or the conduct of Tenant's business in the Premises, or the zoning of the Premises, in each case except as otherwise expressly set forth herein. If any Tenant Delays occur, the Commencement Date shall be the date that, in the reasonable opinion of Landlord's architect or space planner, substantial completion would have occurred if such delays had not taken place.

2.3. Subject to the terms of this Paragraph 2.3 and provided this Lease has been fully executed by all parties and Tenant has delivered all prepaid rental as set forth in Paragraph 4.1.1

and Paragraph 4.1.2 below, the Letter of Credit, and insurance certificates required hereunder, Landlord grants Tenant the right to enter the Premises, at Tenant's sole risk, solely for the purpose of installing telecommunications and data cabling, equipment, furnishings and other personalty for [***] days prior to the Commencement Date ("Early Access Date"). Tenant shall comply with all terms and provisions of this Lease, except those provisions requiring payment of Base Rent or Tenant's Proportionate Share of Operating Expenses and Taxes. In no event may Tenant's right of early access interfere with the prosecution of the Landlord's Work to the Premises. Landlord shall use commercially reasonable efforts to keep Tenant apprised of the estimated date of Substantial Completion and the corresponding Early Access Date, including by providing copies of the construction schedule to Tenant. Promptly upon having knowledge of same, Landlord shall communicate to Tenant any expected delays in Substantial Completion and/or the corresponding Early Access Date.

2.4. CASp. Pursuant to Section 1938 of the California Civil Code, Tenant acknowledges the following: "A Certified Access Specialist ("CASp") can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises. The Landlord represents that the Project, Building and Premises _____ have x have not undergone inspection by a Certified Access Specialist (if not filled in, the Project, Building, and Premises have not undergone such inspection)."

3. Lease Term.

The term of this Lease shall commence on the Commencement Date and expire on the Expiration Date (the "Lease Term"). The Expiration Date of this Lease shall be the date stated in the Basic Lease Terms or, if delivery of the Premises is delayed as set forth in Paragraph 2.1 or Paragraph 2.2, the last day of the calendar month that is the number of full calendar months stated in the Basic Lease Terms from the month in which the Commencement Date occurs. When the actual Commencement Date is determined, the parties shall execute a Commencement Date Memorandum setting forth such date in the form attached hereto and incorporated herein as Exhibit D.

3.1. Option to Extend Term. Provided that Tenant is not in default under this Lease at the time of exercise of its Extension Option (hereafter defined in this Paragraph 3.1) and at commencement of the Extension Term (hereafter defined in this Paragraph 3.1), Tenant shall have the option (the "Extension Option") to extend the initial term of this Lease (the "Initial Term") for [***] (the "Extension Term"), commencing at the expiration of the Initial Term.

3.1.1. If Tenant exercises the Extension Option, Tenant shall give unconditional written notice (the "Exercise Notice") of its exercise to Landlord not earlier than [***] months and not later than [***] months prior to the expiration of the Initial Term. Tenant's failure to give the

Exercise Notice in a timely manner shall be deemed a waiver of Tenant's Extension Option. The terms, covenants and conditions applicable to the Extension Term shall be the same terms, covenants and conditions of this Lease applicable during the Initial Term, except that: (i) Tenant shall not be entitled to any further options to extend the Term of this Lease beyond the Extension Term; and (ii) the Base Rent for the Premises shall be the Fair Market Rental Value (hereafter defined in Paragraph 3.1.2) of the Premises. All unexercised Extension Options shall automatically terminate and become null and void upon the earlier to occur of (1) the occurrence of any uncured event of default beyond applicable notice and cure periods by Tenant of any monetary obligation hereunder, (2) the termination of Tenant's right to possession of the Premises, (3) the termination of this Lease, (4) any assignment or transfer, by operation of law or otherwise, of any of Tenant's interest in this Lease, or any subletting by Tenant of all or any portion of the Premises except with respect to a Permitted Transfer, (5) the failure of Tenant to timely or properly exercise its Extension Option as aforesaid, or (6) any voluntary reduction in the size of the Premises by Tenant. Once delivered, an Exercise Notice cannot be rescinded or revoked by Tenant.

3.1.2. For purposes of this Paragraph 3.1, "Fair Market Rental Value" of the Premises shall be [***]. Notwithstanding anything to the contrary herein, the Fair Market Rental Value of the Premises as determined pursuant to this Paragraph 3.1.2 shall include annual escalations during the Extension Term, and shall be not less than the Base Rent rate in effect during the final year of the Initial Term.

3.1.3. Within [***] days after Landlord receives the Exercise Notice, Landlord shall provide in writing to Tenant its estimate of the Fair Market Rental Value of the Premises for the Extension Term. Landlord and Tenant shall for an additional [***] days thereafter attempt in good faith to agree on the Fair Market Rental Value of the Premises for the Extension Term. If Landlord and Tenant agree on the Fair Market Rental Value of the Premises for the Extension Term during such [***] day period, they shall immediately execute an amendment to this Lease stating the Base Rent for the Extension Term.

3.1.4. If Landlord and Tenant are unable to agree on the Base Rent for the Extension Term within the [***] day period described in the second sentence in Paragraph 3.1.3, then within [***] days after the expiration of said [***] day period, either Landlord or Tenant may refer the matter to arbitration as provided for in this Paragraph 3.1.4. The determination of the arbitrator(s) shall be limited to the sole issue of whether Landlord's or Tenant's submitted Fair Market Rental Value is the closest to the actual Fair Market Rental Value as determined by the arbitrator(s). The arbitrator(s) must be a licensed real estate broker(s) who has/have been active in the leasing of commercial properties in the San Jose, California area over the [***] year period ending on the date of his/her/their appointment as arbitrator(s). Within [***] days after the date either Landlord or Tenant has referred to arbitration the determination of Fair Market Rental Value of the Premises (the "Arbitration Referral Date"), Landlord and Tenant shall each (i) appoint one arbitrator and notify the other party of the arbitrator's name and business address, and (ii) notify the other party of their determination of Fair Market Rental Value. If each party timely appoints an arbitrator, the two (2) arbitrators shall, within [***] days after the appointment of the second arbitrator, agree on and appoint a third arbitrator (who shall be qualified under the same criteria set forth above for qualification of the initial two (2) arbitrators) and provide notice to Landlord and Tenant of the arbitrator's name and business address. Within [***] days after the appointment

of the third arbitrator, the three (3) arbitrators shall decide whether the parties will use Landlord's or Tenant's submitted Fair Market Rental Value and shall notify Landlord and Tenant of their decision. The decision of the majority of the three (3) arbitrators shall be binding on Landlord and Tenant. If either Landlord or Tenant fails to appoint an arbitrator within [***] days after the Arbitration Referral Date, the arbitrator timely appointed by one of them shall reach a decision and notify Landlord and Tenant of that decision within [***] days after the arbitrator's appointment. The arbitrator's decision shall be binding on Landlord and Tenant. If each party appoints an arbitrator in a timely manner, but the two (2) arbitrators fail to agree on and appoint a third arbitrator within the required period, the arbitrators shall be dismissed without delay and the issue of Fair Market Rental Value shall be submitted to binding arbitration under the commercial arbitration rules of the American Arbitration Association ("AAA"), provided that in the event of any inconsistency between such arbitration rules and the terms and conditions of this Paragraph 3.1.4, the terms and conditions of this Paragraph 3.1.4 shall govern; and provided, further however, that the sole function of the AAA arbitrator shall be to select either Landlord's or Tenant's submitted Fair Market Rental Value. If Landlord and Tenant each fail to appoint an arbitrator in a timely manner, the matter to be decided shall be submitted without delay to binding arbitration under the commercial arbitration rules of the American Arbitration Association, subject to the provisions of this Paragraph 3.1.4. If only one of the parties has given notice of its determination of Fair Market Rental Value within [***] days after the Arbitration Referral Date, then such determination shall be the Fair Market Rental Value for the Premises for the Extension Term. If Landlord and Tenant both fail to give notice of their determination of Fair Market Rental value within [***] days after the Arbitration Referral Date, the determination of Fair Market Rental Value shall be submitted without delay to binding arbitration under the commercial arbitration rules of the American Arbitration Association, subject to the provisions of this Paragraph 3.1.4, and provided, further however, that the sole function of the AAA arbitrator shall be to select either Landlord's or Tenant's submitted Fair Market Rental Value. The cost of the arbitration as provided for in this Paragraph 3.1.4 shall be paid [***]. After the Base Rent for the Extension Term has been set, the arbitrator(s) shall immediately notify Landlord and Tenant, and Landlord and Tenant shall immediately execute an amendment to this Lease stating the Base Rent for the Extension Term.

4. Rent Payment

4.1. Base Rent; Additional Rent. Tenant shall pay to Landlord the Base Rent for the Premises set forth in the Basic Lease Terms and all amounts other than Base Rent that this Lease requires ("Additional Rent") without demand, deduction or offset. As used herein, "Rent" or "rent" shall mean Base Rent and Additional Rent. Payment shall be made in U.S. currency by checks payable to Landlord and mailed to the address for rent payments as set forth above or as otherwise may be designated in writing by Landlord. Simultaneous with Tenant's execution and delivery of this Lease to Landlord, Tenant shall pay to Landlord the following amounts to be applied as set forth below:

4.1.1. Base Rent to be applied toward Base Rent due for the fourth (4th) month of the Lease Term shall be [***].

4.1.2. Estimated payment of Operating Expenses and Taxes in the amount of [***] to be applied toward Additional Rent due for the first full calendar month of the Lease Term.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

Thereafter, Base Rent and Additional Rent shall be payable in advance on the first day of each month during the Lease Term. Base Rent and Additional Rent for any partial month during the Lease Term shall be prorated to reflect the number of days during the relevant month. Payment by Tenant or receipt by Landlord of any amount less than the full Base Rent or Additional Rent due from Tenant, or any disbursement or statement on any check or letter accompanying any check or rent payment, shall not in any event be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rental or pursue any other remedy provided in this Lease.

4.2. Lockbox Payments. Tenant shall pay Base Rent, Additional Rent or other charges under this Lease to a "lockbox" or other depository whereby checks issued in payment of such items are initially cashed or deposited by a person or entity other than Landlord (albeit on Landlord's authority); for any and all purposes under this Lease: (i) Landlord shall not be deemed to have accepted such payment until the date on which such funds are actually received by Landlord or the "lockbox", (ii) Landlord shall be deemed to have accepted such payment if (and only if) Landlord shall not have immediately refunded (or attempted to immediately refund) such payment to Tenant and (iii) Landlord shall not be bound by any endorsement or statement on any check or any letter accompanying any check or payment and no such endorsement, statement or letter shall be deemed an accord and satisfaction. Landlord or Landlord's bank may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease, at law or in equity.

5. Letter of Credit.

5.1. Concurrent with Tenant's execution and delivery of this Lease, Tenant shall deliver to Landlord, as collateral for the full performance by Tenant of all of its obligations under this Lease, and for all losses and damages Landlord may suffer as a result of Tenant's failure to comply with one or more provisions of the Lease in any case which continues beyond any applicable notice and cure periods, including, but not limited to, any post lease termination damages under Section 1951.2 of the California Civil Code, an Irrevocable Standby Letter of Credit substantially in the form attached hereto as Exhibit G (the "Letter of Credit") in the amount of Five Hundred Ninety One Thousand Three Hundred Seven and 44/100 Dollars (\$591,307.44). The following terms and conditions shall apply to the Letter of Credit:

5.1.1. The Letter of Credit shall be in favor of Landlord, shall be issued by a financial institution reasonably acceptable to Landlord but in any event (i) that is chartered under the laws of the United States, any State thereof or the District of Columbia, and which is insured by the Federal Deposit Insurance Corporation ("FDIC"), (ii) whose long-term, unsecured and unsubordinated debt obligations have at least a Standard & Poor's rating of [***] or better, a Moody's rating of [***] or better, or a Fitch rating of [***] or better, and (iii) either (x) has a letter of credit counter located in Santa Clara County upon which draws can be made in person, or (y) has a local correspondent based in Santa Clara County upon which draws can be made in person without delay. The Letter of Credit shall comply with all of the terms and conditions of this Paragraph and shall otherwise be in a form acceptable to Landlord, in Landlord's sole discretion. Landlord hereby pre-approves [***] as the issuing bank.

5.1.2. The Letter of Credit or any replacement Letter of Credit shall be irrevocable for the term thereof and shall automatically renew on a year to year basis until a period ending not earlier than [***] subsequent to the Expiration Date (the "LOC Expiration Date") without any action whatsoever on the part of Landlord; provided that the issuing bank shall have the right not to renew the Letter of Credit by giving written notice to Landlord not less than [***] days prior to the expiration of the then current term of the Letter of Credit that it does not intend to renew the Letter of Credit. Tenant understands that the election by the issuing bank not to renew the Letter of Credit shall not, in any event, diminish the obligation of Tenant to maintain such an irrevocable Letter of Credit in favor of Landlord through the LOC Expiration Date.

5.1.3. Landlord, or its then authorized representative, upon Tenant's failure to comply with one or more provisions of this Lease or as otherwise specifically agreed by Landlord and Tenant pursuant to this Lease or any amendment hereof, without prejudice to any other remedy provided in this Lease, or by Applicable Laws, shall have the right, after expiration of any applicable notice and cure periods, from time to time to make one or more draws on the Letter of Credit and use all or part of the proceeds in accordance with Paragraph 5.1.4 below. In addition, if Tenant fails to furnish a renewal or replacement letter of credit complying with all of the provisions of this Paragraph 5 at least [***] days prior to the stated expiration date of the Letter of Credit then held by Landlord, Landlord may draw upon such Letter of Credit and hold the proceeds thereof (and such proceeds need not be segregated) in accordance with the terms of this Paragraph 5, provided that any such unused proceeds shall be returned to Tenant upon Tenant providing a replacement Letter of Credit. Funds may be drawn down on the Letter of Credit upon presentation to the issuing bank of Landlord's (or Landlord's then authorized representative's) certification.

5.1.4. Tenant acknowledges and agrees (and the Letter of Credit shall so state) that the Letter of Credit shall be honored by the issuing bank without inquiry as to the truth of the statements set forth in such draw request and regardless of whether the Tenant disputes the content of such statement. The proceeds of the Letter of Credit shall constitute Landlord's sole and separate property (and not Tenant's property or the property of Tenant's bankruptcy estate). The proceeds of the Letter of Credit shall be applied exclusively and only: (a) against any rent or other amounts payable by Tenant under this Lease that is not paid when due and such failure continues beyond any applicable notice and cure period; (b) against all losses and damages that Landlord has suffered or that Landlord reasonably estimates that it may suffer as a result of Tenant's failure to comply with one or more provisions of this Lease, including any damages arising under Section 1951.2 of the California Civil Code following termination of this Lease; (c) against any costs incurred by Landlord in connection with Tenant's breach of this Lease (including attorneys' fees); and (d) against any other amount that Landlord may spend or become obligated to spend by reason of Tenant's default which continues beyond any applicable notice and cure periods. Provided Tenant has performed all of its obligations under this Lease, Landlord agrees to pay to Tenant within [***] days after the LOC Expiration Date the amount of any proceeds of the Letter of Credit received by Landlord and not applied as allowed above; provided, that if prior to the LOC Expiration Date a voluntary petition is filed by Tenant, or an involuntary petition is filed against Tenant by any of Tenant's creditors, under the Federal Bankruptcy Code, then Landlord shall not be obligated to make such payment in the amount of the unused Letter of Credit proceeds until either all preference issues relating to payments under this Lease, have been resolved in such bankruptcy or reorganization case or such bankruptcy or reorganization case has been dismissed, in each case pursuant to a final court order not subject to appeal or any stay pending appeal.

5.1.5. If, as result of any application or use by Landlord of all or any part of the Letter of Credit, the amount of the Letter of Credit shall be less than the amount set forth in this Paragraph 5, Tenant shall, within [***] days thereafter, provide Landlord with additional letter(s) of credit in an amount equal to the deficiency (or a replacement letter of credit in the total amount required pursuant to this Paragraph 5), and any such additional (or replacement) letter of credit shall comply with all of the provisions of this Paragraph 5, and if Tenant fails to comply with the foregoing, notwithstanding anything to the contrary contained in this Lease, the same shall constitute an incurable Event of Default by Tenant (provided, however, so long as Tenant is diligently obtaining a replacement Letter of Credit, Tenant may elect to provide a cash security deposit in an equivalent amount, provided any replacement or additional letter(s) of credit are supplied as promptly as possible, but in any event within [***] days thereafter, at which point the cash security deposit shall be promptly returned to Tenant). Tenant further covenants and warrants that it will neither assign nor encumber the Letter of Credit or any part thereof and that neither Landlord nor its successors or assigns will be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

5.1.6. Landlord may, at any time and without notice to Tenant and without first obtaining Tenant's consent thereto, transfer all or any portion of its interest in and to the Letter of Credit to another party, person or entity, including Landlord's mortgagee and/or to have the Letter of Credit reissued in the name of Landlord's mortgagee. If Landlord transfers its interest in the Building and transfers the Letter of Credit (or any proceeds thereof then held by Landlord) in whole or in part to the transferee and such transferee assumes in writing Landlord's obligations under this Lease, Landlord shall, without any further agreement between the parties hereto, thereupon be released by Tenant from all liability therefor. The provisions hereof shall apply to every transfer or assignment of all or any part of the Letter of Credit to a new landlord. In connection with any such transfer of the Letter of Credit by Landlord, Tenant shall, at Tenant's sole cost and expense, execute and submit to the issuer of the Letter of Credit such applications, documents and instruments as may be necessary to effectuate such transfer. Tenant shall be responsible for paying the issuer's transfer and processing fees in connection with any transfer of the Letter of Credit and, if Landlord advances any such fees (without having any obligation to do so), Tenant shall reimburse Landlord for any such transfer or processing fees within [***]days after Landlord's written request therefor.

5.1.7. If the Letter of Credit expires earlier than the LOC Expiration Date, or the issuing bank notifies Landlord that it shall not renew the Letter of Credit, Landlord shall accept a renewal thereof or substitute Letter of Credit (such renewal or substitute Letter of Credit to be in effect not later than [***] days prior to the expiration thereof), irrevocable and automatically renewable through the LOC Expiration Date upon the same terms as the expiring Letter of Credit or upon such other terms as may be acceptable to Landlord. However, if (a) the Letter of Credit is not timely renewed, or (b) a substitute Letter of Credit, complying with all of the terms and conditions of this paragraph is not timely received, Landlord may present such Letter of Credit to the issuing bank, and the entire sum so obtained shall be paid to Landlord, to be held by Landlord, provided that any such unused proceeds shall be returned to Tenant upon Tenant providing a replacement Letter of Credit. Notwithstanding the foregoing, Landlord shall be entitled to receive from Tenant all actual, reasonable and out-of-pocket attorneys' fees and costs incurred in connection with the review of any proposed substitute Letter of Credit pursuant to this Paragraph.

5.1.8. Landlord and Tenant (a) acknowledge and agree that in no event or circumstance shall the Letter of Credit or any renewal thereof or substitute therefor or any proceeds thereof be deemed to be or treated as a “security deposit” under any Applicable Laws applicable to security deposits in the commercial context including Section 1950.7 of the California Civil Code, as such section now exist or as may be hereafter amended or succeeded (“Security Deposit Laws”), (b) acknowledge and agree that the Letter of Credit (including any renewal thereof or substitute therefor or any proceeds thereof) is not intended to serve as a security deposit, and the Security Deposit Laws shall have no applicability or relevancy thereto, and (c) waive any and all rights, duties and obligations either party may now or, in the future, will have relating to or arising from the Security Deposit Laws. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code and all other provisions of Applicable Laws, now or hereafter in effect, which (i) establish the time frame by which Landlord must refund a security deposit under a lease, and/or (ii) provide that Landlord may claim from the security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim those sums specified above in this Paragraph 5 and/or those sums reasonably necessary to compensate Landlord for any loss or damage caused by Tenant’s breach of this Lease, or the acts or omission of Tenant, including any damages Landlord suffers following termination of this Lease.

5.1.9. Notwithstanding anything to the contrary contained in the Lease, as amended hereby, in the event that at any time the financial institution which issues said Letter of Credit is declared insolvent by the FDIC or is closed for any reason, Tenant must immediately provide a substitute Letter of Credit that satisfies the requirements of this Lease, hereby from a financial institution acceptable to Landlord, in Landlord’s sole discretion.

5.1.10. If (A) Tenant’s Financial Information (defined below) reflects [***] consecutive calendar quarters of profitability at any time during the Lease Term, as evidenced by Tenant’s Financial Information (the “Profitability Test”), or (B) Tenant has received an additional aggregate [***] in equity funding (the “Equity Funding Test”), then Tenant shall have the right to reduce the Letter of Credit to an amount equal to [***] for the remainder of the Lease Term. If Tenant is entitled to a reduction in the Letter of Credit as provided in this Paragraph 5.1.10, Tenant shall provide Landlord with written notice requesting that the Letter of Credit be reduced as provided above (the “Reduction Notice”). Concurrent with Tenant’s delivery of the Reduction Notice, Tenant shall deliver to Landlord for review Tenant’s most recent audited financial statements prepared in the ordinary course of business or, if unaudited, certified by Tenant’s chief financial officer as being prepared in accordance with Generally Accepted Accounting Principles (“GAAP”) and true, complete and correct in all material respects, and any other financial information reasonably requested by Landlord (“Tenant’s Financial Information”). If Tenant provides Landlord with a Reduction Notice and Tenant is entitled to reduce the face amount of the Letter of Credit as provided herein, any reduction in the face amount of the Letter of Credit shall be accomplished by Tenant providing Landlord with a substitute Letter of Credit in the reduced amount, which substitute Letter of Credit shall comply with the requirements of this Paragraph 5.

Notwithstanding anything to the contrary set forth herein, if Tenant has been in monetary default under this Lease beyond any applicable notice and cure period or any material non-monetary default at any time prior to submission of a Reduction Notice, then Tenant’s right to reduce the face amount of the Letter of Credit, as described herein, shall be null and void and of no further force or effect as to any of the reduction opportunities that may remain unexercised by Tenant at such time.

6. Use of the Premises; Hazardous Materials.

6.1. Permitted Use. Subject to Tenant's acknowledgment set forth in Paragraph 2.2, the Premises shall be used for the Permitted Use set forth in the Basic Lease Terms and for no other purpose without Landlord's prior written consent which may be withheld in Landlord's sole and absolute discretion.

6.2. Compliance with Applicable Laws and Requirements.

6.2.1. In connection with its use, Tenant shall at its expense comply with all applicable laws, ordinances, regulations, codes and orders of any governmental or other public authority including without limitation, the Americans with Disabilities Act, any and all Hazardous Materials Laws as defined in Paragraph 6.6.6 (together with any supplements or modifications thereto, "Applicable Laws"), and also including, without limitation, those requiring alteration of the Premises because of Tenant's specific use. Landlord shall comply with all Applicable Laws relating to the exterior of the Premises and the Outside Areas.

6.2.2. Tenant, at Tenant's sole cost and expense, shall obtain and maintain any and all permits and licenses required in order for Tenant to operate the Permitted Use in the Premises. Tenant shall not commit any public or private nuisance or any other act or thing, which might or would disturb the quiet enjoyment of any tenant or occupant of the Building, any other portion of the Project or any nearby property. Tenant shall not invalidate or impair any roof warranty; nor place any loads upon the floors, walls or ceilings in excess of the maximum designed load determined by Landlord or which endanger the structure; nor place any harmful liquids in the drainage systems; nor dump or store waste materials or refuse or allow such to remain outside the Building proper, except in the enclosed trash areas provided. Tenant shall not store or permit to be stored or otherwise placed any other material of any nature whatsoever outside the Building.

6.2.3. From and after the Reference Date and continuing through the Lease Term, Tenant shall not:

- (i) Permit any vehicle on the Project to emit exhaust which is in violation of any governmental law, rule, regulation or requirement;
- (ii) Discharge, emit or permit to be discharged or emitted, any liquid, solid or gaseous matter, or any combination thereof, into the atmosphere, the ground or any body of water, which matter constitutes Hazardous Materials.
- (iii) Produce, or permit to be produced, any intense glare, light or heat except within an enclosed or screened area, and then only in such manner that the glare, light or heat shall not be discernible from outside the Premises;

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

- (iv) Create, or permit to be created, any sound pressure level which will interfere with the quiet enjoyment of any real property outside the Premises or the Project, or which will create a nuisance or violate any governmental law, rule, regulation or requirement;
- (v) Create or permit to be created any ground vibration that is discernible outside the Premises or the Project; or
- (vi) Transmit, receive or permit to be transmitted or received, any electromagnetic, microwave or other radiation, which is harmful or hazardous to any person or property in, on or about the Premises, the Project, or elsewhere.

6.3. Signage. The location, size, design, color and other physical aspects of Tenant's identification signage shall comply with the sign criteria for the Project attached hereto and incorporated herein as Exhibit F and shall be subject to the Landlord's written approval prior to installation (which shall not be unreasonably withheld, conditioned or delayed) and any appropriate municipal or other governmental approvals and any other Applicable Laws. All signs installed by Tenant shall be removed upon termination of this Lease with the sign location restored to its former state. The cost of Tenant's signs, their installation, maintenance and removal expense shall be Tenant's sole expense. If Tenant fails to maintain its signs, or, if Tenant fails to remove its signs upon termination of this Lease, Landlord may do so at Tenant's expense and Tenant's reimbursement to Landlord for such amounts shall be deemed Additional Rent. So long as (a) Tenant is not in default under the terms of this Lease, and (b) Tenant has not assigned this Lease, or sublet the entirety of the Premises, Tenant shall have the exclusive right to have its name listed (1) on the monument sign along Orchard Drive (the "Monument Sign") and (2) any signs affixed to the side of the Building (the "Building Sign"), all in the locations shown on Exhibit F-1, subject to the terms of this Paragraph 6.3 and Exhibit F. The design, size and color of the panel in the Monument Sign with Tenant's name to be included, and the manner in which it is attached to the Monument Sign, shall comply with all Applicable Laws and shall be subject to the reasonable approval of Landlord and any applicable governmental authorities. The design, size and color of the Building Sign and the manner in which it is attached to the Building shall comply with all Applicable Laws and shall be subject to the reasonable approval of Landlord and any applicable governmental authorities. Landlord reserves the right to withhold consent to any sign that, in the sole judgment of Landlord, is not harmonious with the design standards of the Project and the existing monument and building signs. Tenant must obtain Landlord's written consent to any proposed signage and lettering prior to its fabrication and installation. To obtain Landlord's consent, Tenant shall submit design drawings to Landlord showing the type and sizes of all lettering; the colors, finishes and types of materials used; and (if applicable and Landlord consents in its sole discretion) any provisions for illumination. Landlord shall respond to Tenant's request within [***] days. Although the Monument Sign will be maintained by Landlord, Tenant shall pay its proportionate share of the cost of any maintenance and repair associated with the Monument Sign. Tenant shall be responsible to maintain the Building Sign. If Tenant fails to maintain the Building Sign, Landlord reserves the right to maintain the Tenant's Building Sign and the cost thereof shall be payable as Additional Rent within [***] days of Landlord's demand. Upon the expiration or earlier termination of this Lease or if during the Term (and any extensions thereof) (a) Tenant is in monetary default under this Lease beyond applicable notice and cure period or any material non-monetary default under the terms of this Lease after the expiration of applicable notice and cure periods and such default results in termination of this Lease, or (b) Tenant assigns

this Lease or subleases the entirety of the Premises, then Tenant's rights granted herein will terminate and Landlord may remove Tenant's name from the Monument Sign and may remove the Building Sign at Tenant's sole cost and expense. The cost of such removal and restoration shall be payable as Additional Rent within [***] days of Landlord's demand.

6.4. Alterations. Except for Permitted Alterations (as defined below), Tenant shall make no alterations, additions or improvements to the Premises and/or in, on or about the Building (including, without limitation, lighting, heating, ventilating, air conditioning, electrical, partitioning, window coverings and carpentry installations) (collectively, "Alterations") without Landlord's prior written consent as provided in this Paragraph 6.4 and without a valid building permit issued by the appropriate governmental agency.

6.4.1. To the extent that any Alterations to the Premises constitute "Major Alterations" (as defined below), Landlord may withhold its consent in Landlord's sole and absolute discretion; otherwise, Landlord's consent to any Alterations to the Premises other than Major Alterations (and excluding Permitted Alterations as set forth below) shall not be unreasonably withheld, conditioned or delayed. As used herein, "Major Alterations" shall mean any Alterations (i) which are visible from outside the Premises and/or Building (including design and aesthetic changes), and/or (ii) to the exterior of the Building, the roof of the Building, the heating, ventilation and/or air conditioning systems serving the Premises, the fire sprinkler, plumbing, electrical, mechanical and/or any other systems serving the Premises, any interior, load-bearing walls, the foundation and/or the slab of the Building.

6.4.2. Together with Tenant's request for Landlord's consent to any Alterations other than Permitted Alterations, Tenant shall deliver to Landlord preliminary plans and specifications prepared by a California licensed architect for the proposed Alterations (the "Preliminary Plans and Specifications"). The Preliminary Plans and Specifications shall be in sufficient detail to enable Landlord to fully understand the nature and scope of the proposed Alterations and the potential effect of the proposed Alterations on the Building and Project and shall include, as and if required by Landlord as part of Landlord's review, full architectural and engineering plans and specifications for the proposed Alterations. Without limiting the foregoing, the Preliminary Plans and Specifications for any proposed Major Alterations shall include full architectural and engineering plans. If Landlord does not approve the Preliminary Plans and Specifications, Landlord shall return the Preliminary Plans and Specifications to Tenant, who shall make all necessary revisions after Tenant's receipt of Landlord's revisions thereto. This procedure shall be repeated until Landlord approves the Preliminary Plans and Specifications or Tenant abandons the Alterations. The approved Preliminary Plans and Specifications, as modified, shall be deemed the "Construction Documents". Once the Construction Documents have been approved, no further changes to the Construction Documents may be made without prior written approval from both Landlord (pursuant to this Paragraph 6.4) and Tenant. While Landlord has the right to approve the Preliminary Plans and Specifications and the Construction Documents, Landlord's interest in doing so is to protect the Premises and Landlord's interests. Accordingly, Tenant shall not rely upon Landlord's approvals and Landlord shall not be the guarantor of, nor responsible for, the correctness or accuracy of the Preliminary Plans and Specifications and/or the Construction Documents, or the compliance thereof with Applicable Law, and Landlord shall incur no liability of any kind by reason of granting such approvals.

6.4.3. Tenant shall be permitted, without Landlord's prior written consent provided that Tenant complies with all other terms and conditions of this Paragraph 6.4, to make nonstructural Alterations not exceeding [***] in cost per calendar year to the interior of the Premises (the "Permitted Alterations").

6.4.4. Tenant shall notify Landlord in writing at least [***] days prior to commencement of any such work to enable Landlord to post a Notice of Non-Responsibility or other notice deemed proper before the commencement of such work. Any and all such Alterations shall comply with all Applicable Laws including, without limitation, obtaining any required permits or other governmental approvals, shall be performed by a California licensed contractor and shall be done in a good and workmanlike manner conforming in quality and design with the Premises as then currently existing, and shall not diminish the value of the Premises. In connection with any Alterations made by Tenant to the Premises costing in excess of [***], Landlord may require that Tenant deposit with Landlord prior to the making of such Alterations an amount as reasonably required by Landlord as security for the full and faithful performance of Tenant's obligations with respect to such Alterations and all such assurances as Landlord shall reasonably require to assure payment of the costs thereof, including but not limited to waivers of lien, surety company performance bonds and to protect Landlord and the Building and any appurtenant land against any loss from any mechanic's, materialmen's or other liens. All Alterations made by Tenant shall be and become the property of Landlord upon installation and shall not be deemed Tenant's property unless the terms of the applicable consent provide otherwise, or Landlord requests that part or all of the Alterations be removed at the expiration or earlier termination of the Lease. If Landlord elects, at the time of giving its consent to any Alterations, to require Tenant to remove such Alterations at the expiration or earlier termination of the Lease, Tenant, at its sole cost and expense, shall remove the specified Alterations and shall fully repair and restore the relevant portion(s) of the Premises to their condition prior to the making of such Alterations prior to the date of expiration or termination. If Landlord does not specify in its consent to Alterations that such Alterations need not be removed, then such Alterations must be removed by Tenant at the expiration or earlier termination of the Lease upon request from Landlord.

6.5. Cabling. Tenant shall not install or cause to be installed any cabling or wiring (collectively, "Cabling") without the prior written consent of Landlord as provided in Paragraph 6.4. Any installation of Cabling shall be performed pursuant to Paragraph 6.4, shall meet the requirements of the National Electrical Code (as may be amended from time to time), and shall comply with all Applicable Laws. On or prior to the expiration or earlier termination of this Lease, Tenant, at Tenant's sole cost and expense, shall remove all Cabling so installed unless Landlord, in its sole and absolute discretion, elects in writing to waive this requirement. Any Cabling removed by Tenant shall be disposed of by Tenant, at Tenant's sole cost and expense, in accordance with all Applicable Laws.

6.6. Hazardous Materials.

6.6.1. Tenant agrees to complete prior to Lease execution the questionnaire attached hereto and incorporated herein as Exhibit E (the "Hazardous Materials Questionnaire"). Tenant represents and warrants that the information completed by Tenant in the Hazardous Materials Questionnaire is true and complete. Tenant agrees to immediately inform Landlord in writing if any of the information contained in the Hazardous Materials Questionnaire becomes untrue, inaccurate or incomplete.

6.6.2. Landlord approves Tenant's storage and use of those Hazardous Materials used in Tenant's business and set forth on the Hazardous Materials Questionnaire (the "Approved Hazardous Materials"). Other than the Approved Hazardous Materials, Tenant shall not cause or permit any Hazardous Materials to be generated, brought onto, used, stored, or disposed of in or about the Premises, the Outside Area, or any other portion of the Project, by Tenant or Tenant's Agents, except for standard office supplies and standard janitorial supplies which may be Hazardous Materials but only to the extent that such supplies (and the quantities thereof) are normally used in connection with general office uses. Any handling, transportation, storage, treatment, disposal or use of Hazardous Materials by Tenant's Agent shall strictly comply with all applicable Hazardous Materials Laws. Without limiting the generality of the foregoing, upon the expiration of the Lease Term or the earlier termination of this Lease, Tenant shall comply with all Hazardous Materials Laws relating to the closure of the Premises and/or the removal or remediation of Hazardous Materials present in, on or about the Premises.

6.6.3. Landlord and Tenant shall each give written notice to the other as soon as reasonably practicable of (i) any Hazardous Materials which relates to the Premises, (ii) any contamination of the Premises by Hazardous Materials which constitutes a violation of any Hazardous Materials Law, and/or (iii) any notice or communication from a governmental agency or any other person relating to any Hazardous Materials on, under or about the Premises; or (iv) any violation of any Hazardous Materials Laws with respect to the Premises or Tenant's activities on or in connection with the Premises. Tenant and Tenant's Agents shall not bring Hazardous Materials of types or quantities differing from the Approved Hazardous Materials without first obtaining the written permission of the Landlord, which shall not be unreasonably withheld, conditioned or delayed if the type of Hazardous Materials Tenant requires is in keeping with, or similar to, the Approved Hazardous Materials. At any time during the Lease term, Tenant shall, within [***] days after written request therefor received from Landlord, disclose in writing all Hazardous Materials that are being used by Tenant or Tenant's Agents on the Premises, the nature of such use, and the manner of storage and disposal.

6.6.4. In the event of a spill, leak, disposal or other release of any Hazardous Materials on, under or about the Premises, the Outside Area or any other portion of the Project caused by Tenant or any of its contractors, agents or employees or invitees, or the suspicion or threat of the same, Tenant shall (i) immediately undertake all emergency response necessary to contain, cleanup and remove the released Hazardous Material(s), (ii) promptly undertake all investigatory, remedial, removal and other response action necessary or appropriate to ensure that any Hazardous Materials contamination is eliminated to Landlord's reasonable satisfaction, and (iii) provide Landlord copies of all correspondence with any governmental agency regarding the release (or threatened or suspected release) or the response action, a detailed report documenting all such response action, and a certification that any contamination has been eliminated. All such response action shall be performed, all such reports shall be prepared and all such certifications shall be made by an environmental consultant reasonably acceptable to Landlord.

6.6.5. If Landlord at any time during the Lease Term (including any holdover period) reasonably believes that Tenant is not complying with any of the requirements of this

Paragraph 6.6. Landlord may require Tenant to furnish to Landlord, at Tenant's sole expense and within [***] days following Landlord's request therefor, an environmental audit or any environmental assessment with respect to the matters of concern to Landlord. Such audit or assessment shall be prepared by a qualified consultant acceptable to Landlord. In addition, Landlord may cause testing wells to be installed on or about the Outside Area, and may cause the ground water to be tested to detect the presence of Hazardous Materials by the use of such tests as are then customarily used for such purposes, provided that Landlord shall use diligent efforts to minimize any inconvenience or disruption to Tenant's business in connection with such installation. If Tenant so requests, Landlord shall supply Tenant with copies of such test results. The cost of such tests and of the installation, maintenance, repair and replacement of such wells shall be paid by Tenant if such tests disclose that Tenant did not comply with the requirements of this Paragraph 6.6.

6.6.6. As used herein, the term "Hazardous Material," means any hazardous or toxic substance, material or waste, which is or becomes regulated by any local governmental authority, the State of California or the United States Government. The term "Hazardous Material," includes, without limitation, petroleum products, asbestos, PCB's, and any material or substance which is (i) defined as hazardous or extremely hazardous pursuant to §66160 of Title 26 of the California Code of Regulations, Division 22, (ii) defined as a "hazardous waste" pursuant to §1004 of the Federal Resource Conservation and Recovery Act, 42 USC, §6901 et seq. (42 USC §6903), or (iii) defined as a "hazardous substance" pursuant to §101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 USC, §9601 et seq. (42 USC §6901). As used herein the term "Hazardous Material Law" shall mean any statute, law, ordinance, or regulation of any governmental body or agency (including the US Environmental Protection Agency, the California Regional Water Quality Control Board, and the California Department of Health Services) which regulates the use, storage, release or disposal of any Hazardous Material.

6.6.7. Tenant shall indemnify, defend and hold harmless Landlord, Landlord's Agents, any persons holding a security interest in the Premises or any other portion of the Project, and the respective successors and assigns of each of them, for, from and against any and all claims, demands, liabilities, damages, fines, losses (including without limitation diminution in value), costs (including without limitation the cost of any investigation, remedial, removal or other response action required by Hazardous Materials Laws) and expenses (including without limitation attorneys fees and expert fees in connection with any trial, appeal, petition for review or administrative proceeding) arising out of or in any way relating to the use, treatment, storage, generation, transport, release, leak, spill, disposal or other handling of Hazardous Materials on, under or about the Premises by Tenant or any of Tenant's Agents or invitees. Landlord's rights under this Paragraph 6.6.7 are in addition to and not in lieu of any other rights or remedies to which Landlord may be entitled under this Lease or otherwise. In the event any action is brought against Landlord by reason of any such claim, Tenant shall resist or defend such action or proceeding by counsel satisfactory to Landlord upon Landlord's demand. The obligation to indemnify, defend and hold harmless shall include, without limitation, (A) [***], (B) [***], (C) [***], (D) [***], (E) [***], and (F) [***]. Tenant's obligations under this Paragraph 6.6.7 shall survive the expiration or termination of this Lease for any reason.

6.6.8. Landlord represents that as of the Commencement Date it has not received written notice and has no knowledge of any Hazardous Materials on, in, under or about the

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

Premises (including without limitation any asbestos-containing building material or any other environmentally hazardous building materials) in violation of Hazardous Materials Laws. Landlord and its successors and assigns shall indemnify, defend, and hold Tenant harmless from and against any and all damages, including but not limited to the cost of remediation, which are suffered as a result of Hazardous Materials existing on the Premises, Building or Project prior to the Effective Date ("Landlord's Hazardous Substances"), or that are not caused by Tenant or its employees, agents, contractors or invitees.

Notwithstanding anything to the contrary herein, Tenant shall not be responsible to remediate nor otherwise be liable or responsible for (nor shall Tenant be responsible to indemnify Landlord with respect to) any Landlord's Hazardous Substances or any other Hazardous Materials that are not caused by Tenant or its employees, agents, contractors or invitees.

6.6.9. The obligations of Landlord and Tenant under this Paragraph 6.6 shall survive the expiration or earlier termination of the Lease Term. The rights and obligations of Landlord and Tenant with respect to issues relating to Hazardous Materials are exclusively established by this Paragraph 6.6. In the event of any inconsistency between any other part of the Lease and this Paragraph 6.6, the terms of this Paragraph 6.6 shall control.

7. Utility Charges; Building Maintenance.

7.1. Utility Charges.

7.1.1. Tenant shall be responsible for and shall pay when due all charges for electricity, natural gas, water, garbage collection, janitorial service, sewer, telephone and all other utilities, materials and services of any kind furnished to the Premises and/or the Building or used by Tenant in, on or about the Premises and/or the Building during the Lease Term. If charges are not separately metered or stated, Landlord shall apportion the utility charges on an equitable basis based on Tenant's Proportionate Share, or on an equitable basis if the Tenant's Proportionate Share is not equitable for such purpose and Tenant shall pay such charges to Landlord within [***] days following receipt by Tenant of Landlord's statement for such charges. Landlord shall have no liability resulting from any interruption of utility services caused by fire or other casualty, strike, riot, vandalism, the making of necessary repairs or improvements, or any other cause beyond Landlord's reasonable control. Notwithstanding the foregoing, if the Premises, or a material portion of the Premises, are made untenable for a period in excess of [***] consecutive business days as a result of the [***] of Landlord or Landlord's Agents, then Tenant, as its sole remedy, shall be entitled to receive an abatement of Base Rent payable hereunder during the period beginning on the date Tenant provided notice of the service interruption to Landlord and ending on the day the service has been restored.

7.1.2. ENERGY STAR®. Tenant understands that Landlord is required under applicable law to obtain, input and disclose certain benchmarking data for the U.S. Environmental Protection Agency's ENERGY STAR® Portfolio Manager. Accordingly, within [***] days following written request therefor from Landlord (and thereafter as set forth below), Tenant will complete, execute and deliver to Landlord a data release authorization for each utility serving the Premises maintained in Tenant's name or otherwise for the account of Tenant, in form and substance required by the relevant utility provider, permitting the relevant utility to disclose to

Landlord Tenant's monthly billing data, building square footage, occupancy type, operational characteristics and other information reasonably required for purposes of inputting the benchmarking data required by the U.S. Environmental Protection Agency's ENERGY STAR® Portfolio Manager (the "Data Release Authorization"). In addition, if Tenant's name or entity changes, Tenant shall complete, execute and deliver to Landlord an additional Data Release Authorization within [***] days following receipt of written request therefor from Landlord.

7.2. Landlord Maintenance and Repairs.

7.2.1. Landlord's maintenance, repair and replacement obligations which are paid by Landlord and not reimbursed by Tenant are set forth in this Paragraph 7.2.1. Landlord, at its sole cost and expense, shall be responsible only for (i) repair and replacement of the foundation of the Building, (ii) repairs or replacements arising out of the failure of the path of travel to the Building and the Premises to be ADA compliant on the Commencement Date, and (iii) repair and replacement of the structural elements of the Building, except for any damage thereto caused by the negligence or willful acts or omissions of Tenant or of Tenant's Agents or invitees, or by reason of the failure of Tenant to perform or comply with any terms of this Lease, or caused by any Alterations made by Tenant or by Tenant's Agents, which shall be at Tenant's expense. The structural elements of the Building shall consist of only the following parts of the Building: the foundation and subflooring, the roof structure (excluding the roof membrane), and the exterior walls, interior bearing or structural walls (excluding, however, interior wall surfaces). In addition, the terms "roof" and "walls" as used herein shall not include windows, glass or plate glass, doors, special store fronts or office entries.

7.2.2. Subject to Tenant's payment of Operating Expenses as set forth below, Landlord shall also maintain in good order, condition and repair (i) the roof of the Building (including, without limitation, roof replacement and also including the roof membrane), (ii) the Outside Area serving the Premises, (iii) the heating and air conditioning systems and equipment serving the Premises and the Building, and (iv) the fire and life safety systems and equipment serving the Premises and the Building, except for any damage thereto caused by the negligence or willful acts or omissions of Tenant or of Tenant's Agents or invitees, or by reason of the failure of Tenant to perform or comply with any terms of this Lease, or caused by any Alterations made by Tenant or by Tenant's Agents, which shall be at Tenant's expense. Landlord shall at all times have exclusive control of the Outside Area, including the right to grant easements or other rights of access to third parties, and may at any time temporarily close any part thereof, exclude and restrain anyone from any part thereof, except the bona fide customers, employees and invitees of Tenant who use the Outside Area in accordance with the rules and regulations as Landlord may from time to time promulgate, and may change the configuration of the Outside Area. In exercising any such rights, Landlord shall make a reasonable effort to minimize any disruption of Tenant's business and to avoid any adverse impact to Tenant's access to or use of the Premises. It is an express condition precedent to all obligations of Landlord to repair that Tenant shall have notified Landlord of the need for such repairs. Tenant waives the provisions of §1941 and §1942 of the California Civil Code and any similar or successor law regarding Tenant's right to make repairs and deduct the expenses of such repairs from the Rent due under this Lease.

7.3. Tenant Maintenance and Repairs. Tenant shall at all times and at its own expense clean, keep and maintain in good order, condition and repair, and shall replace, every part of the

Premises that is not within Landlord's obligation pursuant to Paragraph 7.2. Tenant's repair and maintenance obligations shall include, without limitation, all of the following which are a part of the Premises, which are located in, on or about the Premises, or which are located outside the Premises but serve the Premises: mechanical, electrical, gas, plumbing, water, exhaust, telephone, other communication, and data systems, fixtures, pipes, conduits, appliances, equipment, facilities, and units; fixtures, interior walls, ceiling, floors, windows, doors, entrances, plate glass, skylights, and fans; lighting fixtures, ballasts, lamps and non-structural portions of the roof. Tenant shall also be responsible, at its sole cost and expense, for all pest control in, on, or about the Premises and the Outside Area surrounding the Premises. Tenant shall refrain from any discharge that will damage the septic tank or sewers serving the Premises. If the Premises have a separate entrance, Tenant shall keep the sidewalks abutting the Premises or the separate entrance free and clear of debris, and obstructions of every kind.

7.4. Security. Tenant acknowledges and agrees that Tenant is responsible for securing the Premises and that Landlord does not, and shall not be obligated to, provide any police personnel or other security services or systems for any portion of the Premises, Building, Outside Area and/or Project. Tenant shall have the right to install a separate security system for the Premises subject to Paragraph 6.4 above.

7.5. Interference. Landlord shall have no liability for interference with Tenant's use when making alterations, improvements or repairs to the Building, Outside Area or the Project provided the work is performed in a reasonable manner and does not adversely affect or impair Tenant's access to or use of the Premises.

8. Taxes, Assessments and Operating Expenses.

8.1. Payments. Tenant shall pay Landlord monthly, as Additional Rent, Tenant's proportionate share of Operating Expenses and Taxes which are, as determined by Landlord, allocable or attributable to the Building or the Project, as reasonably determined by Landlord; provided, however, and notwithstanding any provision of this Lease to the contrary, Tenant shall pay Landlord, in accordance with this Paragraph 8, the entire amount (and not just Tenant's proportionate share) of any Operating Expense incurred by Landlord which relates solely to the Premises or which are incurred solely for or on behalf of Tenant and which are not otherwise paid directly by Tenant to the provider. Commencing on the Commencement Date (subject to Paragraph 3) and thereafter in advance on the first day of each month during the Lease Term, Tenant shall pay a monthly sum as Additional Rent representing Tenant's proportionate share of Taxes and Operating Expenses. The foregoing estimated monthly charges may be adjusted by Landlord at the end of any calendar quarter on the basis of Landlord's experience and reasonably anticipated costs. Any such adjustment shall be effective as of the calendar month next succeeding receipt by Tenant of written notice of such adjustment. Within [***] days following the end of each calendar year, or as soon thereafter as is reasonably possible, Landlord shall furnish Tenant a statement of such actual expenses ("Actual Expenses") for the calendar year and the payments made by Tenant with respect to such period. If Tenant's payments for Operating Expenses and Taxes do not equal the amount of the Actual Expenses, Tenant shall pay Landlord the deficiency within [***] days after receipt of such statement. If Tenant's payments exceed the Actual Expenses, Landlord shall offset the excess against the Operating Expenses thereafter becoming due to Landlord. There shall be appropriate adjustments of Operating Expenses and Taxes as of

the Commencement Date and expiration of the Lease Term. Landlord's obligation to reimburse Tenant for any overpayment shall survive the expiration or earlier termination of the Lease, and shall be paid by Landlord within [***] days of Landlord's determination of Actual Expenses for the year in which the Lease terminated or expired.

8.2. Tenant's Proportionate Share. Tenant's proportionate share of Taxes shall mean that percentage which the Premises Area set forth in the Basic Lease Terms bears to the total rentable square footage of all buildings in the Project located on the same Tax Parcel as the Building. Tenant's proportionate share of Operating Expenses for the Building shall be computed by dividing the Premises Area by the total rentable area of the Building (provided, however, for Operating Expenses that are Project expenses, Tenant's proportionate share shall be computed by dividing the Premises Area by the total rentable area of the Project). If in Landlord's reasonable judgment either of these methods of allocation results in an inappropriate allocation to Tenant, Landlord shall select some other reasonable method of determining Tenant's proportionate share.

8.2.1. Taxes Charged. As used herein, "Taxes" means any form of assessment, license, fee, rent tax, levy, penalty (if a result of Tenant's delinquency), or tax (other than net income, estate, succession, inheritance transfer or franchise taxes), imposed by any authority having the direct or indirect power to tax, or by any city, county, state or federal government or any improvement or other district or division thereof, whether such tax is: (i) determined by the area of the tax parcel in which the Building is located (the "Tax Parcel") or any part thereof or the rent and other sums payable hereunder by Tenant or by other tenants, including, but not limited to, any gross income or excise tax levied by any of the foregoing authorities with respect to receipt of such rent or other sums due under this Lease; (ii) imposed upon any legal or equitable interest of Landlord in the Tax Parcel or the Premises or any part thereof; (iii) imposed upon this transaction or any document to which Tenant is a party creating or transferring any interest in the Tax Parcel; (iv) levied or assessed in lieu of, in substitution for, or in addition to, existing or additional taxes against the Tax Parcel whether or not now customary or within the contemplation of the parties; (v) imposed as a special assessment for such purposes as fire protection, street, sidewalk, road, utility construction and maintenance, refuse removal and for other governmental services; or (vi) imposed as a result of any transfer of any interest in the Tax Parcel by Landlord, or the construction of any improvements thereon or thereto. "Taxes" shall not include (A) any excess profits taxes, franchise taxes, gift taxes, capital levy, capital stock taxes, inheritance or succession taxes, estate taxes, federal and state income taxes, transfer taxes, or other taxes to the extent determined on the basis of Landlord's or any superior lessor's general or net income (as opposed to rents or receipts attributable to operations at the Property), (B) any fines, interest or penalties incurred due to the late payment of Taxes or by reason of late filing of any required governmental report, (C) items included in or expressly excluded (except Taxes) from Operating Expenses, or (D) any amounts paid by Tenant to Landlord under other provisions of this Lease. In addition, Tenant shall be liable for all taxes levied or assessed against any personal property or fixtures placed in the Premises and, when possible, shall cause such taxes to be assessed and billed separately from the real or personal property of Landlord. If any such taxes are levied or assessed against Landlord or Landlord's property and (i) Landlord pays the same or (ii) the assessed value of Landlord's property is increased by inclusion of such personal property and fixtures and Landlord pays the increased taxes, then, within [***] days following receipt by Tenant of a copy of the applicable tax bill with Landlord's written request for payment thereof, Tenant shall pay to Landlord such taxes as part of Tenant's payment of Taxes.

8.3. Operating Expenses.

8.3.1. "Operating Expenses" charged to Tenant hereunder shall mean all costs and expenses of any kind or nature whatsoever incurred by Landlord in connection with the ownership, operation, management, maintenance, and repair of the Premises, the Building, the Outside Area and/or any other portions of the Project, including, without limitation the following: the costs and charges of performing Landlord's obligations under Paragraph 7.2.2; the cost of annual roof inspections; all charges, costs, expenses, wages, services, benefits, insurance and payroll taxes or fees for all parties (including employees, contractors, or affiliates of Landlord) providing services in connection with the operation, maintenance, repair, supervision and/or security of the Premises, the Outside Area, and/or any other portions of the Project (provided that Landlord, in its sole and absolute discretion, may, but shall not be obligated to, provide any security services for the Building, the Outside Area, and/or any other portions of the Project), including taxes, insurance and benefits relating thereto; the rental cost and overhead of any office and storage space used to provide such services; cost of all supplies, materials and labor used in the operation, repair, replacement and maintenance of the Premises, the Building, the Outside Area and/or any other portions of the Project; all cost of repairs and general maintenance of the Building, the Outside Area, and/or any portions of the Project (excluding repairs and general maintenance paid for by proceeds of insurance or by Tenant or other third parties); all cost of repairs and general maintenance of the HVAC system for the Premises, including without limitation, the costs of preventative maintenance contracts and other periodic inspections; all costs of resurfacing and restriping of the parking areas of the Project; all cost of painting, sweeping, maintenance and repair of sidewalks, fountains, curbs and signs, landscape sprinkler systems, irrigation water, planting and landscaping; all cost of lighting, water, electricity and other utilities for or serving the Building and/or the Outside Area; all cost of installing, maintaining, or repairing directional signs and other markers and bumpers; all cost of maintenance and repair of any fire protection systems, lighting systems, sewer systems, storm drainage systems, and any other utility system for or serving the Outside Area; all cost of garbage, trash, rubbish and waste removal other than as required to be provided by Tenant under Paragraph 7.1; all costs with respect to repairs and maintenance of utility facilities (including pipes and conduits) serving more than one tenant; depreciation on maintenance and operating machinery and equipment (if owned) and rental paid for such machinery and equipment (if rented); premiums for commercial liability insurance covering the Premises and/or the Project; premiums for all risk or Causes of Loss-special form insurance and, at Landlord's option, earthquake insurance on the Building; premiums for insurance against loss of rents for a period of [***] months from the date of the loss; the management fee for the manager of the Project not to exceed [***] percent ([***]%) of annual gross rent of the Premises; and all cost of any capital improvements made to the Building, the Outside Area, and/or any other portions of the Project to reduce operating costs, to comply with governmental rules and regulations enacted after completion of the Building, to replace the roof (including the roof membrane) of the Building, to replace the heating, ventilation and air conditioning (HVAC) system for the Premises, or to resurface the parking areas of the Project. The cost of any capital improvements, together with interest thereon at the interest rate provided in Paragraph 25.2, shall be amortized over the useful life of the improvement and only the annual amortized cost of such item shall be included in Operating Expenses annually.

8.3.2. Notwithstanding anything to the contrary in this Lease, the following items shall be excluded from Operating Expenses:

- (a) any items included in Taxes;
- (b) principal or interest on indebtedness, debt amortization or ground rent paid by Landlord in connection with any mortgages, deeds of trust or other financing encumbrances, or ground leases of the Building or the Project;
- (c) capital expenditures not described above;
- (d) legal, auditing, consulting and professional fees and other costs paid or incurred in connection with financings, refinancings or sales of any interest in Landlord or of Landlord's interest in the Building or the Project or in connection with any ground lease (including, without limitation, recording costs, mortgage recording taxes, title insurance premiums and other similar costs, but excluding those legal, auditing, consulting and professional fees and other costs incurred in connection with the normal and routine maintenance and operation of the Building and/or the Project);
- (e) legal fees, space planner's fees, architect's fees, leasing and brokerage commissions, advertising and promotional expenditures and any other marketing expense incurred in connection with the leasing of space in the Building (including new leases, lease amendments, lease terminations and lease renewals);
- (f) the cost of any items to the extent to which such cost is reimbursed to Landlord by tenants of the Project (other than as a reimbursement of operating expenses); or other third parties, or is covered by a warranty to the extent of reimbursement for such coverage;
- (g) expenditures for any leasehold improvement which is made in connection with the preparation of any portion of the Building for occupancy by any tenant of the Building or the Project;
- (h) the cost of performing work or furnishing service to or for any tenant other than Tenant, at Landlord's expense, to the extent such work or service is in excess of any work or service Landlord is obligated to provide to Tenant or generally to other tenants in the Building at Landlord's expense;
- (i) the cost of repairs or replacements incurred by reason of fire or other casualty, or condemnation, to the extent Landlord actually receives proceeds of property and casualty insurance policies or condemnation awards or would have received such proceeds had Landlord maintained the insurance required to be maintained by Landlord under this Lease;
- (j) the cost of acquiring sculptures, paintings or other objects of fine art in the Building or the Project in excess of amounts typically spent for such items in comparable buildings or projects;
- (k) bad debt loss, rent loss, or reserves for bad debt or rent loss;
- (l) unfunded contributions to operating expense reserves by other tenants;

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

- (m) damage and repairs necessitated by the gross negligence or willful misconduct of Landlord or Landlord's Agents;
- (n) fees, costs and expenses incurred by Landlord in connection with or relating to claims against or disputes with tenants of the Building or the Project;
- (o) interest, fines or penalties for late payment or violations of Applicable Laws by Landlord, except to the extent incurring such expense is either (1) a reasonable business expense under the circumstances, or (2) caused by a corresponding late payment or violation of an Applicable Law by Tenant, in which event Tenant shall be responsible for the full amount of such expense;
- (p) the cost of remediation and removal of Hazardous Materials in the Building or on the Project as required by applicable laws;
- (q) costs for the original construction and development of the Building;
- (r) costs and expenses incurred for the administration of the entity which constitutes Landlord, as the same are distinguished from the costs of operation, management, maintenance and repair of the Building and/or the Project, including, without limitation, entity accounting and legal matters;
- (s) the wages and benefits of any employee above the level of general manager;
- (t) except as may be otherwise expressly provided in this Lease with respect to specific items, including, without limitation, any management fee paid by Landlord, the cost of any services or materials provided by any party related to Landlord, to the extent such cost exceeds, the reasonable cost for such services or materials obtained at arm's length on a competitive basis; and
- (u) depreciation for the Building or Project.

9. Parking.

Subject to the provisions of this Paragraph 9, Tenant, Tenant's Agents and invitees shall have the non-exclusive right to use the common driveways and truck court areas located in the Outside Area, subject to the parking rights and rights of ingress and egress of other occupants. In addition, Tenant, Tenant's Agents and invitees shall have the non-exclusive right to use up to [***] parking spaces in the parking facilities which serve the Premises. Of such allocation, [***] parking spaces in a location reasonably determined by Landlord shall be exclusively for the use of Tenant ("Tenant's Reserved Spaces"). Except for Tenant's Reserved Spaces, Tenant's parking shall not be reserved and shall be limited to vehicles no larger than standard size automobiles, or standard size trucks, standard size service vans or sport utility vehicles. Under no circumstances shall overnight parking be allowed, nor shall trucks, trailers or other large vehicles serving the Premises (i) be used for any purpose other than for the loading and unloading of goods and materials or (ii) be permitted to block streets and/or ingress and egress to and from the Project or (iii) be parked inside any portion of the Premises or the Building. Temporary parking of large delivery vehicles in the Project may be permitted only with Landlord's prior written consent.

Vehicles shall be parked only in striped parking spaces and not in driveways, loading areas or other locations not specifically designated for parking. Handicapped spaces shall only be used by those legally permitted to use them. Per Paragraph 1.6 of this Lease, Landlord reserves the right to grant parking rights (exclusive and otherwise) within the relevant portions of the Outside Area to occupants of the Project.

10. Tenant's Indemnification.

Except to the extent waived by Paragraph 11.3, Tenant hereby agrees to defend (with counsel reasonably satisfactory to Landlord or Landlord's Agents, as applicable), indemnify and hold harmless Landlord and Landlord's Agents from and against any and all claims, damage, loss, liability or expense including attorneys' fees and legal costs suffered directly or by reason of any claim, suit or judgment brought by or in favor of any person or persons for damage, loss or expense due to, but not limited to, bodily injury and property damage sustained by such person or persons which arises out of, is occasioned by or in any way attributable to the use or occupancy of the Premises or Project, the Project, or any part thereof and adjacent areas by Tenant, the acts or omissions of the Tenant and/or Tenant's Agents, except to the extent caused by the [***] of Landlord or Landlord's Agents. Tenant agrees that the obligations assumed herein shall survive the termination or expiration of this Lease. The foregoing indemnity shall not apply, however, to any claims, damage, loss, liability or expense arising out of or in connection with the presence of any Hazardous Materials in, on or about the Premises or the Project, which indemnity shall be governed solely by the provisions of Paragraph 6.6.

Landlord shall protect, defend, indemnify and hold Tenant harmless from all loss, damage, liability or expense, including attorneys' fees, resulting from any injury to any person or any loss of or damage to any property caused by or resulting from (i) with respect to the Premises, the [***] of Landlord or any officer, employee, agent, or contractor of Landlord; and (ii) with respect to the remainder of the Building and Project other than the Premises, the [***] of Landlord or any officer, employee, agent, or contractor of Landlord; but the foregoing provision shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by any act, omission (where Tenant had a duty to act) or negligence of Tenant, or of any officer, employee, agent, contractor, invitee or visitor of Tenant. The foregoing indemnity shall not apply, however, to any claims, damage, loss, liability or expense arising out of or in connection with the presence of any Hazardous Materials in, on or about the Premises or the Project, which indemnity shall be governed solely by the provisions of Paragraph 6.6.

11. Insurance; Waiver of Subrogation.

11.1. Landlord. During the Lease Term, Landlord shall keep the Building insured against fire and other risks covered by a "Causes of Loss-Special Form" property insurance policy and against such other losses (including, without limitation, inflation endorsement, sprinkler leakage endorsement, earthquake, earth movement and flood coverage, and/or boiler and machinery insurance) as Landlord may deem reasonable, excluding coverage of Landlord's Work, all Alterations made by Tenant and Tenant's personal property located on or in the Premises. Such insurance shall also include insurance against loss of rents on a "Causes of Loss-Special Form" basis, including, at Landlord's option, earthquake, earth movement and flood, in an amount equal to the Base Rent and Additional Rent, and any other sums payable under the Lease, for a period

of at least [***] commencing on the date of loss. Such insurance shall name Landlord, its managers and members/partners of any tier and their designated representatives, and the directors, trustees, officers, employees, attorneys, and agents of any of them (collectively, the “Landlord. Additional Insured Entities”) as additional insureds and include a lender’s loss payable endorsement in favor of Landlord’s lender. If the premiums for such insurance are increased after the Commencement Date due to an increase in the value of the Building or its replacement cost, Tenant shall pay Tenant’s Percentage of such increase within [***] days of notice of such increase. If such premiums are increased due to Tenant’s use of the Premises, improvements installed by Tenant or any other cause solely attributable to Tenant, Tenant shall pay the full amount of the increase within [***] days of notice of such increase.

11.2. Tenant.

11.2.1. Tenant shall keep all of Tenant’s property on the Premises, Landlord’s Work and any Alterations made by Tenant insured against fire and other risks covered by a “Causes of Loss - Special Form” property insurance policy in an amount equal to the replacement cost of such property, the proceeds of which shall, so long as this Lease is in effect, be used for the repair or replacement of the property so insured. Tenant shall also carry commercial general liability insurance written on an occurrence basis with policy limits of not less than [***] each occurrence, which includes blanket contractual liability broad form property damage, personal injury, completed operations and products liability. The above initial amount shall be subject to periodic increase based upon inflation, increased liability awards, recommendation of Landlord’s professional insurance advisers and other relevant factors. In addition, if Tenant’s use of the Premises includes any activity or matter that would be excluded from coverage under a commercial general liability policy, Tenant shall obtain such endorsements to the commercial general liability policy or otherwise obtain insurance to insure all liability arising from such activity or matter in such amounts as Landlord may reasonably require. The insurance required to be maintained by Tenant under this Lease shall be primary coverage; any insurance required to be maintained by Landlord under this Lease shall be secondary coverage.

11.2.2. Such commercial general liability insurance shall be (i) provided by an insurer or insurers who are approved to issue insurance policies in the State in which the Premises is located and have an A.M. Best financial strength rating of [***] or better and financial size category not less than [***] in the most current edition of Best’s Insurance Reports, and (ii) shall be evidenced by a certificate delivered to Landlord on or prior to the Commencement Date and annually thereafter stating that the coverage shall not be cancelled or materially altered without [***] days advance written notice to Landlord. The Landlord Additional Insured Entities shall be named as additional insureds on such policy together with, upon written request from Landlord, Landlord’s mortgagee. If Tenant fails to procure and maintain the insurance required hereunder, Landlord may, but shall not be required to, order such insurance at Tenant’s expense and Tenant shall reimburse Landlord. Such reimbursement shall include all costs incurred by Landlord including Landlord’s reasonable attorneys’ fees, with interest thereon at the interest rate provided in Paragraph 25.2.

11.3. Waiver of Subrogation. Landlord and Tenant each hereby releases the other, and the other’s partners, officers, directors, members, agents and employees, from any and all liability and responsibility to the releasing party and to anyone claiming by or through it or under it, by

way of subrogation or otherwise, for all claims, or demands whatsoever which arise out of damage or destruction of property occasioned by perils which can be insured by a "Causes of Loss - Special Form" and/or "special coverage" insurance form. Landlord and Tenant grant this release on behalf of themselves and their respective insurance companies and each represents and warrants to the other that it is authorized by its respective insurance company to grant the waiver of subrogation contained in this Paragraph 11.3. This release and waiver shall be binding upon the parties whether or not insurance coverage is in force at the time of the loss or destruction of property referred to in this Paragraph 11.3.

11.4. Co-Insurer. If, on account of the failure of Tenant to comply with the foregoing provisions, Landlord is adjudged a co-insurer by its insurance carrier, then, any loss or damage Landlord shall sustain by reason thereof, including attorneys' fees and costs, shall be borne by Tenant and shall be immediately paid by Tenant upon receipt of a bill therefor and evidence of such loss.

11.5. Landlord's Disclaimer. Landlord and Landlord's Agents shall not be liable for any loss or damage to persons or property resulting from fire, explosion, falling plaster, glass, tile or sheetrock, steam, gas, electricity, water or rain which may leak from any part of the Building or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface, or any other cause whatsoever, unless caused by or due to the sole negligence or willful acts of Landlord. Tenant shall give prompt written notice to Landlord in case of a casualty, accident or repair needed in the Premises.

12. Property Damage.

12.1. Notice; Total Destruction. Tenant shall immediately give written notice to Landlord if the Premises or the Building are damaged or destroyed. If the Premises or the Building should be totally destroyed or so damaged by an insured peril in an amount exceeding [***] percent ([***]%) of the full construction replacement cost of the Building or Premises, respectively (as used herein, the "Damage Threshold"), Landlord may elect to terminate this Lease as of the date of the damage by notice of termination in writing to Tenant within [***] days after such date, in which event all unaccrued rights and obligations of the parties under this Lease shall cease and terminate except to the extent such obligations specifically survive termination of this Lease.

12.2. Partial Destruction. If the Building or the Premises should be damaged by an insured peril which does not meet the Damage Threshold, or if damage or destruction meeting the Damage Threshold occurs but Landlord does not elect to terminate this Lease, this Lease shall not terminate and Landlord shall restore the Premises to substantially its previous condition, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, fixtures, Alterations, additions and other improvements required to be covered by Tenant's insurance pursuant to Paragraph 11.2. If the Premises are untenantable in whole or part during the period commencing upon the date of the occurrence of such damage and ending upon substantial completion of Landlord's required repairs or rebuilding, Base Rent shall be reduced during such period to the extent the Premises are not reasonably usable by Tenant for the Permitted Use.

12.3. Damage Near End of Lease Term. If the damage to the Premises or Building occurs during the last [***] months of the Lease Term in an amount exceeding [***] of the full

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

construction replacement cost of the Building or Premises, respectively, either Landlord or Tenant may elect to terminate this Lease as of the date the damage occurred, regardless of the sufficiency of any insurance proceeds. The party electing to terminate this Lease shall give written notification to the other party of such election within [***] days after Tenant's notice to Landlord of the occurrence of the damage, in which event all unaccrued rights and obligations of the parties under this Lease shall cease and terminate except to the extent such obligations specifically survive termination of this Lease.

12.4. Repair of Damage. All repairs made by Landlord pursuant to this Paragraph 12 shall be accomplished as soon as is reasonably possible, subject to force majeure as described in Paragraph 25.1. Landlord's good faith estimate of the cost of repairs of any damage, or of the replacement cost of the Premises or the Building, shall be conclusive as between Landlord and Tenant. The repair and restoration of the Premises shall be made pursuant to plans and specifications developed by Landlord in Landlord's sole and absolute discretion and judgment, and such plans and specifications shall exclude all equipment, fixtures, improvements and Alterations installed by Tenant. All insurance proceeds for repairs shall be payable solely to Landlord, and Tenant shall have no interest therein. Nothing herein shall be construed to obligate Landlord to expend monies in excess of the insurance proceeds received by Landlord. Landlord shall be responsible for the insurance deductible, unless the loss is caused by Tenant or Tenant's Agents, in which case, and notwithstanding the provisions of Paragraph 11.3, Tenant shall be responsible for the amount of the deductible. Notwithstanding any provision to the contrary, Landlord's obligation, should it elect or be obligated to repair or rebuild, shall be limited to the Premises or the Building as the same existed immediately prior to the casualty, excluding, however, Landlord's Work and any Alterations made by Tenant.

12.5. Other Damage. If the Premises or the Building is substantially or totally destroyed by any cause whatsoever which is not covered by the foregoing provisions of this Paragraph 12, this Lease shall terminate as of the date the destruction occurred; provided, however, that if the damage does not meet the Damage Threshold, Landlord may elect (but will not be required) to rebuild the Premises at Landlord's own expense, in which case this Lease shall remain in full force and effect. Landlord shall notify Tenant of such election within [***] days after the casualty.

12.6. Insurance Proceeds Payable to Landlord. Notwithstanding anything to the contrary, in the event of any termination of this Lease as provided in this Paragraph 12, all insurance proceeds payable under policies maintained by Tenant covering Landlord's Work and the Alterations made by Tenant shall be assigned and paid to Landlord.

13. Condemnation.

13.1. Partial Taking. If a portion of the Premises and/or the Outside Area serving the Premises is condemned and Paragraph 13.2 does not apply, this Lease shall continue on the following terms:

13.1.1. Landlord shall be entitled to all of the proceeds of condemnation, and Tenant shall have no claim against Landlord as a result of the condemnation. Tenant shall, however, be entitled to make a separate claim for moving and relocation expenses and other damages suffered by Tenant, and Landlord agrees to reasonably cooperate, at no additional cost to Landlord, with Tenant to the extent such claim must be submitted with those of Landlord provided that in no event shall Landlord's award be reduced by any claim made by Tenant.

13.1.2. Landlord shall proceed as soon as reasonably possible to make such repairs and alterations to the Premises as are necessary to restore the remaining Premises and/or the remaining Outside Area serving the Premises to a condition as comparable as reasonably practicable to that existing at the time of condemnation. Landlord need not incur expenses for restoration in excess of the amount of condemnation proceeds received by Landlord after payment of all reasonable costs, expenses and attorneys fees incurred by Landlord in connection therewith.

13.1.3. Rent shall be abated during the period of restoration to the extent the Premises are not reasonably usable by Tenant for the use permitted by Paragraph 6.1, and rent shall be reduced for the remainder of the Lease Term in an amount equal to the reduction in rental value of the Premises caused by the taking.

13.2. Total Taking. If a condemning authority takes the entire Premises or a portion sufficient to render the remainder unsuitable for Tenant's use, then either party may elect to terminate this Lease effective on the date that title passes to the condemning authority. Landlord shall be entitled to all of the proceeds of condemnation, and Tenant shall have no claim against Landlord as a result of such condemnation. Tenant shall, however, be entitled to make a separate claim for moving and relocation expenses and other damages suffered by Tenant, and Landlord agrees to reasonably cooperate, at no additional cost to Landlord, with Tenant to the extent such claim must be submitted with those of Landlord provided that in no event shall Landlord's award be reduced by any claim made by Tenant.

13.3. Statutory Waiver. Each party hereby waives the provisions of §1265.130 of the California Code of Civil Procedure allowing either party to petition the Superior Court to terminate this Lease in the event of a partial taking of the Project or Premises.

14. Assignment, Subletting and Other Transfers.

14.1. General. Except with respect to a Permitted Transfer (as defined below), neither the Lease nor any part of the Premises may be assigned, mortgaged, subleased or otherwise transferred, nor may a right of use of any portion of the Premises be conferred on any person or entity by any other means, without the prior written consent of Landlord which shall not be unreasonably withheld, conditioned or delayed. Prior to effectuating any such assignment, sublease or other transfer, Tenant shall notify Landlord in writing of the name and address of the proposed transferee, and deliver to Landlord with such notice a true and complete copy of the proposed assignment agreement, sublease or other occupancy agreement, current financial statements of such proposed transferee, a statement of the use of the Premises by such proposed transferee and such other information or documents as may be necessary or appropriate to enable Landlord to determine the qualifications of the proposed transferee together with a request that Landlord consent thereto ("Tenant's Notice"). Without limiting Landlord's ability to deny or condition consent for any other reason, it shall not be considered unreasonable if Landlord's consent to a proposed sublease, assignment or other transfer is denied based on the following: (i) [***], (ii) [***], (iii) [***], (iv) [***], (v) [***], (vi) [***], (vii) [***], (viii) [***]; or (ix) [***]. Any attempted assignment, subletting, transfer or encumbrance by Tenant in violation of the terms and covenants of this Paragraph 14.1 shall be void.

14.2. Landlord's Alternatives. Except in the event of a Permitted Transfer (which shall not be subject to the provisions of this Paragraph 14.2), within [***] days after Landlord's receipt of the information specified in Paragraph 14.1, Landlord shall, by written notice to Tenant, elect: (i) if the proposed transfer is a sublease for more than [***] of the Premises (taken in the aggregate with any prior sublease) and for more than [***] of the then-remaining Term, then to terminate this Lease as of the commencement date stated in the proposed sublease with respect to all or any portion of the Premises Tenant proposes to sublease, or if the proposed transfer is an assignment of Tenant's interest in the Lease, then to terminate this Lease as of the commencement date stated in the proposed assignment; (ii) to consent to the transfer by Tenant; or (iii) to refuse its consent to the transfer. If Landlord proceeds under clause (ii) of this Paragraph 14.2 and consents to the transfer, Tenant may thereafter enter into a valid sublet of the Premises or portion thereof, upon the terms and conditions and with the proposed transferee set forth in the information furnished by Tenant to Landlord pursuant to Paragraph 14.1, subject, however, to the requirements of Paragraph 14.4.

14.3. Permitted Transfer. Notwithstanding the foregoing, and subject to Paragraph 6.1 of this Lease regarding the use of the Premises and Paragraph 6.6, Landlord's prior written consent shall not be required for an assignment of this Lease or a sublease of the entire Premises to any of the following transferees (each such transferee being a "Permitted Transferee" and such transfer a "Permitted Transfer"): (i) an Affiliate (hereafter defined in this Paragraph 14.3) of Tenant; (ii) a corporation or other valid entity into which Tenant merges or consolidates; (iii) a transferee that purchases all of, or at least [***] of, Tenant's assets, (iv) an assignment of this Lease to an entity which is the resulting entity of a merger or consolidation of Tenant, (v) a sale or other transfer of corporate shares of capital stock (or any member interest if Tenant is a limited liability company) in Tenant in connection with either a bona fide financing for the benefit of Tenant or an initial public offering of Tenant's stock on a nationally-recognized stock exchange (and, following any such public offering, the sale or transfer of any such shares shall be a Permitted Transfer) or any other transaction, or (vi) transfers of shares of stock or membership interests in Tenant which do not result in a change of control of Tenant. The assignment of this Lease to or a sublease of the entire Premises to a Permitted Transferee shall be subject to the following conditions: (A) Tenant shall give Landlord prior written notice of the name of any such assignee or subtenant; (B) any assignee shall assume, in writing, for the benefit of Landlord all of Tenant's obligations under this Lease, and any subtenant shall agree, in writing, for the benefit of Landlord that such sublease is subject to and subordinate to this Lease; (C) the Tenant shall not be released from any obligations under this Lease; and (D) in the case of items (i) through (v) above, the Permitted Transferee shall have a tangible net worth which is at least equal to the greater of Tenant's tangible net worth at the time of the assignment or sublease, as applicable, or on the Effective Date. The term "Affiliate" as used herein shall mean any partnership, limited liability company, or corporation, which directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another partnership, limited liability company, or corporation. The term "control," as used in the immediately preceding sentence shall mean with respect to a corporation the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the controlled corporation, and, with respect to any partnership or, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled partnership or limited liability company, as applicable.

14.4. No Release; Excess Rent. No assignment, subletting or other transfer, whether consented to by Landlord or not, or permitted hereunder, shall relieve Tenant of its liability under this Lease. If an event of default occurs while the Premises or any part thereof are assigned, sublet or otherwise transferred, then Landlord, in addition to any other remedies herein provided, or provided by law, may collect directly from such assignee, sublessee or transferee all rents payable to Tenant and apply such rent against any sums due Landlord hereunder. No such collection shall be construed to constitute a novation or a release of Tenant from the further performance of Tenant's obligations hereunder. If Tenant assigns or otherwise transfers this Lease or sublets the Premises for an amount in excess of the rent called for by this Lease, [***] of the Excess Consideration (as defined below) shall be paid to Landlord within [***] days following receipt by Tenant. As used herein, "Excess Consideration" means all rents or other sums received by Tenant under any such assignment, sublease or other transfer which are in excess of the rents and other sums payable by Tenant under this Lease after deduction therefrom for reasonable costs actually paid by Tenant for additional improvements installed in the portion of the Premises subject to such assignment, sublease or other transfer by Tenant at Tenant's sole cost and expense for the specific assignee, sublessee or other transfer in question and reasonable leasing commissions, attorney's fees, and other costs paid by Tenant in connection with such assignment, sublease or other transfer, without deduction for carrying costs due to vacancy or otherwise. For the purposes of determining the Excess Consideration payable to Landlord pursuant to Paragraph 14.2, if a portion of the Premises is sublet, the pro rata share of the rent attributable to such partial area of the Premises shall be determined by Landlord by dividing the rent payable by Tenant hereunder by the total square footage of the Premises and multiplying the resulting quotient (the per square foot rent) by the number of square feet of the Premises which are sublet. Landlord may hire outside consultants to review the transfer documents and information. Tenant shall pay Landlord an administrative fee of [***] and in addition shall reimburse Landlord for all costs and expenses incurred by Landlord in connection with any request for consent under this Paragraph (even if consent is denied or the request is withdrawn) and such reimbursement shall include all out-of-pocket expenses, including reasonable attorneys' fees, on demand, not to exceed [***].

15. Tenant Default.

15.1. Default. Any of the following shall constitute a default by Tenant under this Lease:

15.1.1. Tenant's failure to (i) pay rent or any other charge under this Lease within [***] days following the date such payment is due (provided, however, for the first failure to pay rent or other charge under this Lease within [***] following the date such payment is due in any [***] period, Tenant shall not be in default unless such failure continues for [***] days following Tenant's receipt of written notice thereof) or (ii) immediately cure or remove any lien pursuant to Paragraph 19 or (iii) except as provided in Paragraphs 15.1.2 through 15.1.4, comply with any other term or condition within [***] days following written notice from Landlord specifying the noncompliance. If any failure described in clause (iii) of the immediately preceding sentence cannot be cured within the [***]-day period, this provision shall be deemed complied with so long as Tenant commences correction within such period and thereafter proceeds in good faith and with reasonable diligence to effect the remedy as soon as practicable, in no event to exceed [***] days from the date of receipt of notice from Landlord.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

15.1.2. Tenant's insolvency; assignment for the benefit of its creditors; Tenant's voluntary petition in bankruptcy or adjudication as bankrupt; attachment of or the levying of execution on the leasehold interest and failure of Tenant to secure discharge of the attachment or release of the levy of execution within [***] days; or the appointment of a receiver for Tenant's properties.

15.1.3. Abandonment (as defined by Applicable Law) of the Premises by Tenant.

15.1.4. Failure of Tenant to deliver the documents or agreements required under Paragraphs 18.1 and/or 18.3 within the relevant time period(s) specified therein, where such failure continues for an additional [***] days after written notice from Landlord to Tenant.

15.2. Remedies. Upon a default, Landlord shall have the following remedies, in addition to all other rights and remedies provided by law or otherwise provided in this Lease, to which Landlord may resort cumulatively or in the alternative:

15.2.1. Landlord may continue this Lease in full force and effect, and this Lease shall continue in full force and effect as long as Landlord does not terminate this Lease, and Landlord shall have the right to collect Rent when due.

15.2.2. Landlord may terminate Tenant's right to possession of the Premises at any time by giving written notice to that effect, and relet the Premises or any part thereof. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the Premises or any part thereof, including, without limitation, broker's commissions, expenses of cleaning and redecorating the Premises required by the reletting and like costs. Reletting may be for a period shorter or longer than the remaining term of this Lease. No act by Landlord other than giving written notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to remove all Tenant's personal property and store the same at Tenant's cost and to recover from Tenant as damages:

- (i) The worth at the time of award of unpaid Rent and other sums due and payable which had been earned at the time of termination; plus
- (ii) The worth at the time of award of the amount by which the unpaid Rent and other sums due and payable which would have been payable after termination until the time of award exceeds the amount of such Rent loss that Tenant prove could have been reasonably avoided; plus
- (iii) The worth at the time of award of the amount by which the unpaid Rent and other sums due and payable for the balance of the Lease Term after the time of award exceeds the amount of such Rent loss that Tenant proves could be reasonably avoided; plus
- (iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease, or which, in the

ordinary course of things, would be likely to result therefrom, including, without limitation, any costs or expenses incurred by Landlord: (A) in retaking possession of the Premises; (B) in maintaining, repairing, preserving, restoring, replacing, cleaning, altering or rehabilitating the Premises or any portion thereof, including such acts for reletting to a new tenant or tenants; (C) for leasing commissions; or (D) for any other costs necessary or appropriate to relet the Premises; plus

(v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the State of California.

The "worth at the time of award" of the amounts referred to in Paragraphs 15.2.2(i) and 15.2.2(ii) is computed by allowing interest at the interest rate as provided in Paragraph 25.2 on the unpaid rent and other sums due and payable from the termination date through the date of award. The "worth at the time of award" of the amount referred to in Paragraph 15.2.2(iii) is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus [***]. Tenant waives redemption or relief from forfeiture under California Code of Civil Procedure §1174 and §1179, or under any other present or future law, in the event Tenant is evicted or Landlord takes possession of the Premises by reason of any default of Tenant hereunder.

15.2.3. Landlord may, with or without terminating this Lease, re-enter the Premises and remove all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant. No re-entry or taking possession of the Premises by Landlord pursuant to this Paragraph 15.2 shall be construed as an election to terminate this Lease unless a written notice of such intention is given to Tenant.

15.2.4. Tenant acknowledges that certain benefits or concessions provided by Landlord are conditioned upon Tenant's timely, fully and faithful performance of each and every obligation, covenant, representation and warranty of this Lease throughout the entire term of this Lease, even though such benefits or concessions may be realized by Tenant over less than the entire term of this Lease. Accordingly, notwithstanding anything to the contrary contained herein, in the event Landlord brings an action against Tenant for default under this Lease which seeks to terminate this Lease or Tenant's right of possession, Landlord shall become immediately entitled to receive from Tenant as additional rent the unamortized amount of all such benefits and concessions allocable to the balance of the Lease term on a pro rata basis, i.e., an amount equal to the product of (x) the sum of (a) any amounts theretofore or thereafter paid by Landlord to Tenant or to any third party, or any amounts credited to Tenant or to any third party, for or on account of (i) any moving, tenant improvement, decorating or other allowance or credit granted to Tenant, (ii) any real estate commission paid on account of this Lease, and (iii) any expenses or costs related to assumption by Landlord of any other lease, plus (b) an amount equal to the difference between the Base Rent specified in this Lease and rent for any period for which this Lease provides any lesser amount including zero or nominal rent, including for any period of early occupancy of the Premises prior to the Commencement Date of this Lease, plus (c) the amount spent by Landlord for any tenant improvements to the Premises; multiplied by (y) a fraction, the numerator of which is the number of days of the term of this Lease remaining between the date of default and the expiration of the term of this Lease, and the denominator of which is the total number of days for the term of this Lease.

15.3. Bankruptcy.

15.3.1. The commencement of a bankruptcy action or liquidation action or reorganization action or insolvency action or an assignment of or by Tenant for the benefit of creditors, or any similar action undertaken by Tenant, or the insolvency of Tenant, shall, at Landlord's option, constitute a breach of this Lease by Tenant. If the trustee or receiver appointed to serve during a bankruptcy, liquidation, reorganization, insolvency or similar action elects to reject Tenant's unexpired Lease, the trustee or receiver shall notify Landlord in writing of its election within [***] days after an order for relief in a liquidation action or within [***] days after the commencement of any action.

15.3.2. Within [***] days after court approval of the assumption of this Lease, the trustee or receiver shall cure (or provide adequate assurance to the reasonable satisfaction of Landlord that the trustee or receiver shall cure) any and all previous defaults under the unexpired Lease and shall compensate Landlord for all actual pecuniary loss resulting from Tenant's breach of this Lease, including any attorneys' fees and costs incurred by Landlord as a result of such breach and/or the bankruptcy proceedings instituted by or against Tenant, and shall provide adequate assurance of future performance under the Lease to the reasonable satisfaction of Landlord. Adequate assurance of future performance, as used herein, includes, but shall not be limited to (i) assurance of source and payment of Rent and other consideration due under this Lease and (ii) assurance that the assumption or assignment of this Lease will not breach any provision, such as radius, location, use or exclusivity provisions in any other lease of space within the Project.

15.3.3. Nothing contained in this Paragraph 15.3 shall affect the right of Landlord to refuse to accept an assignment upon commencement of or in connection with a bankruptcy, liquidation, reorganization or insolvency action or an assignment of Tenant for the benefit of creditors or other similar act. Nothing contained in this Lease shall be construed as giving or granting or creating equity in the Premises to Tenant. In no event shall the leasehold estate under this Lease, or any interest therein, be assigned by voluntary or involuntary bankruptcy proceeding without the prior written consent of Landlord. In no event shall this Lease or any rights or privileges hereunder be an asset of Tenant under any bankruptcy, insolvency or reorganization proceedings.

15.4. No Bar of Action(s). Landlord may sue periodically to recover damages during the period corresponding to the remainder of the Lease Term, and no action for damages shall bar a later action for damages subsequently accruing.

15.5. Landlord Cure. If Tenant fails to perform any obligation under this Lease, Landlord shall have the option to do so after [***] days written notice to Tenant. All of Landlord's expenditures to correct the default shall be reimbursed by Tenant on demand together with interest at the interest rate provided in Paragraph 25.2 from the date of expenditure until repaid. Such action by Landlord shall not waive any other remedies available to Landlord because of the default.

15.6. No Exclusion. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Landlord at law or in equity.

16. Landlord Default.

Landlord shall be in default under this Lease if it shall fail to comply with any term, provision or covenant of this Lease and shall not cure such failure within [***] days after written notice thereof to Landlord unless such cure cannot reasonably be accomplished within such [***]-day period. Landlord shall have such additional time as is reasonably necessary to accomplish such cure provided Landlord promptly commences and diligently prosecutes such cure to completion.

17. Surrender at Expiration or Termination.

17.1. Surrender. On expiration or early termination of this Lease, Tenant shall deliver all keys to Landlord, have final utility readings made and pay all utility accounts current on the date of move out, and surrender the Premises clean and free of debris inside and out, with all mechanical, electrical, and plumbing systems in good operating condition, all signing removed and defacement corrected, all repairs called for under this Lease completed, all interior walls repaired and repainted if marked or damaged, all carpets steam cleaned, all broken, marred or nonconforming acoustical ceiling tiles replaced, all windows washed, the plumbing and electrical systems and lighting in good order and repair, including replacement of any burned out or broken light bulb or ballasts, and all floors cleaned, all to the reasonable satisfaction of Landlord. Also prior to the expiration or earlier termination of the Lease Term, Tenant shall, at its sole cost and expense, remove all Tenant's personal property from the Premises. The Premises shall be delivered in the same condition as at the Commencement Date, subject only to damage by casualty, the provisions of Paragraphs 6.4, 6.5, 6.6 and 17.2 and depreciation and wear and tear from ordinary use. Tenant shall remove all of its furnishings and trade fixtures that remain its property and restore all damage resulting from such removal. Failure to remove said property shall be an abandonment of same, and Landlord may remove **and/or** dispose of it in any manner permitted under law without liability, and Tenant shall be liable to Landlord **for** any costs of removal, restoration, transportation to storage, storage and/or disposal, plus an administrative fee of [***] percent ([***]%), together with interest on all such expenses and fees at the interest rate provided in Paragraph 25.2. The provisions of this Paragraph 17.1 (including, without limitation, all provisions referenced herein) shall survive the expiration or earlier termination of this Lease.

17.2. Removal of Hazardous Materials. Upon expiration of this Lease or sooner termination of this Lease for any reason, Tenant shall (i) remove all Hazardous Materials and facilities used for the storage or handling of Hazardous Materials from the Premises and restore the affected areas by repairing any damage caused by the installation or removal of the facilities and (ii) take any and all actions necessary to close all Hazardous Materials permits and approvals for the Premises with all government and other regulatory agencies having jurisdiction over the Project. Following such removal, Tenant shall certify in writing to Landlord that all such removal is complete. Until such time as Tenant has fulfilled all the requirements of this Paragraph 17.2 (in addition to any other requirements), Landlord may treat Tenant as a holdover Tenant as provided below; provided, however, that any such continuation of this Lease shall not relieve Tenant of its obligations under this Paragraph 17.2.

17.3. Failure to Vacate. If Tenant fails to vacate the Premises when required and holds over without Landlord's prior written consent, Landlord shall treat Tenant as a tenant from month

to month, subject to all provisions of this Lease except the provision for Lease Term and at a rental rate equal to (i) [***] of the Base Rent plus (ii) all Additional Rent payable by Tenant immediately preceding the scheduled expiration of the Lease Term for the first [***] of holding over, thereafter Landlord may elect either (i) to continue such month' to month tenancy at a rental rate equal to (i) [***] of the Base Rent plus (ii) all Additional Rent thereafter, or (ii) to treat Tenant as a tenant at sufferance, eject Tenant from the Premises and recover damages caused by wrongful holdover including, without limitation, as set forth in Paragraph 17.4. Failure of Tenant to remove furniture, furnishings, cabling or other telecommunications equipment, or trade fixtures which Tenant is required to remove under this Lease, or to comply fully with the provisions of Paragraph 17.2, shall constitute a failure to vacate to which this Paragraph 17.3 shall apply if such property not removed substantially interferes with occupancy of the Premises by another tenant or with occupancy by Landlord for any purpose including preparation for a new tenant. If a month-to-month tenancy results from a holdover by Tenant under this Paragraph 17.3, the tenancy shall be terminable by either Landlord or Tenant upon [***] days prior written notice from by one party to the other party, provided such termination shall not be effective prior to the [***] day after the expiration date. Tenant waives any notice that would otherwise be provided by law with respect to a month-to-month tenancy.

17.4. Indemnification. Tenant acknowledges that, if Tenant holds over without Landlord's consent as provided above, such holding over may compromise or otherwise affect Landlord's ability to enter into new leases with prospective tenants regarding the Premises and/or the Building. Therefore, if Tenant fails to surrender the Premises upon the expiration or other termination of this Lease, and such failure continues for more than [***] days after the expiration date, then, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from any and all obligations, losses, claims, actions, causes of action, liabilities, penalties, damages (including consequential and punitive damages), costs and expenses (including reasonable attorneys and consultants fees and expense) resulting from such failure including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Landlord resulting therefrom. The provisions of this Paragraph 17.4 are in addition to, and do not affect, Landlord's right to re-entry or other rights hereunder or provided by law. Tenant's obligations under this Paragraph 17.4 shall survive the expiration or earlier termination of this Lease.

18. Mortgage or Sale by Landlord; Estoppel Certificates.

18.1. Priority. This Lease is subject and subordinate to mortgages and deeds of trust (collectively "Encumbrances") which may now affect the Premises or the parcel on which the Building or the Project are located; provided, however, if the holder or holders of any such Encumbrance ("Holder") shall require that this Lease be prior and superior thereto, Tenant shall, within [***] days after written request from Landlord, execute, have acknowledged and deliver any and all reasonable documents or instruments, which Landlord or Holder deems necessary or desirable for such purposes. Landlord shall have the right to cause this Lease to be and become and remain subject and subordinate to any and all Encumbrances which may hereafter be executed covering the Premises or the parcel on which the Building or the Project are located, or any renewals, modifications, consolidations, replacements or extensions thereof, for the full amount of all advances made or to be made thereunder and without regard to the time or character of such

advances, together with interest thereon at the interest rate provided in Paragraph 25.2 and subject to all the terms and provisions thereof; provided only, that in the event of termination of any such lease or upon the foreclosure of any such mortgage or deed of trust, so long as Tenant is not in default, Holder agrees to recognize Tenant's rights under this Lease as long as Tenant shall pay the Rent and observe and perform all the provisions of this Lease to be observed and performed by Tenant. Within [***] business days after Landlord's written request, Tenant shall execute any and all commercially-reasonable documents required by Landlord or the Holder to make this Lease subordinate to any lien of the Encumbrance. If Tenant fails to do so, it shall be in default under this Lease and, in addition to all of Landlord's other rights and remedies for such default, it shall be deemed that this Lease is subordinated. Landlord shall use commercially reasonable efforts to obtain for the benefit of Tenant a commercially reasonable subordination, non-disturbance and attornment agreement from the holder of any future Encumbrance.

18.2. Attornment. If the Building is sold as a result of foreclosure of any Encumbrance thereon or otherwise transferred by Landlord or any successor, Tenant shall attorn to the purchaser or transferee, and the transferor shall have no further liability hereunder.

18.3. Estoppel Certificate. Tenant shall, within [***] days following written request by Landlord, execute and deliver to Landlord any documents, including estoppel certificates, in a commercially reasonable form prepared by Landlord (i) certifying that this Lease is unmodified and in full force and effect or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord, or, if there are uncured defaults on the part of the Landlord, stating the nature of such uncured defaults, and (iii) evidencing the status of the Lease as may be required either by a lender making a loan to Landlord to be secured by deed of trust or mortgage covering the Building and/or the parcel on which the Building is located, or a purchaser of the Building and/or the parcel on which the Building is located from Landlord. Tenant's failure to deliver an estoppel certificate within two (2) business days after delivery of Landlord's written notice that Tenant failed to deliver an estoppel certificate within the [***] day period referenced above shall be conclusive upon Tenant (A) that this Lease is in full force and effect, without modification except as may be represented by Landlord, (B) that there are now no uncured defaults in Landlord's performance and (C) that no rent has been paid in advance.

19. Liens.

Tenant shall keep the Premises, the Building, and the Project free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Tenant and shall indemnify, defend and hold Landlord and Landlord's Agents harmless from all claims, costs and liabilities, including attorneys fees and costs, in connection with or arising out of any such lien or claim of lien. Tenant shall cause any such lien imposed to be released of record by payment or posting of a proper bond acceptable to Landlord within [***] days after written request by Landlord. Tenant shall give Landlord written notice of Tenant's intention to perform work on the Premises, which might result in any claim of lien at least [***] days prior to the commencement of such work to enable Landlord to post and record a Notice of Nonresponsibility. If Tenant fails to so remove any such lien within the prescribed [***] day period, then Landlord may do so at Tenant's expense and Tenant shall reimburse Landlord for such amounts upon demand. Such reimbursement shall include all costs incurred by Landlord including Landlord's reasonable attorneys' fees with interest thereon at the interest rate provided in Paragraph 25.2.

20. Attorneys Fees; Waiver of Jury Trial.

In the event that any party shall bring an action to enforce its rights under this Lease, the prevailing party in any such proceeding shall be entitled to recover its reasonable attorneys, witness and expert fees and costs of the proceeding, including any appeal thereof and in any proceedings in bankruptcy. To the extent allowed by Applicable Law, disputes between the parties which are to be litigated shall be tried before a judge without a jury.

21. Limitation on Liability; Transfer by Landlord.

21.1. Property and Assets. Landlord's personal liability under this Lease shall be limited pursuant to the provisions of this Paragraph 21.1; Tenant shall look solely to Landlord's interest in the Building and the parcel on which the Building is located for any recovery of damages for any breach by Landlord of this Lease, or any recovery of any judgment against Landlord. None of the members comprising Landlord (whether partners, members, shareholders, officers, directors, trustees, employees, beneficiaries or otherwise) shall ever be personally liable for any such judgment. There shall be no levy of execution against any assets of Landlord, other than the Building and the parcel on which the Building is located, or the assets of such members on account of any liability of Landlord hereunder. Tenant hereby waives any right of recovery or satisfaction of any judgment against Landlord or its members, except as to Landlord's interest in the Building and the parcel on which the Building is located as herein specified.

21.2. Transfer by Landlord. All obligations of Landlord hereunder will be binding upon Landlord only during the period of its possession of the Premises and not thereafter. The term "Landlord" shall mean only the owner of the Premises for the time being, and if such owner transfers its interest in the Premises, such owner shall thereupon be released and discharged from all covenants and obligations of the Landlord thereafter accruing, but such covenants and obligations shall be binding during the Lease Term upon each new owner for the duration of each owner's ownership.

21.3. Other Occupants. Landlord shall have no liability to Tenant for loss or damages arising out of the acts or inaction of other tenants or occupants.

22. Landlord's Right to Perform Tenant's Covenants.

If Tenant shall at any time fail to make any payment or perform any other act on its part to be made or performed under this Lease, Landlord may, but shall not be obligated to and without waiving or releasing Tenant from any obligation of Tenant under this Lease, upon written notice to Tenant, make such payment or perform such other act to the extent Landlord may deem desirable, and in connection therewith, pay expenses and employ counsel. All sums so paid by Landlord and all penalties, interest and costs in connection therewith shall be due and payable by Tenant within [***] days of Landlord's written demand therefor, together with interest thereon at the interest rate provided in Paragraph 25.2 from such date to the date of payment by Tenant to Landlord, plus collection costs and attorneys' fees. Landlord shall have the same rights and remedies for the nonpayment thereof as in the case of default in the payment of Rent.

23. Mortgagee Protection.

If Landlord defaults under this Lease, Tenant will notify any beneficiary of a deed of trust or mortgagee of a mortgage covering the Building and/or the parcel on which the Building is located for which Landlord has provided Tenant with a name and address, and offer such beneficiary or mortgagee a reasonable opportunity to cure the default, including time to obtain possession of the Building and/or the parcel on which the Building is located by power of sale or a judicial foreclosure, if such should prove necessary to effect a cure. Any such beneficiary or mortgagee which succeeds to the interest of Landlord hereunder, shall not be (i) liable for any act or omission of any prior Landlord (including Landlord) unless such act or omission is of a continuing nature; or (ii) subject to any offsets or defenses which Tenant might have against any prior Landlord (including Landlord); or (iii) bound by any Rent which Tenant might have paid in advance to any prior Landlord (including Landlord) in excess of one month's Rent. Notwithstanding anything to the contrary contained in this Lease, the Holder of any Encumbrance or the purchaser upon the foreclosure of any of Encumbrance shall be an intended third party beneficiary of this Paragraph 23.

24. Real Estate Brokers; Finders.

Landlord and Tenant warrant and represent each to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, except for T3 Advisors ("Tenant's Broker"), which represents Tenant, and that it knows of no other real estate broker or agent who is or might be entitled to a commission in connection with this Lease. Landlord shall pay Tenant's Broker a commission in connection with Landlord and Tenant entering into this Lease, which commission shall be paid pursuant to a separate agreement between Landlord and such broker. Landlord and Tenant agree to indemnify, defend and hold each other and their respective agents harmless from and against any and all liabilities or expenses, including attorneys' fees and costs, arising out of or in connection with claims made by any broker or individual against the indemnified party for commissions or fees in connection with the execution of this Lease and resulting from the actions of the indemnifying party.

25. Miscellaneous.

25.1. Force Majeure. The performance of any obligation to be performed by Landlord and Tenant under this Lease, excluding, however, the obligation to pay rent or any other monetary obligation of either party, shall be excused for any period during which either party is prevented from performing such obligation due to causes beyond such parties control, including without limitation, strikes, lockouts or other labor disturbance or labor dispute, governmental regulation, moratorium or other governmental action, civil disturbance, war, war-like operations, terrorism, invasions, rebellion, hostilities, sabotage, fires or other casualty, rain, flooding, hailstorms, lightning, earthquake, or other acts of God (collectively, "force majeure"). Landlord and Tenant each agree to (i) provide written notice to the other if Landlord or Tenant is unable to perform any obligation imposed upon such party hereunder within the time period required, if such inability to perform is due to force majeure, and (ii) use reasonable efforts to mitigate the effects of force majeure on the timely performance of such obligation.

25.2. Interest. Except as may be set forth in Paragraph 15.2, interest charged under this Lease shall be at the rate of [***] per annum (in no event to exceed the maximum rate of interest permitted by law).

25.3. Late Charges. Tenant acknowledges that late payment by Tenant to Landlord of rent and other charges provided for under this Lease will cause Landlord to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult or impracticable to fix. Therefore, if any installment of rent or any other charge due from Tenant is not received by Landlord when due, Tenant shall pay to Landlord an additional sum equal to [***] percent ([***]%) of the amount overdue as a late charge for every month or portion thereof that the rent or other charges remain unpaid. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of the late payment by Tenant.

25.4. Modification for Lender. If in connection with obtaining financing for the Building, the parcel on which the Building is located, or the Project, Landlord's lender shall request reasonable modification to this Lease as a condition to such financing, Tenant shall not unreasonably withhold, delay or defer its consent thereto, provided such modifications do not materially adversely affect Tenant's rights or increase Tenant's obligations hereunder.

25.5. Captions; Paragraph Headings. The captions and headings used in this Lease are for the purpose of convenience only and shall not be construed to limit or extend the meaning of any part of this Lease. Reference to a "Paragraph" shall mean reference to either a specified numbered paragraph or subparagraph of this Lease.

25.6. Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

25.7. Succession. Subject to the limitations on transfer of Tenant's interest, this Lease shall bind and inure to the benefit of the parties, their respective heirs, successors, and assigns.

25.8. Landlord's Right to Enter the Premises. Tenant shall permit Landlord and Landlord's Agents to enter the Premises at all reasonable times with at least [***] advance notice (except for emergencies and for the purpose of discharging Landlord's obligations hereunder, in which both such cases advance notice shall be reasonable under the circumstances) to inspect the same, to discharge Landlord's obligations hereunder, including the maintenance of the Outside Area, to post Notices of Nonresponsibility and similar notices, to show the Premises to interested parties such as prospective lenders, to make necessary repairs, to discharge Tenant's obligations hereunder when Tenant has failed to do so within a reasonable time after written notice from Landlord, and at any reasonable time within the year prior to the expiration or earlier termination of the Lease Term (provided the extension option has not been exercised), to place upon the Building and the Outside Area ordinary "For Lease" signs and to show the Premises to prospective tenants. Except in the event of an emergency (for which Landlord may enter upon the Premises without notice by any means necessary), the above rights are subject to reasonable security regulations and access controls of Tenant, and to the requirement that Landlord shall at all times act in a manner to cause the least possible physical interference with Tenant's business.

25.9. Notices. Any notice permitted or required to be given hereunder shall be in writing and shall be given by personal delivery or certified United States mail (return receipt requested), U.S. Express Mail or overnight air courier, in each case postage or equivalent prepaid, addressed to the address for notices set forth in the Basic Lease Terms. The person to whom and the place to which notices are to be given may be changed from time to time by either party by written notice given to the other party. If any notice is given by mail, it shall be effective upon actual delivery or refusal to accept such delivery, as indicated by the return receipt; and if given by personal delivery, U.S. Express Mail or by overnight air courier, when delivered (or refused).

25.10. Entire Agreement. This Lease and the exhibits hereto is the entire agreement between the parties, and there are no agreements or representations between the parties except as expressed herein.

25.11. Authority. Tenant warrants to Landlord that Tenant is a valid and existing corporation or other relevant entity, that Tenant has all right and authority to enter into this Lease, and that each and every person signing on behalf of Tenant is authorized to do so. Each of the persons executing this Lease on behalf of Landlord warrants to Tenant that Landlord is a valid and existing corporation or other relevant entity, that Landlord has all right and authority to enter into this Lease, and that each and every person signing on behalf of Landlord is authorized to do so.

25.12. Time of Essence. Time is of the essence of the performance of each of Tenant's obligations under this Lease.

25.13. Modifications. This Lease may not be modified except by written endorsement attached to this Lease, dated and signed by the parties.

25.14. No Appurtenances. This Lease does not create any rights to light and air by means of openings in the walls of the Building, any rights or interests in parking facilities, or any other rights, easements or licenses, by implication or otherwise, except as expressly set forth in this Lease or its exhibits.

25.15. Financial Statements. Upon written request of Landlord (not more than [***] in any [***] period, and any financial statements provided in connection with Paragraph 5.1.10 shall not be included in such restriction), Tenant shall furnish to Landlord, within [***] days following receipt of Landlord's written request, Tenant's most current financial statements (including balance sheet and income statement) for the [***] prepared in the ordinary course of Tenant's business and, if not audited, certified by the chief financial officer or accounting officer of Tenant that such statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). Landlord may make such financial statement available to any prospective lender or purchaser of the Project or any portion thereof provided such party agrees in writing to keep such information confidential. Landlord shall keep such financial information confidential and shall require any such prospective lender or purchaser to do the same.

25.16. Regulations. Landlord shall have the right to make and enforce (in a nondiscriminatory manner) reasonable regulations and criteria consistent with this Lease for the purpose of promoting safety, order, cleanliness and good service to the tenants and other occupants of the Project. Copies of all such regulations shall be furnished to Tenant and shall be complied with as if part of this Lease.

25.17. Applicable Law; Severability. This Lease shall be construed, applied and enforced in accordance with the laws of the State in which the Premises is located. If a court of competent jurisdiction holds any portion of this Lease to be illegal, invalid or unenforceable as written, it is the intention of the parties that (i) such portion of this Lease be enforced to the extent permitted by law and (ii) the balance of this Lease remain in full force and effect. It is also the intention of the parties that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable there be added, as a part of this Lease, 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.

25.18. Landlord's Consent. Whenever Landlord's consent or approval is required under this Lease, except as otherwise expressly provided in this Lease, Landlord may grant or withhold such consent or approval in Landlord's sole and absolute discretion.

25.19. Joint and Several Liability. In the event Tenant now or hereafter consists of more than one person, firm or corporation, then all such persons, firms or corporations shall be jointly and severally liable as Tenant under this Lease.

25.20. Construction and Interpretation. All provisions of this Lease have been negotiated by Landlord and Tenant at arm's length and neither party shall be deemed the author of this Lease. This Lease shall not be construed for or against either party by reason of the authorship or alleged authorship of any provision hereof or by reason of the status of the respective parties as Landlord or Tenant.

25.21. No Recordation. Neither this Lease, nor any short form or memorandum thereof, shall be recorded in any manner against the real property of which the Premises comprises a portion.

25.22. No Partnership Created. Neither this Lease nor the calculation and payment of Base Rent, Additional Rent or any other sums hereunder, is intended to create a partnership or joint venture between Landlord and Tenant, or to create a principal-and-agent relationship between the parties.

25.23. Quiet Enjoyment. Landlord covenants that Tenant, upon performing the terms, conditions and covenants of this Lease, shall have quiet and peaceful possession of the Premises as against any person claiming the same by, through or under Landlord.

25.24. Days of Week. If the date upon which any act is to be performed or notice is to be delivered under this Lease shall fall upon a Saturday, Sunday or legal holiday, such act or notice shall be timely if performed or delivered on the next business day.

25.25. OFAC. Tenant represents and warrants to Landlord that Tenant is not and shall not become a person or entity with whom Landlord is restricted from doing business under any current or future regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and

Blocked Persons list) or under any current or future statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities.

25.26. Intentionally omitted.

25.27. Additional California Waivers.

25.27.1. TENANT HEREBY WAIVES ANY AND ALL RIGHTS CONFERRED BY SECTION 3275 OF THE CIVIL CODE OF CALIFORNIA AND BY SECTIONS 1174 (c) AND 1179 OF THE CODE OF CIVIL PROCEDURE OF CALIFORNIA AND ANY AND ALL OTHER LEGAL REQUIREMENTS AND RULES OF LAW FROM TIME TO TIME IN EFFECT DURING THE LEASE TERM PROVIDING THAT TENANT SHALL HAVE ANY RIGHT TO REDEEM, REINSTATE OR RESTORE THE LEASE FOLLOWING ITS TERMINATION BY REASON OF TENANT'S BREACH.

25.27.2. TENANT WAIVES ANY RIGHT TO NOTICE TENANT MAY HAVE UNDER SECTION 1951.3 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA, THE TERMS OF SECTION 25.9 OF THE LEASE BEING DEEMED SUCH NOTICE TO TENANT AS REQUIRED BY SAID SECTION 1951.3.

25.27.3. When this Lease requires service of a notice, that notice shall replace rather than supplement any equivalent or similar statutory notice, including any notice required by California Code of Civil Procedure Section 1161 or any similar or successor statute. When a statute requires service of a notice in a particular manner, service of that notice (or a similar notice required by this Lease) in the manner required by this Lease shall replace and satisfy the statutory service-of-notice procedures, including those required by California Code of Civil Procedure Section 1162 or any similar or successor statute.

25.28. No Cannabis. Tenant shall not bring upon the Premises or any portion of the Building or Project or use the Premises or permit the Premises or any portion thereof to be used for the growing, manufacturing, administration, distribution (including without limitation, any retail sales), possession, use or consumption of any cannabis, marijuana or cannabinoid product or compound, regardless of the legality or illegality of the same.

25.29. Exhibits. The following exhibits are attached hereto and incorporated herein by this reference:

- Exhibit A — Depiction showing Premises
- Exhibit B — Depiction showing Project
- Exhibit C — Work Letter Agreement
- Exhibit D — Commencement Date Memorandum
- Exhibit E — Hazardous Materials Questionnaire
- Exhibit F — Signage Criteria
- Exhibit F -1 — Depiction of Building Signage
- Exhibit G — Form of Letter of Credit

26. Special Provisions.

26.1. First Right to Lease. Tenant shall have a one-time first right to lease as additional space the entire adjacent building containing approximately 33,067 rentable square feet having a street address of 3070 Orchard Drive, San Jose, CA (the "FRL Space") if, at any time commencing on the date this Lease is fully executed and ending on the original Expiration Date (the "FRL Period"), the FRL Space becomes Available (as such term is defined below), upon and subject to the terms and conditions of this paragraph (the "First Right to Lease"). Notwithstanding the foregoing, if the FRL Space becomes Available during the last [***] years of the Initial Term, Landlord may require Tenant to exercise its extension option in connection with the exercise of its First Right to Lease; provided, however, Landlord shall have no obligation to deliver its estimate of the Fair Market Rental Value of the Premises described in Paragraph 3.1.3 until such date that is [***] months prior to the commencement of the Extension Term.

26.1.1. Notice of Availability. If the FRL Space becomes Available during the FRL Period, Landlord shall notify Tenant of such fact, and the material terms on which Landlord is prepared to lease the FRL Space to Tenant (i.e., Landlord's determination of Fair Market Rental Value (including proposed escalations) as hereinafter defined, tenant improvement allowance, if any, and free rent concessions, if any) ("Landlord's Notice of Availability"). Tenant shall have [***] days after receipt of Landlord's Notice of Availability to advise Landlord in writing whether it will add the FRL Space to the Premises on the terms and conditions described in Landlord's notice ("Tenant's Notice of Acceptance"). Tenant's Notice of Acceptance shall either accept Landlord's determination of Fair Market Rental Value or reject such determination and propose Tenant's determination of Fair Market Rental Value. Failure of Tenant to timely provide Tenant's Notice of Acceptance shall be deemed Tenant's election not to add the FRL Space to the Premises on the terms set forth in Landlord's Notice of Availability. If Tenant does not elect to add the FRL Space, then Landlord may lease the FRL Space to a third party or take it off the market for any reason whatsoever; provided that, if Landlord does not enter into a binding lease with any other third party for the FRL Space reflected in Landlord's Notice of Availability within [***] months after the deadline by which Tenant was to have provided Tenant's Notice of Acceptance, Tenant's First Right to Lease shall be reinstated and the procedures above shall again be followed, but if Tenant elects not to add the FRL Space to the Premises following such second offer (or is deemed to not have so elected), Tenant's First Right to Lease shall forever terminate. As used herein, "Available" shall mean that the FRL Space is, or is expected by Landlord to become, vacant, unencumbered and free and clear of all claims and rights of other tenants or other third parties. Without limiting the generality of the foregoing, the FRL Space shall not be deemed Available if, as to all or any portion thereof, there is an outstanding lease, lease option, or option or other right of extension, renewal, expansion, first refusal, first negotiation, or similar or other right, pursuant to any lease or written agreement, or if any then-existing tenant or occupant desires to renew or extend its lease as to any or all of such space, whether or not pursuant to an existing right or option (however, Landlord represents and warrants that no such rights currently exist with respect to the FRL Space). Tenant acknowledges that Landlord may give Landlord's Notice of Availability at any time.

26.1.2. Fair Market Rental. The FRL Space shall be added to the Premises under the same terms, covenants and conditions of the Lease applicable to the Premises, except that the Base Rent for the FRL Space shall be the Fair Market Rental Value and Tenant shall not be entitled

to any tenant improvements or allowances except as provided in Landlord's Notice of Availability. For purposes of Tenant's First Right to Lease, "Fair Market Rental Value" of the FRL Space shall be the rental rate at which tenants lease comparable space to the FRL Space which is located in the North San Jose submarket as of the date the FRL Space is to be added to the Premises. For this purpose, "comparable space" shall be [***]. Notwithstanding anything to the contrary herein, the Fair Market Rental Value of the FRL Space as determined pursuant to this Paragraph shall include annual escalations.

(i) If Tenant does not accept Landlord's determination of Fair Market Rental Value of the FRL Space in Tenant's Notice of Acceptance, Landlord and Tenant shall for [***] days after Tenant delivers its Notice of Acceptance attempt in good faith to agree on the Fair Market Rental Value of the FRL Space. If Landlord and Tenant agree on the Fair Market Rental Value of the FRL Space during such twenty (20) day period, they shall immediately execute an amendment to this Lease stating the Base Rent for the FRL Space.

(ii) If Landlord and Tenant are unable to agree on the Base Rent for the FRL Space within the [***] day period described in the second sentence in the preceding paragraph, then within [***] days after the expiration of said [***] day period, either Landlord or Tenant may refer the matter to arbitration as provided for in this paragraph. The determination of the arbitrator(s) shall be limited to the sole issue of whether Landlord's or Tenant's submitted Fair Market Rental Value is the closest to the actual Fair Market Rental Value as determined by the arbitrator(s). The arbitrator(s) must be a licensed real estate broker(s) who has/have been active in the leasing of commercial properties in the San Jose, California area over the five (5) year period ending on the date of his/her/their appointment as arbitrator(s). Within [***] days after the date either Landlord or Tenant has referred to arbitration the determination of Fair Market Rental Value of the FRL Space (the "Arbitration Referral Date"), Landlord and Tenant shall each (i) appoint one arbitrator and notify the other party of the arbitrator's name and business address, and (ii) notify the other party of their determination of Fair Market Rental Value. If each party timely appoints an arbitrator, the two (2) arbitrators shall, within [***] days after the appointment of the second arbitrator, agree on and appoint a third arbitrator (who shall be qualified under the same criteria set forth above for qualification of the initial two (2) arbitrators) and provide notice to Landlord and Tenant of the arbitrator's name and business address. Within [***] days after the appointment of the third arbitrator, the three (3) arbitrators shall decide whether the parties will use Landlord's or Tenant's submitted Fair Market Rental Value and shall notify Landlord and Tenant of their decision. The decision of the majority of the three (3) arbitrators shall be binding on Landlord and Tenant. If either Landlord or Tenant fails to appoint an arbitrator within [***] days after the Arbitration Referral Date, the arbitrator timely appointed by one of them shall reach a decision and notify Landlord and Tenant of that decision within [***] days after the arbitrator's appointment. The arbitrator's decision shall be binding on Landlord and Tenant. If each party appoints an arbitrator in a timely manner, but the two (2) arbitrators fail to agree on and appoint a third arbitrator within the required period, the arbitrators shall be dismissed without delay and the issue of Fair Market Rental Value shall be submitted to binding arbitration under the commercial arbitration rules of the American Arbitration Association ("AAA"), provided that in the event of any inconsistency between such arbitration rules and the terms and conditions of this paragraph, the terms and conditions of this paragraph shall govern; and provided, further however, that the sole function of the AAA arbitrator shall be to select either Landlord's or Tenant's submitted Fair Market Rental Value. If Landlord and Tenant each fail to appoint an arbitrator in

a timely manner, the matter to be decided shall be submitted without delay to binding arbitration under the commercial arbitration rules of the American Arbitration Association, subject to the provisions of this paragraph. If only one of the parties has given notice of its determination of Fair Market Rental Value within [***] days after the Arbitration Referral Date, then such determination shall be the Fair Market Rental Value for the FRL Space. If Landlord and Tenant both fail to give notice of their determination of Fair Market Rental value within [***] days after the Arbitration Referral Date, the determination of Fair Market Rental Value shall be submitted without delay to binding arbitration under the commercial arbitration rules of the American Arbitration Association, subject to the provisions of this paragraph, and provided, further however, that the sole function of the AAA arbitrator shall be to select either Landlord's or Tenant's submitted Fair Market Rental Value. The cost of the arbitration as provided for in this paragraph shall be paid by the losing party. After the Base Rent for the FRL Space has been set, the arbitrator(s) shall immediately notify Landlord and Tenant, and Landlord and Tenant shall immediately execute an amendment to this Lease stating the Base Rent for the FRL Space.

26.1.3. Miscellaneous. Nothing herein shall be deemed to limit or prevent Landlord from marketing, discussing or negotiating with any other party for a lease of, or rights of any nature as to, any part of the FRL Space. The Term as to the FRL Space shall commence upon the later of (i) [***] days after the later of (A) the date of Tenant's Notice of Acceptance or (B) the date upon which Landlord obtains sole and exclusive possession of the FRL Space from the current tenant thereof and (ii) the date Landlord substantially completes the build out of the FRL Space in a manner consistent with the proposed buildout of the Premises (as depicted on the Initial Space Plan attached to this Lease as Exhibit C-1) (the "FRL Space Commencement Date"), and shall expire on the Expiration Date of this Lease (as the same may be extended). If Landlord shall be delayed in substantially completing such work in the FRL Space as a result of Tenant Delay then, for purposes of determining the FRL Space Commencement Date, the date of substantial completion shall be deemed to be the day that such work would have been substantially completed absent any such Tenant Delay. For pin-poses of this Paragraph 26.1.3, Tenant Delay shall also include any improvements and finishes to the FRL Space requested by Tenant that are inconsistent with the improvements and finishes for the Premises as depicted on the Initial Space Plan. The foregoing First Right to Lease is personal to the originally-named Tenant hereunder and any Permitted Transferee of Tenant's entire interest in this Lease. Tenant's First Right to Lease the FRL Space is subject to Tenant not being in default under the Lease beyond applicable notice and cure periods when Landlord would otherwise be required to provide Landlord's Notice of Availability, and when Tenant's Notice of Acceptance is given. Once delivered, Tenant's Notice of Acceptance cannot be rescinded or revoked by Tenant.

[signatures on following page]

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IN WITNESS WHEREOF, the parties hereto have executed this Lease on the respective dates set opposite their signatures below, but this Lease, on behalf of such party, shall be deemed to have been dated as of the Reference Date.

TENANT:

OUTSET MEDICAL, INC.,
a medical corporation

By: /s/ Leslie Trigg
Print Name: Leslie Trigg
Its: CEO

By: /s/ Rebecca Chambers
Print Name: Rebecca Chambers
Its: CFO

Date: Sept. 16, 2019

LANDLORD:

WH SILICON VALLEY IV LP,
a Delaware limited partnership

By: WH Silicon Valley IV GP LLC,
a Delaware limited liability company,
its general partner

By: /s/ Brent Lower
Print Name: Brent Lower
Its: Executive Vice President & Managing Director

Date: Sept. 19, 2019

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CONTRATO DE SUBARRENDAMIENTO (el “Contrato” o el “Contrato de Subarrendamiento”) que celebran por una parte, **INMOBILIARIA IAMS A S.A. de C.V.**, representada en este acto por el Sr. Eduardo Mendoza Larios en lo sucesivo referido como el “SUBARRENDADOR”, y **BAJA FUR S.A. DE C.V.**, representada en este acto por el Sr. Oswaldo Alberto Díaz Herrera, en lo sucesivo referido como el “SUBARRENDATARIO”, con la comparecencia y consentimiento de **OUTSET MEDICAL INC.**, en lo sucesivo referido como el “GARANTE” y que formalizan al tenor de las siguientes DECLARACIONES y CLÁUSULAS.

DECLARACIONES

Declara en este acto el SUBARRENDADOR por conducto de su Apoderado Legal:

I. Que su representada es una Sociedad Mercantil organizada y existente conforme a la Ley General de Sociedades Mercantiles, según acta constitutiva que consta en Escritura Pública de fecha 17 de diciembre de 2007, No. 54,377, volumen 822, pasada ante la fe del Licenciado Carlos C. Enríquez de Rivera B., entonces Notario Público Número Nueve de la Ciudad de Mexicali, Baja California, de la cual se tomó razón en el Registro Público de la Propiedad y de Comercio, Oficina Registradora de Mexicali el día 10 de enero de 2008, bajo el folio mercantil electrónico no. 35338*1; y que tiene como objeto social, entre otros la adquisición y construcción de bienes inmuebles que se destinen al arrendamiento; en razón de lo cual opera entre otros, el conocido como Vie Verte Business Center - Tijuana, ubicado en la Ciudad de Tijuana, Baja California, México; Documento que marcado como **Anexo “A1”**, se agrega al presente como parte del mismo.

II. Que su representante legal, el señor Eduardo Mendoza Larios tiene capacidad legal suficiente para actuar en su nombre y representación, en virtud al Poder General para actos de administración otorgado en la misma escritura pública referida la Declaración anterior.

III. Que conforme al contrato de arrendamiento celebrado en fecha 1 de enero de 2018 con Industrias Asociadas Maquiladoras, S.A. de C.V., Documento que marcado como **Anexo “A2”**, se agrega al presente como parte del mismo, posee en arrendamiento un bien inmueble ubicado en la ciudad de Tijuana, Baja California, México, identificado como “**Fracc. De Terreno Deducida del Predio Rústico Rancho la Esperanza**,”

SUBLEASE AGREEMENT (the “Agreement” or the “Sublease Agreement” entered into by and between **INMOBILIARIA IAMS A, S.A. de C.V.**, herein represented by Mr. Eduardo Mendoza Larios, hereinafter referred to as “SUBLESSOR”, and **BAJA FUR S.A. DE C.V.**, herein represented by Mr. Oswaldo Alberto Díaz Herrera, hereinafter referred to as “SUBLESSEE”, with the presence and consent of **OUTSET MEDICAL, INC.**, hereinafter referred to as the “GUARANTOR”, that is formalized pursuant to the following RECITALS and CLAUSES.

RECITALS

SUBLESSOR hereby declares by means of its Legal Representative:

I. It is a company organized and existing under Mexican General Corporations Law, as per Incorporation Charter evidenced in Public Instrument dated December 17th, 2007, Number 54,377, Volume 822, executed before Attorney Carlos C. Enríquez de Rivera B., then Notary Public No. 9 in Mexicali, Baja California, recorded in the Public Registry of Property and Commerce in the City of Mexicali, Baja California, under log entry number 35338*1, on January 10th 2008, having as its corporate object, amongst others, the acquisition and construction of real estate destined to be leased; by virtue of which it operates amongst others, Vie Verte Business Center - Tijuana, located in the City of Tijuana, Baja California, Mexico, Document attached hereto as **Exhibit “A1”** and made a part hereof.

II. Its Legal Representative, Mr. Eduardo Mendoza Larios has sufficient legal capacity to act in its name and representation, by virtue of the power of attorney for acts of administration granted in the public instrument referred in the recital above.

III. That according to the lease agreement entered on January 1, 2018 with Industrias Asociadas Maquiladoras, S.A. de C.V., Document attached hereto as **Exhibit “A2”** and made a part hereof it possesses in lease a property located in the city of Tijuana, Baja California, Mexico, identified as “**Fracc. De Terreno Deducida del Predio Rústico Rancho la Esperanza, ubicado en la Delegación La Mesa de Tijuana, Baja California, with an**

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ubicado en la Delegación La Mesa de Tijuana, Baja California, con una Superficie de 9-99-23-63 (Nueve hectáreas, noventa y nueve áreas, veintitrés centiáreas sesenta y tres miliáreas)” (en lo sucesivo referido como el “Predio Mayor”); conforme a cierto contrato de arrendamiento de fecha 1 de enero de 2018 (el “Arrendamiento Original”), celebrado con Industrias Asociadas Maquiladoras, S.A. de C.V., quien es propietario de dicho inmueble, y se agrega al presente como parte integral del mismo, y se encuentra debidamente autorizado por medio de dicho contrato de Arrendamiento Original para el subarrendamiento de una superficie de terreno de 18,266.79 metros cuadrados (en lo sucesivo referido como “Superficie de Terreno”) y de las mejoras que serán construidas en la misma y que se detallarán más adelante en el presente, incluyendo pero no limitado al edificio modular que ahí se construirá, al que se identificará como “**Edificio Terra del Vie Verte Business Center**”, y el área sujeta a este Contrato de Subarrendamiento corresponde a los **Módulos J y K del Edificio Terra** mismo que cuentan con una “Superficie Arrendable” de **87,188.00 pies cuadrados (8,100.0303 metros cuadrados)** así como el área de estacionamiento consistente en [***] espacios de estacionamiento (la “Superficie Arrendable”). En lo sucesivo a dichos módulos se les referirá como la “**Propiedad Subarrendada**”; cuyo domicilio oficial es: **C. Vecinal #20601, Módulos J y K, Col. Presa Rodríguez Sub-Urbano, Tijuana, B.C. C.P. 22124.**

IV. El domicilio en el que tiene el principal asiento de sus operaciones es: **Carr. a San Luis Km 10.5 S/N, Parque Industrial Las Californias, Mexicali, Baja California, México** y que su Registro Federal de Contribuyentes es **IIA-071217-1P8**.

V. Que es su intención dar en subarrendamiento la Propiedad Subarrendada al SUBARRENDATARIO, de acuerdo a los términos y condiciones de este Contrato, mismo que tiene un uso de suelo adecuado y se encuentra limpio en cumplimiento con la legislación ambiental .ambientalmente limpio.

Declara en este acto el SUBARRENDATARIO, por conducto de su representante legal:

I. Que acredita la legal existencia de su representada como Sociedad Mercantil, según consta en la escritura pública de fecha 27 de Mayo de 1989 numero 20,510 del Volumen 490, pasada ante el Lic. Salvador Lemus Calderon, Notario

area of de 9-99-23-63 (Nine hectares, ninety-nine areas, twenty-three centiares sixty-three milliares)” (hereinafter referred to as the “Larger Tract of Land”), pursuant to that certain lease agreement dated January 1, 2018, (the “Original Agreement”) executed with Industrias Asociadas Maquiladoras, S.A. de C.V., who owns such property; and that it is duly authorized pursuant by said Original Lease agreement to sublease of a portion of land of 18,266.79 square meters (hereinafter referred to as the “Land Area”) and the improvements that will be therein constructed as detailed hereinafter in the present document, including but not limited to the building to be constructed thereon, which will be identified as the “**Terra Building**” in **Vie Verte Business Center**, and the area subject to this Sublease Agreement corresponds to **Modules J and K of the Terra Building** which have a “Leasable Area” of **87,188.00 square feet (8,100.0303 square meters)** that includes a parking area of [***] parking stalls (the “Leasable Area”). Hereinafter such modules will be referred collectively and indistinctively as the “**Subleased Property**”; with an official address: “**C. Vecinal #20601, Módulos J y K, Col. Presa Rodríguez Sub-Urbano, Tijuana, B.C. C.P. 22124.**”

IV. The address at which it has its principal place of business is: **Carr. a San Luis Km 10.5 S/N, Parque Industrial Las Californias, Mexicali, Baja California, México**, and its Federal Taxpayers’ Registry number is **IIA-071217-1P8**.

V. It is its intent to sublease the Subleased Property to SUBLESSEE, pursuant to the terms and conditions of this Agreement, which is properly zoned, environmentally clean.

SUBLESSEE hereby declares by means of its Legal Representative:

I. That it evidences the legal existence as a Mercantile Corporation as per public instrument dated May 27, 1989 number 20,510 Volume 490, executed before Attorney Salvador Lemus Calderon, Notary Public No. 8 in Tijuana, Baja

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Publico No. 8 de is ciudad de Tijuana, Baja California, Mexico, de Ia cual se tome) razon en el Registro Public° de Ia Propiedad y de Comercio, Oficina Registradora de Tijuana el dia 31 de Octubre de 1989, bajo partida numero 21762 de Ia Seccion Comercio, de Ia cual se agrega una copia al presente coma **Anexo “B1”**.

II. Que acredita la capacidad legal del Apoderado del SUBARRENDATARIO para comparecer a la firma del presente, con poliza numero 4272, de fecha 27 de abril de 2010, del libro Uno de Sociedad Mercantiles a cargo del Licenciado Joaquin Oseguera Iturbide, Corredor Public° numero 16 en la ciudad de Tijuana, Baja California, de Ia cual se agrega una copia al presente como **Anexo “B2”**.

III. El domicillio en el que tiene el principal asiento de sus operaciones es Calle Aguila Coronada #19491-A, Baja Maq El Aguila, Tijuana, Baja California, Mexico, C.P. 22215 y que el Registro Federal de Contribuyentes del SUBARRENDATARIO es [***].

IV. Que es su intend& arrendar del SUBARRENDADOR Ia Propiedad Subarrendada que se describe en la Declaracion III, de acuerdo a los términos y condiciones de este Contrato.

De acuerdo a lo anterior las partes otorgan las siguientes:

CL ÁUSULAS

I. OBJETO DE ESTE CONTRATO

A. En los términos y condiciones que se establecen más adelante, el objeto del presente Contrato de Subarrendamiento es el siguiente: El SUBARRENDADOR da en subarrendamiento al SUBARRENDATARIO y el SUBARRENDATARIO toma en subarrendamiento del SUBARRENDADOR Ia Propiedad Subarrendada descrita en Ia Declaración III del presente, misma que en este acto se tiene por reproducida coma si a Ia letra se insertare y que para mayor referencia se ilustra en el documento que marcado coma Anexo “C”, y firmado de aceptación por las partes se agrega al presente formando parte integrante del mismo, con el fin de realizar en el mismo, exclusivamente las actividades industrials consistentes: Manufactura, ensamble y almacenamiento de todo tipo de productos, incluyendo equipo médico y cualquier negocio licito o actividades comerciales relacionados.

California, Mexico. Registered before the Public Registry of Property and Commerce, in Tijuana Baja California on October 31st 1989, under log entry number 21762 of the Commerce Section, of which a copy is attached herein as **Exhibit “B1”** and made a part hereof.

II. It evidences the legal capacity of SUBLESSEE’S Representative, to appear on its behalf to execute this contract, with policy number 4272 dated April 27th, 2010, of the Book One of Mercantile Entities in charge of attorney Joaquín Oseguera Iturbide, Public Broker number 16 in Tijuana, Baja California, of which a copy is attached herein as **Exhibit “B2”** and made a part hereof.

III. The address at which it has its principal place of business is Calle Aguila Coronada #19491-A, Baja Maq El Aguila, Tijuana, Baja California, México, C.P. 22215 and SUBLESSEE’S Federal Tax Payers Registry number is [***].

IV. It is SUBLESSEE’s intent to sublease from SUBLESSOR the Subleased Property described in Recital III, pursuant to the terms and conditions of this Agreement.

Pursuant to the above the parties agree as follows:

CLAUSES

I. SCOPE OF SUBLEASE AGREEMENT.

A. On the terms and conditions set forth hereinafter, the scope of this Sublease Agreement is as follows: SUBLESSOR hereby subleases to SUBLESSEE, and SUBLESSEE hereby subleases from SUBLESSOR the Subleased Property as described in Recital III above, same which is hereby considered reproduced as if literally inserted and that for further reference is detailed in the document marked as Exhibit “C”, and that accepted and signed by the parties, is attached hereto and made a part hereof, for the purpose of performing: manufacturing, assembly and storage of all types of products, including medical equipment and any related lawful business or commercial activities.

B. La Propiedad Subarrendada consistente en los Módulos J y K del Edificio Terra será ocupada en etapas, tomando la posesión de la superficie arrendable de 48,438.00 pies cuadrados (4,500.0375 metros cuadrados) del Módulo K del Edificio Terra, a partir del 1 de Mayo de 2020; y posteriormente a partir del 1 de Junio de 2021 tomando la posesión de los restantes 38,750.00 pies cuadrados (3,599.9928 metros cuadrados) del Módulo J del Edificio Terra, para tener desde esa fecha una superficie arrendada total de **87,188.00 pies cuadrados** (8,100.0303 metros cuadrados) hasta el vencimiento del término del presente Contrato de Subarrendamiento.

La recepción de Propiedad Subarrendada (Módulos J y K del Edificio Terra) se realizará previa suscripción de entrega recepción para cada etapa del superficie arrendable de la que se tome posesión.

II. CONSTRUCCIONES O MODIFICACIONES A LAS MEJORAS DEL SUBARRENDADOR.

A. El SUBARRENDADOR a su costa construyó en la Superficie de Terreno, en cumplimiento de toda la normatividad aplicable, incluyendo pero no limitada a las de Salubridad e Higiene y del Reglamento del Parque Industrial cuya copia firmada por las partes se agrega al presente como **Anexo “D”**, la Propiedad Subarrendada que se describe en la Declaración III y motivo del presente Contrato de Subarrendamiento; misma construcción que fue certificada por las autoridades municipales competentes. La Propiedad Subarrendada contará con una serie de “Mejoras”, entendiéndose como tales a las instalaciones estructurales, maquinaria, enseres, mobiliario e instrumentos disponibles dentro o fuera del Edificio Terra, entre las cuales serán proporcionadas por el SUBARRENDADOR (“Mejoras del SUBARRENDADOR”) las que se especifican en el **Anexo “E”** que firmado de aceptación por las partes se anexa al presente contrato formando parte del mismo.

Pago por Mejoras del ARRENDATARIO. Según fue solicitado por el SUBARRENDATARIO, el SUBARRENDADOR ejecutará en la Propiedad Subarrendada mejoras adicionales (en lo sucesivo denominada como las “Mejoras Adicionales del SUBARRENDATARIO”) que se refieren en el mismo **Anexo “E”**. Debido a ello, a efecto de cubrir

B. The Subleased Property consisting of Modules J and K of the Terra Building will be occupied in phases, taking possession of the a leasable area of 48,438.00 square feet (4,500.0375 square meters) of Module K of the Terra Building as of May 1st, 2020; and subsequently as from June 1st, 2021 taking possession of the remaining 38,750.00 square feet (3,599,9928 square meters) of Module J of the Terra Building, to have from that date a total leased area of **87,188.00 square feet** (8,100.0303 squares meters) until expiration of the term of this Sublease Agreement.

Receipt of the Subleased Property (Modules J and K of the Terra Building) shall be made upon subscription of a delivery minute for each phase of the leasable area of which possession is taken.

II. CONSTRUCTIONS OR MODIFICATIONS TO IMPROVEMENTS BY SUBLESSOR.

A. SUBLESSOR at SUBLESSOR’s own cost and expense built in the Land Area, in compliance with all applicable regulations, including but not limited to Health and Hygiene and with the Industrial Park Regulations, a copy of which, signed by the parties is attached hereto as **Exhibit “D”**, the Subleased Property detailed in Recital III and the scope of this Sublease Agreement; same construction that was certified by the competent local authorities. The Subleased Property will feature a series of “Improvements”, to be understood as the structural installations, machinery, appliances, furniture and instruments available inside or outside the Terra Building, among which will be provided by SUBLESSOR (“SUBLESSOR’s Improvements”) as specified in **Exhibit “E”**, that duly accepted and executed by the parties is attached hereto and made a part hereof.

LESSEE’s Improvements Payment. As requested by SUBLESSEE, SUBLESSOR will execute additional improvements on the Subleased Property (hereinafter referred to as the “Additional SUBLESSEE Improvements”) mentioned in **Exhibit “E”**; Due to this, in order to cover the cost of said improvements, SUBLESSEE

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el costo de ichas mejoras, el SUBARRENDATARIO pagará al SUBARRENDADOR por una única a la firma del presente contra la cantidad de **US \$[***] Dólares** ([***] Dólares, Moneda de Curso Legal en los Estados Unidos de América), más el Impuesto al Valor Agregado, que representa un pago único asociado con el suministro e instalación de un transformador de [***] y el panel principal. El SUBARRENDADOR proporcionará su a costo, infraestructura eléctrica para proporcionar [***] de servicio de energía al espacio arrendado. El SUBARRENDATARIO necesita energía a 220V y 480V dentro del edificio.

B. En caso de que el SUBARRENDATARIO requiera que el SUBARRENDADOR lleve a cabo cualesquier construcción o mejoras fuera de las definidas como las Mejoras del SUBARRENDADOR en la Propiedad Subarrendada, dichas mejoras serán negociadas caso por caso y sujetas a un Contrato de Construcción adicional, mismo que se agregará al presente bajo al Anexo consecutivo correspondiente y para efectos del presente se denominarán las “Mejoras Contractuales”.

C. Las Mejoras Contractuales, o cualquier mejora autorizada por el SUBARRENDADOR, que amplíe la superficie rentable dentro de la Propiedad Subarrendada, es decir, aquellas que aumenten la superficie utilizable dentro o fuera de la Propiedad Subarrendada, cualquiera que sea su naturaleza, incluyendo pero no limitado a mezzanine, cafetería, ampliación de oficinas, almacenes, laboratorios, cuartos de máquinas, planta de producción y espacios de estacionamiento adicional más allá de los [***] espacios de estacionamiento que forman parte de la superficie rentable, se consideraran por las partes como superficie rentable, y por consiguiente como parte de la Propiedad Subarrendada bajo este Contrato, por lo cual el valor de renta de la misma será negociado oportunamente por el SUBARRENDADOR y el SUBARRENDATARIO, considerando la superficie, su naturaleza, materiales de construcción y acabados de la misma según su destino. En cualquier caso, las anteriores precisiones y cualesquier otras necesarias constarán por escrito y serán firmadas por las partes.

Prevía aprobación por escrito del SUBARRENDADOR, la cual no deberá ser retenida injustificadamente, el SUBARRENDATARIO podrá construir a su

will pay to SUBLESSOR for a single occasion at the signature of this agreement the amount of **US \$[***] Dollars** ([***] Dollars, Legal Currency in the United States of America), plus Value Added Tax, representing a onetime payment associated with the supply and installation of a [***] transformer and main panel. SUBLESSOR will provide at SUBLESSOR’s cost electrical infrastructure to provide [***] of power service to the rented space. SUBLESSEE needs power at 220V and 480V inside the building.

B. In the event that SUBLESSEE requires SUBLESSOR to perform any construction or improvements beyond the scope of SUBLESSOR’s Improvements, such Improvements will be negotiated on a case by case basis and subject to a separate Construction Agreement, which will be added to this Agreement to form part hereof, and which shall be identified with the corresponding Exhibit number and for purposes of this Agreement shall be identified as “Contractual Improvements”.

C. The Contractual Improvements, or any improvement authorized by SUBLESSOR that expand leasable floor area within the Subleased Property, meaning those ones that increase the usable floor area within or without the Subleased Property, whatever its nature, including but not limited to a mezzanine, cafeteria, expansion of offices, warehouses, lab rooms, machinery rooms, production floor, and any additional parking beyond the [***] parking spaces which are included in the rental area, will be considered by the parties as rental area, and thus part of the Subleased Property under this Agreement, for which rent value will be timely negotiated by SUBLESSOR and SUBLESSEE, considering the area, its nature, construction materials and furnishings of the same, considering its purpose. In any event, all such precisions and others necessary shall be agreed on writing and executed by the parties.

With prior written approval of SUBLESSOR, which approval may not be unreasonably withheld, SUBLESSEE may build at its own cost a Mezzanine over the production floor

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propio costo un Mezzanine sobre el piso de producción sin que la superficie de dicho Mezzanine se considere superficie rentable, siempre que su superficie sea de [***] pies cuadrados o menos; cualquier excedente del área de [***] pies cuadrados deberá ser autorizado por el SUBARRENDADOR previamente y se considerará como superficie arrendable y será sujeta al pago de renta en base al pago de renta por pie cuadrado vigente en ese momento. Además, el área de materiales peligrosos, la subestación eléctrica, las salas de compresores, los tanques de tratamiento y de retención de agua, y cualquier equipo futuro ubicado en el área de la plataforma del equipo y en los andenes de carga no se considerará superficie arrendable adicional. A solicitud del SUBARRENDADOR, cualquier Mezzanine o equipo construido por el SUBARRENDATARIO deberá ser removido al finalizar este Contrato de Subarrendamiento y cualquiera de sus extensiones.

En o antes del 31 de marzo del año 2021, el SUBARRENDATARIO deberá invertir la cantidad de \$ 3'500,000.00 Dólares (Tres millones quinientos mil Dólares 00/100, Moneda de Curso Legal en los Estados Unidos de América) destinada a espacio para oficina, una planta recicladora de agua, almacén y cafetería, lo cual se le considerará como la Fase 1 de las Mejoras del Arrendatario (la "Fase 1"). Así mismo, en o antes del 31 de diciembre del año 2023, el SUBARRENDATARIO deberá invertir la cantidad adicional de \$ 3'500,000.00 Dólares (Tres millones quinientos mil Dólares 00/100, Moneda de Curso Legal en los Estados Unidos de América) destinada a expansión de oficina y espacio para manufactura, lo cual se le considerará como la Fase 2 de las Mejoras del Arrendatario (la "Fase 2").

D. Mejoras del SUBARRENDATARIO. Cualquier otra mejora autorizada por el SUBARRENDADOR y que no sea Mejora Contractual según se identifica en el presente, será regulada por los lineamientos aplicables en cada caso, según se requiere y contienen en el Reglamento del Parque Industrial.

E. Toda mejora adicional realizada tanto por el SUBARRENDADOR como por el SUBARRENDATARIO, deberá cumplir con las leyes, reglamentos y decretos Federales, Estatales y Municipales en materia de construcción y cualquier mandato aplicable al SUBARRENDATARIO.

without such Mezzanine being considered as rental area, as long the area is [***] square feet or less; any excess area over [***] square feet shall be approved previously by SUBLESSOR and will be considered as rental area and will be subject to payment of rent at the then current base rent per square foot. Additionally, the hazardous materials area, the electrical substation, compressor rooms, water treatment and holding tanks, and any future equipment located in the equipment pad area and dock wells shall not be considered additional leasable area. At the request of SUBLESSOR, any such Mezzanine or equipment constructed by SUBLESSEE shall be removed upon termination of this Sublease Agreement and any of its extensions.

On or before March 31st, 2021, SUBLESSEE shall invest the amount of \$ 3,500,000.00 Dollars (Three million five hundred thousand Dollars 00/100, Legal Currency of the United States of America) for office space, a water recycling plant, warehouse and cafeteria, which shall be considered as Phase 1 of LESSEE's Improvements (the "Phase 1"). Likewise, on or before December 31st, 2023, SUBLESSEE shall invest the additional amount of \$ 3,500,000.00 Dollars (Three million five hundred thousand Dollars 00/100, Legal Course Currency in the United States of America) destined to office expansion and manufacturing space, which shall be considered as Phase 2 of LESSEE's Improvements (the "Phase 2").

D. SUBLESSEE Improvements. Any other improvements authorized by SUBLESSOR and that are not Contractual Improvements as identified herein, shall be governed by the guidelines applicable for each case, as required and contained in the Industrial Park Regulations.

E. All additional improvement executed either by SUBLESSOR and/or SUBLESSEE shall comply with all Federal, State and Municipal laws, regulations and ordinances, regarding construction and any applicable ordinances of SUBLESSEE.

F. El SUBARRENDADOR se reserva el derecho a utilizar no más del [***] por ciento ([***]%) de los techos de la Propiedad Subarrendada para alojar instalaciones y/o estructuras tales como antenas, paneles solares o estructuras de otro tipo siempre que dichas instalaciones y / o estructuras no interferirán con las actividades y la operatividad del SUBARRENDATARIO, ni pondrán en riesgo a los bienes, empleados, agentes, comisionistas, invitados o contratistas del SUBARRENDATARIO. El SUBARRENDADOR acepta que cualquier instalación o equipo presente o futuro del SUBARRENDATARIO que deba instalarse y / o tener acceso al techo tendrá prioridad sobre cualquier derecho del SUBARRENDADOR de usar las áreas del techo para acomodar las instalaciones y / o estructuras del SUBARRENDADOR.

G. El SUBARRENDADOR conviene en entregar la siguiente documentación relacionada con la Propiedad Subarrendada, los cuales se agregan al presente Contrato como **Anexo “C-1”**:

1. Dictamen Estructural.
2. Reporte de Experto Ambiental confirmando que la Propiedad Arrendada se encuentra libre de contaminación.
3. Planos Hidráulicos (agua y drenaje);
4. Dictamen Eléctrico, incluyendo planos de instalaciones.

H. El SUBARRENDADOR, como parte de su gestión en beneficio del centro de negocios continuará realizando gestiones ante las autoridades competentes a fin de que estas pavimenten la vuelta en “U” ubicada sobre el Boulevard 2000, no obstante, la falta de respuesta por parte de las autoridades gubernamentales ante esta situación no podrá ser considerada como un incumplimiento del SUBARRENDADOR.

III. TÉRMINO DEL SUBARRENDAMIENTO Y FECHA DE INICIO DE VIGENCIA.

A. Contrato de Subarrendamiento. Este Contrato estará en vigor desde la fecha de su suscripción y continuará vigente hasta que sea terminado en la forma prevista en el presente. La expresión “Término de Subarrendamiento” según se utiliza de aquí en adelante, significará el período completo de ocupación del inmueble arrendado.

F. SUBLESSOR reserves itself the right to use no more than [***] percent ([***]%) the roofs of the Subleased Property to accommodate facilities and/or structures such as antennas, solar panels or other structures, provided that such facilities and/or structures will not interfere with the activities and the operations of the SUBLESSEE, nor will they put at risk the goods, employees, agents, commissioners, guests or contractors of the SUBLESSEE. SUBLESSOR agrees that any present or future installations or equipment of SUBLESSEE that must be installed and/or have access to the roof will be prioritized over any right of SUBLESSOR to use the roof areas to accommodate facilities and/or structures of SUBLESSOR.

G. SUBLESSOR agrees to provide the following documents related to Subleased Property, which are attached hereto as **Exhibit “C-1”**:

1. Structural Report.
2. Environmental Expert Report confirming the Subleased Property is free of contamination.
3. Hydraulic Layout Plans, (water and sewer).
4. Electric Report and Layout Plans of installations.

H. SUBLESSOR, as part of its arrangements in benefit of the Business Center, will continue making arrangements before the competent authorities in order for them to pave the U-turn project on Boulevard 2000, nonetheless, the lack of action by the authorities in this regard can't be considered as SUBLESSEE's default.

III. SUBLEASE TERM AND COMMENCEMENT DATE.

A. Sublease Agreement. This Sublease Agreement shall be effective from the date of execution hereof until the same is terminated as provided hereinafter. The complete period of tenancy of the Subleased Property shall be referred to hereinafter as the “Lease Term”.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

B. Término. El término inicial de arrendamiento (“Término Inicial”) será forzoso para las partes y comenzará con la Ocupación Benéfica (Según dicho término se define con posterioridad) el día **6 de Mayo de 2020** por lo que respecta a la superficie de **48,438.00 pies cuadrados del Módulo K del Edificio Terra**, misma fecha que será considerada y denominada en lo sucesivo como “**Fecha de Entrega**”; y por lo que respecta a la superficie restante de **38,750.00 pies cuadrados del Módulo J del Edificio Terra**, el inicio será a partir del **5 de Junio de 2021**, misma fecha que será considerada y denominada en lo sucesivo como “**Fecha de Entrega del Módulo J**”. El Término inicial concluirá el día **5 de Septiembre de 2026**. Los pagos por concepto de renta por la superficie de **48,438.00 pies cuadrados del Módulo K del Edificio Terra** empezarán a correr a partir del **6 de Septiembre de 2020**, misma fecha que será considerada y denominada en lo sucesivo como “**Fecha de Inicio**”. Por lo que se refiere a la superficie de **38,750.00 pies cuadrados del Módulo J del Edificio Terra** los pagos por concepto de renta empezarán a correr a partir del **6 de Junio de 2021**.

De conformidad con lo anterior, EL SUBARRENDATARIO gozará de la **Ocupación Benéfica** de la Propiedad Subarrendada por lo que hace a la superficie de **48,438.00 pies cuadrados del Módulo K del Edificio Terra, de la Fecha de Entrega del 06 de Mayo de 2020 al 5 de Septiembre de 2020**, sin la obligación del pago de renta. El Término Inicial del Arrendamiento es obligatorio para las partes.

C. Año de Subarrendamiento. El término “Año de Subarrendamiento” según se utiliza de aquí en adelante, significará un período de doce (12) meses consecutivos completos de calendario. El primer Año de Subarrendamiento comenzará en la fecha de Inicio. Cada Año de Subarrendamiento posterior, comenzará a partir del primer aniversario del primer Año de Subarrendamiento.

D. Opción para Prorrogar. El SUBARRENDATARIO tiene la opción de solicitar la renovación del Contrato de Subarrendamiento en los términos, condiciones establecidas en el presente, por [***] (“Prórroga”), mediante aviso por escrito dado al SUBARRENDADOR con no menos de [***] días naturales de anticipación al vencimiento del Término Inicial de este Contrato de Subarrendamiento, siempre y cuando el SUBARRENDATARIO esté al corriente en el pago de la renta y cualesquier otra obligación a su cargo

B. Term. The initial term of this lease (“Initial Term”) will be mandatory for the parties and shall commence with the Beneficial Occupancy (As defined below) on **May 6th, 2020** with reference to the area of **48,438.00 square feet of Module K of the Terra Building**, same date which shall be considered as and hereinafter referred to as “**Possession Date**”. With regard to the remaining area of **38,750.00 square feet of Module J of the Terra Building**, commencement shall be on **June 6th, 2021**, which date shall be considered as and hereinafter referred to as “**Possession Date of Module J**”. The initial term shall end on **September 5th, 2026**. Payment of rents regarding the area of **48,438.00 square feet of Module K of the Terra Building** will commence as of **September 6th, 2020**, which date shall be considered as and hereinafter referred to as the “**Commencement Date**”. In reference to the area of **38,750.00 square feet of Module J of the Terra Building**, the payment of rents will commence as of **June 6th, 2021**.

Accordingly, SUBLESSEE will have **Beneficial Occupancy** of the Subleased Property related to the area of **48,438.00 square feet of Module K of the Terra Building, from the Possession Date of May 6th, 2020 through September 5th, 2020** without the obligation of paying rent. The Initial Term of the Lease will be mandatory for the parties.

C. Sublease Year. The term “Lease Year” as used herein, shall mean a period of twelve (12) consecutive full calendar months. The first Sublease Year shall begin on the Commencement Date. Each Sublease Year thereafter, shall commence upon the first anniversary of the First Sublease Year.

D. Option To Extend. SUBLESSEE shall have the right to request the extension of the term of this Sublease Agreement upon the terms, conditions set forth herein, for [***] (“Extended Term”), by giving written notice to SUBLESSOR not less than [***] calendar days prior to the expiration of the Initial Term of this sublease Agreement, so long as SUBLESSEE is not then in default in payment of rent or of any other obligation hereunder. The pricing of such extensions shall be at the lower of continuing escalation as provided herein, or [***]

en los términos del presente Contrato. El precio de dichas extensiones será el más bajo de la escalada continua según lo dispuesto en este documento, o [***] por ciento ([**%]) de la renta del mercado vigente en ese momento para naves industriales de condiciones similares, lo que sea menor. Las partes convienen que por falta de notificación en tiempo y forma para ejercer la Prórroga aquí referida, se entiende que el SUBARRENDATARIO no tiene intención de extender el Término del Subarrendamiento y en consecuencia, el SUBARRENDATARIO, sin que el SUBARRENDADOR se lo requiera, habrá de proceder inmediatamente a desocupar la Propiedad Subarrendada sin mayor trámite que lo establecido en este contrato.

IV. RENTA.

A. Renta Base. A partir del **6 de Septiembre de 2020**, coma “Renta Base” par el subarrendamiento de la Propiedad Subarrendada (48,438.00 pies cuadrados del Módulo K del Edificio Terra) durante el Término Inicial, el SUBARRENDATARIO pagará mensualmente al SUBARRENDADOR la cantidad de **US\$[***] Dólares ([***] Dólares, Moneda de Curso Legal en los Estados Unidos de America)** por pie cuadrado de Superficie Arrendable, que equivale a **US\$[***] Dólares ([***] Dólares [***] Moneda de Curso Legal en los Estados Unidos de America)**; más el Impuesto al Valor Agregado que resulte aplicable al momento de pago, pagaderos mensualmente por adelantado al SUBARRENDADOR en el domicilio del SUBARRENDADOR.

A partir del **6 de Junio de 2021**, como “Renta Base” por el arrendamiento de la Propiedad Arrendada, a partir de esa fecha con **87,188.00 pies cuadrados** de superficie arrendable, correspondiente a los Módulos J y K del Edificio Terra, el SUBARRENDATARIO pagará mensualmente al ARRENDADOR la cantidad de **US\$[***] Dólares ([***] Dólares, Moneda de Curso Legal en los Estados Unidos de América)** por pie cuadrado de Superficie Arrendable, que equivale a **US\$[***] Dólares ([***] Dólares [***] Moneda de Curso Legal en los Estados Unidos de América)**; más el Impuesto al Valor Agregado que resulte aplicable al momento de pago, pagaderos mensualmente por adelantado al SUBARRENDADOR en el domicilio del SUBARRENDADOR.

Si la referida Renta Base no se pagare dentro de los primeros [***] días naturales del mes en que

percent ([**%]) of then current market rent for buildings of similar condition, whichever is lower. The parties hereby agree that by the lack of timely and formal notice to exercise the Extended Term herein referred, it is understood that SUBLESSEE does not intend to extend the sublease Term and consequently, SUBLESSEE shall immediately proceed to leave the Subleased Property without SUBLESSOR having to request and with no further proceeding than that herein contained.

IV. RENT.

A. Base Rent. As from **September 6th 2020**, as “Base Rent” for the Sublease of the Subleased Property (48,438 square feet of Module K of the Terra Building) during the Initial Term hereof, SUBLESSEE shall pay to SUBLESSOR the monthly amount of **US\$ [***] Dollars ([***] Dollars, Legal Currency of the United States of America)** per square foot of Leasable Area monthly, that is equivalent to **US\$[***] Dollars ([***] Dollars [***] Legal Currency of the United States of America)**; plus the corresponding Value Added Tax (IVA by its Spanish acronym) at the moment of payment, payable in advance on a monthly basis to SUBLESSOR in SUBLESSOR’s address.

As from **June 6th, 2021**, as “Base Rent” for the lease of the Leased Property, as of that date with **87,188.00 square feet** of leasable area, corresponding to Modules J and K of the Terra Building, SUBLESSEE shall pay to LESSOR the monthly amount of **US\$[***] Dollars ([***] Dollars, Legal Currency of the United States of America)** per square foot of Leasable Area monthly, that is equivalent to **US\$[***] Dollars ([***] Dollars [***] Legal Currency of the United States of America)**; plus the corresponding Value Added Tax (IVA by its Spanish acronym) at the moment of payment payable in advance on a monthly basis to SUBLESSOR at SUBLESSOR’s address.

If Base Rent is not paid within the first [***] calendar days of the month in which they are due,

son debidos, el SUBARRENDATARIO incurrirá en mora y en este acto se obliga a pagar como interés moratorio, el [***]% ([***] por ciento) mensual sobre el importe que corresponda.

La Renta Base será ajustada anualmente conforme se define más adelante en esta Cláusula, en cada aniversario de la Fecha de Inicio.

B. Cuota de Mantenimiento. El SUBARRENDATARIO en este acto acepta y se obliga a pagar una cuota de mantenimiento de la Propiedad Subarrendada, a razón de **US\$[***] Dólares ([***] Dólares, Moneda de Curso Legal en los Estados Unidos de América) por pie cuadrado de Superficie Arrendable**, más el correspondiente impuesto al Valor Agregado. La Cuota de del Mantenimiento será aplicable a áreas comunes por: jardinería, alumbrado exterior, mantenimiento de calles, incluyendo pavimentos, bacheo, barrido y retoques de pintura vial, pintura exterior, reparaciones, guardias de seguridad en el Parque Industrial controlado el acceso al Parque Industrial y la calle principal, así como mantenimiento de los sistema de protección contra incendios de las áreas comunes y recolección de basura en las calles principales. El mantenimiento de la Propiedad Subarrendada será responsabilidad del SUBARRENDATARIO

La cuota de mantenimiento se pagará por anticipado a partir de la Fecha de Inicio, conjuntamente con la Renta Base que corresponda dentro de los primeros [***] días de cada mes en el que dicha cuota de mantenimiento es debida. Dicha cuota de mantenimiento también será ajustada anualmente conforme al Índice definido en esta Cláusula, en cada aniversario de la Fecha de Inicio, topado al [***]% ([***] por ciento).

Al igual que la renta, la falta de pago oportuno de la cuota de mantenimiento dentro de los primeros [***] días naturales de cada mes en el que es debida, causará de inmediato que el SUBARRENDATARIO incurra en mora, quien en este acto se obliga a pagar como interés moratorio, el [***]% ([***] por ciento) mensual sobre el importe que corresponda.

C. El pago se hará en Dólares, moneda de los Estados Unidos de América, mediante depósito directo, electrónico o transferencia en el domicilio de la siguiente institución de crédito o del cesionario de los derechos del

SUBLESSEE will be in delinquency of payment and hereby is bound to pay a [***]% ([***] per cent) monthly late payment fee applicable to the corresponding amount.

The Base Rent shall be adjusted annually in accordance with the Index, as defined in this Clause, on each anniversary of the Commencement Date.

B. Maintenance Fee. SUBLESSEE hereby agrees and is bound to pay a monthly maintenance fee for the Subleased Property, at the rate **US\$[***] Dollars ([***] Dollars, Legal Currency of the United States of America) per square foot of Leasable Area**, plus the corresponding Value Added Tax. The Maintenance Fee shall be applicable to common areas for: landscaping, exterior lighting, street up-keep, including paving, patching, sweeping and restriping, exterior painting, repairs and security guards in the Industrial Park controlling Park access and main street, as well as common area's fire protection system maintenance and litter removal on main streets, among others. The maintenance of the Subleased Property is SUBLESSEE'S responsibility.

The maintenance fee will be payable in advance starting on the Commencement Date, jointly with the corresponding Base Rent, no later than the [***] calendar day of each month in which the maintenance fee is due. Such maintenance fee shall also be adjusted annually in accordance with the Index defined on this Clause on each anniversary of the Commencement Date, capped at [***]% ([***] percent).

As rent, untimely payment of any maintenance fees within the first [***] calendar days of each month in which they are due, will immediately cause SUBLESSEE to be in delinquency of payment, and hereby is bound to pay a [***]% ([***] percent) monthly late payment fee applicable to the corresponding amount.

C. Payment will be performed in Dollars, currency of the United States of America, by means of direct or electronic deposit, or wire transfer at the address of the following credit institution or of the assignee of SUBLESSOR's rights derived under the terms of

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SUBARRENDADOR, en los términos de este Contrato de Subarrendamiento o en el domicilio del SUBARRENDADOR, conforme a los siguientes datos:

this Sublease Agreement or at the address of SUBLESSOR as per the following information:

SCOTIABANK INVERLAT, integrante de Grupo Scotiabank (en to sucesivo, "SCOTIABANK").

SCOTIABANK INVERLAT, part of Scotiabank Group (Hereinafter "SCOTIABANK").

[***]

[***]

En caso de que el pago se hiciera con cheque, el mismo se recibirá salvo buen cobra y en los términos del artículo 193 de la Ley General de Títulos y Operaciones de Crédito. En caso de falta de fondos por razones atribuibles al SUBARRENDATARIO, el SUBARRENDATARIO deberá indemnizar al SUBARRENDADOR, de los daños y perjuicios que le ocasione, siendo como mínima el [***]% ([***] por ciento) del valor del cheque.

In the event that payment is performed with a check, the same will be received conditioned to its payment in the terms of article 193 of the General Title and Credit Operations Law. In the event that check has no funds for reasons attributable to SUBLESSEE, SUBLESSEE shall indemnify SUBLESSOR of damages caused, with a minimum of [***]% ([***] percent) the amount of the check.

Las facturas correspondientes se generarán mediante la implementación del procedimiento de facturación electrónica que se detalla a continuación:

The corresponding invoices will be generated by implementing the electronic invoicing procedure detailed below:

- El SUBARRENDATARIO ingresará a la página de internet **<http://iamsacfdi.com.mx/cfd/>**
- En su primer visita se solicitará que ingrese su Registro Federal de Contribuyentes; ese mismo dato lo ingresará en la opción señalada como "Contraseña"
- Deberá proporcionar un correo electrónico así como crear una contraseña nueva.
- Habiendo realizado el cambio de contraseña, ingresará a la misma página donde obtendrá sus facturas, solicitando el rango de fecha correspondiente y presionando el botón "**TRAER**".
- Posicionarse sobre el renglón de la factura que desea obtener y presionar el botón "**DESCARGA FACTURAS SELECCIONADAS**", teniendo la opción de seleccionar varias facturas a la vez.

- SUBLESSEE shall enter the website **<http://iamsacfdi.com.mx/cfd/>**
- In its first visit will be prompted to enter its Federal Taxpayers Registry; same data will be entered into the option marked as "Password".
- Shall provide an e-mail address and create a new password.
- Having executed the password change, enter to the same page where you can generate your invoices, requesting the corresponding date range and pressing the "**TRAER**" button.
- Take position in the line of the invoice you want and press the "**DESCARGA FACTURAS SELECCIONADAS**", button, having the option to select multiple invoices at once

La expedición de la factura electrónica, no será considerada como pagada, hasta que el pago se haya acreditado en la cuenta del SUBARRENDADOR. El SUBARRENDADOR proporcionará instrucciones por escrito respecto de cambios en el lugar o forma de pago de la renta, cuota de mantenimiento o cualquier otro concepto aquí señalado.

The issuance of the electronic invoicing, will not be considered as paid, until payment is credited to the account of the SUBLESSOR. SUBLESSOR shall provide written instructions regarding any changes in place or manner of payment of rents, maintenance fee or any other concept herein stated.

D. Incremento de la Renta Base y la Cuota de Mantenimiento para los años subsiguientes del Subarrendamiento. A partir del 1 de septiembre de 2021, así como de los años subsiguientes en la misma fecha, incluyendo los integrantes de prórrogas, las cantidades debidas por este Contrato serán incrementadas por un monto equivalente al producto de:

1. La cantidad de la renta base y cuota de mantenimiento vigente, según se haya incrementado, multiplicada por:

2. El porcentaje de incremento en el Índice (según se define más adelante) durante el Año de Subarrendamiento inmediato anterior topado al [***]% ([***] por ciento).

a) No Decremento. La renta mensual de los años subsiguientes al Primero y que comprenden el Término Inicial de Subarrendamiento, en ningún caso será menor de la renta mensual del Año de Subarrendamiento inmediato anterior.

b) Índice Definido. El término “Índice”, según se utiliza a lo largo del presente Contrato de Subarrendamiento significa el Índice de Precios al Consumidor Nacional de los Estados Unidos de América, según publicación del Departamento de Estadísticas Laborales de los Estados Unidos. Si el control o la publicación del Índice es transferida a cualesquier otro departamento, oficina o agencia del gobierno de los Estados Unidos de América, o si es discontinuado, entonces el índice más similar al Índice será utilizado para calcular el incremento en la renta y cuotas de mantenimiento aquí mencionados. Si el SUBARRENDADOR y el SUBARRENDATARIO no pueden acordar en un índice alterno semejante, entonces el asunto será sometido a arbitraje a la Asociación Americana de Arbitraje de acuerdo con las reglas de la Asociación en vigor en ese momento, y la decisión de los árbitros será obligatoria para las partes. El costo del arbitraje será prorrateado en partes iguales entre el SUBARRENDADOR y el SUBARRENDATARIO.

E. Impuesto Predial. El SUBARRENDATARIO pagará al SUBARRENDADOR una cantidad igual a la porción prorrateada del Impuesto Predial relativo a la Superficie de Terreno, dicho impuesto deberá ser pagado por el SUBARRENDADOR y reembolsado por el SUBARRENDATARIO dentro

D. Increase of the Base Rent and the Maintenance Fee for the subsequent years of Sublease. Starting on September 1st, 2021 and on the anniversary of such date and each subsequent year, including term extensions, the amounts due by this Sublease Agreement shall be increased by an amount equal to the product of:

1. The amount of the existing base rent and Maintenance Fee, as escalated, multiplied by:

2. The percentage increase in the Index (as hereinafter defined) during the immediately preceding Sublease Year capped at [***]% ([***] percent).

a) No Decrease. In no event shall the monthly rent for the years subsequent to the First, and that comprises the Initial Term, be decreased below the monthly rent for the immediately preceding Sublease Year.

b) Index Defined. The term “Index” as employed throughout this Sublease Agreement, shall mean the National United States’ Consumer Price Index as published by the United States Bureau Of Labor Statistics. If control or publication of the Index is transferred to any other department, bureau or agency of the United States government or is discontinued, then the index most similar to the Index shall be used to calculate the rent and maintenance fees increases provided for herein. If SUBLESSOR and SUBLESSEE cannot agree on a similar alternate index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of such Association, and the decision of the arbitrators shall be binding upon the parties. The cost of such arbitration shall be divided equally between SUBLESSOR and SUBLESSEE.

E. Real Estate Property Tax. SUBLESSEE will pay to SUBLESSOR an amount equal to the prorated portion of the Real Estate Property Tax related to the Land Area, such tax shall be paid by SUBLESSOR and reimbursed by SUBLESSEE within [***] days after the receipt showing the payment thereof is presented to SUBLESSEE by SUBLESSOR.

de un término de [***] días a partir de la fecha en la cual el comprobante del pago del mismo sea presentado al SUBARRENDATARIO por el SUBARRENDADOR.

Al calcular el monto del reembolso por parte del SUBARRENDATARIO al SUBARRENDADOR, todos los impuestos que deberán ser cubiertos durante el primer y el último año del Término de Subarrendamiento serán prorrateados entre el SUBARRENDADOR y el SUBARRENDATARIO de acuerdo con el número respectivo de meses durante los cuales cada una de las partes estará en posesión de la Propiedad Subarrendada.

F. Daños y Perjuicios. La terminación anticipada de este Contrato de Subarrendamiento por incumplimiento del SUBARRENDATARIO, en cualesquier momento previa al Término de Subarrendamiento, obliga al SUBARRENDATARIO al pago de daños y perjuicios.

G. Compensación. El pago de cualesquier renta adeudada por el SUBARRENDATARIO al SUBARRENDADOR en los términos de este Contrato, no podrá retenerse o reducirse por razón alguna, y el SUBARRENDATARIO está de acuerdo en entablar cualesquier reclamación, demanda o cualesquier otro derecho contra el SUBARRENDADOR solamente mediante un procedimiento independiente.

H. Moneda. Los pagos que por concepto de renta, cuotas de mantenimiento, depósito en garantía o cualesquier otro derivado del presente Contrato serán pagaderos en Dólares, Moneda del Curso Legal de los Estados Unidos de América, sin embargo, previa autorización que otorgue el SUBARRENDADOR por escrito, el SUBARRENDATARIO podrá pagar las cantidades en Pesos, Moneda Nacional al tipo de cambio para la venta de dólares que prevalezca en la fecha de pago, de acuerdo a la institución financiera "Scotiabank"

V. USO.

La Propiedad Subarrendada será usada y ocupada para el uso industrial al que se compromete destinaria en la Cláusula I del presente, sin embargo, previa autorización por escrito del SUBARRENDADOR, la podrá destinar a cualquier uso industrial permitido por la Ley, que no violen el Reglamento del Parque Industrial que se agregó a este Contrato como **Anexo "D"**. El

In calculating the amount of SUBLESSEE's reimbursement to SUBLESSOR, all taxes which shall become due for the first and last years of the Sublease Term shall be apportioned prorated between SUBLESSOR and SUBLESSEE in accordance with the respective number of months during which each party shall be in possession of the Subleased Property.

F. Liquidated Damages. Anticipated termination of this Sublease Agreement due to a default of SUBLESSEE at any moment prior to the Sublease Term, binds SUBLESSEE to payment of damages.

G. Setoff. The payment of any amount due by the SUBLESSEE under this Agreement, shall not be withheld or reduced for any reason whatsoever, and SUBLESSEE agrees to assert any claim, demand, or other right against SUBLESSOR only by way of an independent proceeding.

H. Currency. Payments for concepts such as rent, maintenance fees, security deposit or any other derived from this Agreement shall be performed in Dollars, Legal Currency of the United States of America, however, written authorization of SUBLESSOR previously provided, SUBLESSEE may pay the amounts in Pesos, Mexican Currency at the free rate of exchange for the sale of dollars prevailing on the date of payment, according to the financial institution "Scotiabank".

V. USE.

The Subleased Property shall be used and occupied for the industrial purpose herein compromised as per Clause I above, however, written authorization from SUBLESSOR provided it may be destined to any lawful industrial purpose not in violation of the Industrial Park Regulations attached hereto as **Exhibit "D"**, SUBLESSEE shall promptly and adequately comply with all laws,

SUBARRENDATARIO se obliga a cumplir en forma puntual y adecuada con todas las Leyes, ordenamientos y disposiciones de todas las autoridades gubernamentales que correspondan a la Propiedad Subarrendada, particularmente con toda la reglamentación relacionada con controles ambientales y sanitarios. El SUBARRENDATARIO no efectuará u omitirá acto alguno que afecte la Propiedad Subarrendada, o que pudiera constituir una amenaza a otros ocupantes del Parque Industrial.

VI. SEGUROS.

En todos los casos, y para todos los seguros que se detallan a continuación, salvo estipulación en contrario, el SUBARRENDATARIO acepta que a partir de la Fecha de Inicio de la Propiedad Subarrendada y en todo momento durante el Término de Subarrendamiento, según se indica a continuación, obtendrá y mantendrá vigente, a su propia cuenta y gasto, las pólizas de seguro relacionadas con la Propiedad Subarrendada que a continuación se detallan y que habrán de asegurar al SUBARRENDADOR y al SUBARRENDATARIO, en los siguientes términos:

A. Seguro de Responsabilidad Civil del SUBARRENDATARIO. Durante el Término del Subarrendamiento, el SUBARRENDATARIO a su costa, deberá obtener y mantener en vigor, una póliza de seguro de responsabilidad civil, incluyendo daño en propiedad y daño ambiental, que asegure al SUBARRENDATARIO (y a aquellos agentes o empleados del SUBARRENDATARIO, o las subsidiarias o afiliadas del SUBARRENDATARIO, o cesionarias del SUBARRENDATARIO o representantes del SUBARRENDATARIO, contra la responsabilidad por lesión o muerte de cualquier persona y/o daños en propiedad ajena, ya sea que esto ocurra en la Propiedad Subarrendada o cerca de ella. La responsabilidad por dicha póliza será la cantidad de US\$[***] ([***] Dólares, Moneda de curso legal en los Estados Unidos de América), y deberá estar vigente en o antes de la Fecha de Inicio.

B. Seguros de Responsabilidad Civil. Durante el Término del Subarrendamiento, el SUBARRENDADOR a costa del SUBARRENDATARIO de forma prorrateada, deberá obtener y mantener en vigor, una póliza de seguro de responsabilidad civil, incluyendo daño en propiedad y daño ambiental, que asegure al SUBARRENDADOR (y a aquellos agentes o empleados del SUBARRENDADOR, o las

ordinances and orders of all governmental authorities affecting the Subleased Property, particularly with all regulations related to sanitary and environmental controls. SUBLESSEE shall not perform or omit any acts that may damage the Subleased Property, or be a menace to other occupants of the Industrial Park.

VI. INSURANCES.

In all cases, and for all the insurance coverings herein detailed, except where provided to the contrary, SUBLESSEE accepts that as of Commencement Date of the Subleased Property and at all times throughout the Sublease Term, as herein specified, will obtain and maintain in full effect, at its own cost and expense, insurance policies related to the Subleased Property herein detailed and that shall cover SUBLESSOR and SUBLESSEE, in the following terms:

A. SUBLESSEE's Comprehensive Liability Insurance. During the Sublease Term, SUBLESSEE at its own expense shall obtain and maintain in full force a policy of comprehensive liability insurance policy including property and environmental damage, that insures SUBLESSEE (and such other agents or employees of SUBLESSEE, SUBLESSEE's subsidiaries or affiliates, or SUBLESSEE's assignees, against liability for injury or death of any person and/or third parties property damage, occurring in or about the Subleased Property. The liability to such insurance shall be in the amount of \$[***] ([***] Dollars U.S. Currency), and shall be in effect prior to or upon the Commencement Date.

B. Comprehensive Liability Insurance. During the Sublease Term, SUBLESSOR at the prorated expense of SUBLESSEE shall obtain and maintain in full force a policy of comprehensive liability insurance policy including property and environmental damage, that insures SUBLESSOR (and such other agents or employees of SUBLESSOR, SUBLESSOR's subsidiaries or affiliates, or SUBLESSOR's assignees or any

subsidiarias o afiliadas del SUBARRENDADOR o cesionarias del SUBARRENDADOR o representantes del SUBARRENDADOR que tengan cualesquier interés en la Propiedad Subarrendada, incluyendo sin limitación alguna, los tenedores de cualquier hipoteca que grave la Propiedad Subarrendada), contra la responsabilidad por lesión o muerte de cualquier persona y/o daños en propiedad ajena, ya sea que esto ocurra en la Propiedad Subarrendada o cerca de ella. La responsabilidad por dicha póliza será la cantidad de US\$[***] ([***] Dólares, Moneda de curso legal en los Estados Unidos de América), y deberá estar vigente en o antes de la Fecha de Inicio.

C. Seguro contra Incendio y Otros. Durante el Término de Subarrendamiento el SUBARRENDADOR a costa del SUBARRENDATARIO de forma prorrateada, deberá obtener y mantener en vigor, por el costo total de reposición de las Mejoras, Instalaciones y Edificaciones del SUBARRENDADOR, así como cualesquier Mejora Contractual una póliza o pólizas de seguro contra incendio, rayos, explosión, accidentes de aviación, humo, tormenta, temblor, granizo, daños de vehículos, erupción volcánica, huelgas, conmoción civil, vandalismo, motín, acto malicioso, remoción de escombros, calderas de vapor u objetos de presión o rotura de maquinaria, si es aplicable, e inundación, que proteja la totalidad de la Propiedad Subarrendada, incluyendo en forma enunciativa y no limitativa el Edificio Terra y su acondicionamiento interior. El SUBARRENDADOR deberá mantener y obtener a costo prorrateado del SUBARRENDATARIO un seguro de rentas mensual en una cantidad equivalente a [***] meses de renta, según se estipula en el presente, a favor del SUBARRENDADOR. El SUBARRENDATARIO será responsable de mantener asegurados todos los bienes de su propiedad. Excepto por lo que se refiere a seguros sobre la propiedad del SUBARRENDATARIO, el SUBARRENDADOR o a quien este designe deberá nombrarse beneficiario de todos y cada uno de los pagos resultantes de tales pólizas y el SUBARRENDATARIO podrá ser nombrado como asegurado adicional en las pólizas contratadas por el SUBARRENDADOR bajo este párrafo. El SUBARRENDATARIO será responsable de los pagos de dichas pólizas proporcionalmente a la superficie ocupada por la Propiedad Subarrendada contra el total de la superficie arrendable del Edificio Terra.

nominee of SUBLESSOR's holding any interest in the Subleased Property, including without limitation, the holder of any mortgage encumbering the Subleased Property) against liability for injury or death of any person and/or third parties property damage, occurring in or about the Subleased Property. The liability to such insurance shall be in the amount of \$[***] ([***] Dollars U.S. Currency), and shall be in effect prior to or upon the Commencement Date.

C. Fire and Other Insurance. During the Sublease Term, SUBLESSOR at the prorated expense of SUBLESSEE shall obtain and maintain in full force, for the full replacement value of SUBLESSOR's Improvements, Installations and Buildings as well as all Contractual Improvements, a policy or policies of insurance for fire, lightning, explosion, falling aircraft, smoke, windstorm, earthquake, hail, vehicle damage, volcanic eruption, strikes, civil commotion, vandalism, riots, malicious mischief, debris removal, steam boiler or pressure objects or machinery breakage if applicable, and flood insurance, on all the Subleased Property, including but not limited to the shell Terra Building and interior fit-up. SUBLESSOR shall also obtain and maintain at the prorated expense of SUBLESSEE, a rental insurance in the amount equal to [***] months of rent, provided for herein in favor of SUBLESSOR. SUBLESSEE shall be responsible for maintaining insurance on all of SUBLESSEE's property. Except for insurance upon SUBLESSEE's property, SUBLESSOR or its appointee shall be named beneficiary of any and all proceeds from any such policy or policies and SUBLESSEE shall be named as additional insured in the policies contracted by SUBLESSOR under this paragraph. SUBLESSEE shall be responsible for the payments of such policies proportionally to the area occupied by the Subleased Property versus the total leaseable area of the Terra Building.

D. Seguros Adicionales. El SUBARRENDATARIO, a su propia costa y gasto, deberá obtener y mantener en vigor durante el Término del Subarrendamiento, en su beneficio, una póliza de seguro suficiente para asegurar sus contenidos, equipos, instalaciones, insumos, productos y demás bienes propiedad del SUBARRENDATARIO, ante cualquier daño, contingencia, catástrofe o afectación que pudieren sufrir independientemente de que dichas circunstancias se encuentren o no cubiertas en póliza diversa. De igual forma, el SUBARRENDATARIO deberá obtener y mantener en vigor aquellos seguros adicionales que el SUBARRENDADOR requiera, de tiempo en tiempo, de acuerdo con las disposiciones de esta Cláusula VI y con el objeto de asegurar en forma adecuada y oportuna al SUBARRENDADOR en cuanto al valor de reposición prevaleciente de la Propiedad Subarrendada.

E. Forma y Entrega de Pólizas. Cada póliza de seguro a que se refieren los párrafos anteriores será expedida en las formas aprobadas por la Secretaría de Hacienda y Crédito Público y/o cualesquier autoridad competente y suscrita con una o más compañías autorizadas para expedir pólizas de seguros en el Territorio Mexicano y deberán en todo caso estipular que las mismas no estarán sujetas a cancelación o modificación, sino previa notificación por escrito al SUBARRENDADOR.

F. Renuncia de Subrogación. Las partes se liberan recíprocamente, y a sus representantes autorizados respectivos, de toda y cualesquier reclamación por daños a cualquier otra persona o a la Propiedad Subarrendada y sus accesorios, bienes muebles, mejoras de la arrendataria y cualquier otras mejoras ya sea del SUBARRENDADOR o del SUBARRENDATARIO en la propiedad que sean causados por o como resultado de riesgos asegurados en cualesquier póliza de seguro contratada por las partes y en vigor al momento de dicho daño. En caso de que cualesquiera de las partes contrate seguro, la póliza deberá establecer que la compañía de seguros renuncia al derecho de recuperar por medio de subrogación contra cualesquiera de las partes, en relación con el daño cubierto por cualesquier póliza. Si una de las partes no puede obtener dicha renuncia de subrogación a través de esfuerzos razonables, deberá obtener un seguro nombrando a la otra parte como co-asegurada en los términos de su póliza para cumplir la intención de esta disposición.

D. Additional Insurance. SUBLESSEE at its own cost and expense, shall obtain and maintain in full force and effect during the term of the sublease agreement, in its exclusive benefit, an insurance policy enough to cover its contents, equipment, installations, supplies, products and all related goods, property of SUBLESSEE, against any damage, contingency, disaster or affectation that could be suffered independently for such circumstances that are or not covered in a different policy. Under the same terms, SUBLESSEE shall obtain and maintain in full force and effect any additional insurance as may be required by SUBLESSOR, from time to time, in accordance with the provisions of this Clause VI, and in order to adequately and properly insure SUBLESSOR of and for the then current replacement value of the Subleased Property.

E. Form and Delivery of Policies. Each insurance policy referred to in the preceding paragraphs shall be in a form approved by the Ministry of Treasury and Public Credit and/or any corresponding authority and written with one or more companies licensed to do insurance in the Territory of the Mexican United States, and shall provide that it shall not be subject to cancellation or change except prior written notice to SUBLESSOR.

F. Waiver of Subrogation. The parties release each other and their respective authorized representatives, from any claims for damages to any person or to the Subleased Property and to the fixtures, personal property, tenant's improvements, and all other improvements of either SUBLESSOR or SUBLESSEE'S in or on the premises that are caused by or result from risks insured against under any of the insurance policies carried by the parties and in force at the time of any such damage. If either party purchases insurance, the policy shall provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. If a party hereto cannot obtain such waiver of subrogation through reasonable efforts, it shall obtain insurance naming the other party as a coinsured under its policy in order to accomplish the intent of this provision.

G. Uso del pago de seguro, liberación de responsabilidad y pago del deducible. Se acuerda que cualquier cantidad recibida por el SUBARRENDADOR por parte de las correspondientes compañías de seguros en relación a cualesquiera de los seguros contratados de conformidad con esta Cláusula o cualquier otra contenida en este Contrato, deberá ser inmediatamente destinada por el SUBARRENDADOR para llevar a cabo las construcciones y reparaciones necesarias a fin de que la Propiedad Subarrendada se encuentre sustancialmente en las mismas condiciones en que fue originalmente entregada al SUBARRENDATARIO, use y desgaste normal exceptuados. Al momento de recibir las cantidades correspondientes por parte de las compañías de seguros, el SUBARRENDATARIO quedará liberado de cualquier responsabilidad con las mismas, a excepción de la relacionada con el pago del deducible, mismo que será pagado por la parte que haya causado el siniestro, de ser aplicable.

VII. INSTALACIONES POR EL SUBARRENDATARIO.

A. El SUBARRENDATARIO podrá, a su costa, y siempre en estricta observancia del Reglamento del Parque Industrial y el Manual de Mantenimiento que se agrega al presente marcado como **Anexo “F”**, para formar parte integrante del mismo, podrá instalar y remover en la Propiedad Subarrendada los accesorios, equipo y muebles que considere necesarios para el desempeño de la actividad industrial que el SUBARRENDADOR autoriza en los términos del presente; siempre y cuando sean instalados y retirados sin dañar la integridad estructural de la Propiedad Subarrendada, incluidas el Edificio Terra y las Mejoras del SUBARRENDADOR. Dichos accesorios, equipo y muebles permanecerán propiedad del SUBARRENDATARIO y deberán ser removidos completamente por el SUBARRENDATARIO previo o al vencimiento del Término de Subarrendamiento o a la terminación anticipada de este Contrato, a menos que el SUBARRENDATARIO no cumpla con este Contrato de Subarrendamiento, en cuyo caso las mismas quedarán en beneficio del SUBARRENDADOR, libre de todo costo y sin más formalidad que la notificación que por escrito se haga del incumplimiento.

G. Use of the insurance payment, liberation of liability, and payment of deductible. It is hereby agreed that, any amount received by SUBLESSOR from the corresponding insurance companies regarding any and all of the insurances to be hired according to this clause or any other under this Agreement, shall be immediately destined by SUBLESSOR to carry out the construction and repairs as necessary for the Subleased Property to have substantially the same condition as on the original delivery of same to SUBLESSEE, normal wear and tear excepted. At the reception of the corresponding amounts from the relevant insurance companies, SUBLESSEE shall be free from any liability thereof, with the exception of the one related to the payment of the deductible, same that shall be paid by the party that caused the loss, if applicable.

VII. INSTALLATIONS BY SUBLESSEE.

A. SUBLESSEE may, at its expense, and always in strict observance of the Industrial Park Regulations and the Maintenance Manual attached hereto marked as **Exhibit “F”**, and made a part hereof, install and remove on the Subleased Property, such trade fixtures, equipment and furniture as it may deem necessary for performance of the industrial activity that SUBLESSOR hereby authorizes under this Agreement to be performed; provided that such items are installed and are removed without damage to the structural integrity of the Subleased Property, including the Terra Building and SUBLESSOR’s Improvements. Said trade fixtures, equipment and furniture shall remain SUBLESSEE’s property and shall be completely removed by SUBLESSEE on or before the expiration date of the Sublease Term or upon anticipated termination hereof, unless SUBLESSEE is in default hereunder, in which case the same will remain in benefit of SUBLESSOR, free of any and all costs without any formalities other than the written notice of default.

B. El SUBARRENDATARIO asimismo, podrá instalar mejoras temporales en el interior del Edificio Terra (en lo sucesivo, las “Mejoras del SUBARRENDATARIO”), siempre y cuando dichas mejoras sean instaladas y removidas sin dañar la estructura de las Mejoras del SUBARRENDADOR. Dichas Mejoras del Subarrendamiento continuarán siendo propiedad del SUBARRENDATARIO y deberán ser removidas totalmente por el SUBARRENDATARIO al vencimiento del término de este Contrato o terminación anticipada del mismo, salvo que el SUBARRENDATARIO se encuentre en incumplimiento en cuyo caso las mismas quedará en beneficio del SUBARRENDADOR, libre de todo costo y sin más formalidad que la notificación que por escrito se haga del incumplimiento. El SUBARRENDATARIO deberá reparar conforme al Manual de Mantenimiento y a su costa, todos los daños ocasionados por la instalación o remoción de accesorios, equipo, muebles o mejoras temporales.

Conviene las partes que en caso de que los accesorios, equipo, muebles y las mejoras llevadas a cabo por El SUBARRENDATARIO, permanezcan en la Propiedad Subarrendada, no obstante la obligación aquí asumida por el SUBARRENDATARIO, por un plazo de [***] días naturales, contados a partir de que haya terminado el presente por la causa que fuere, las mismas quedaran en beneficio del SUBARRENDADOR, libre de todo costo y sin que medie procedimiento alguno para ello, sin embargo el SUBARRENDATARIO está obligado al pago de su remoción, en su caso y sin perjuicio de cualesquier acción que se pueda ejercer.

VIII. REPARACIONES, ALTERACIONES Y MEJORAS.

A. SUBARRENDADOR.

1. Después de recibir notificación por escrito del SUBARRENDATARIO, el SUBARRENDADOR, a su costa deberá, interfiriendo lo menos posible con el SUBARRENDATARIO en el uso normal de la Propiedad Subarrendada, proceder en forma diligente a reparar cualesquier defecto estructural en el techo, goteras (durante el primer y segundo año de arrendamiento), o muros de carga exteriores, pisos, plomería principal y pendientes de tierra del Edificio Terra construidas por el SUBARRENDADOR, cuando no sean daños causados por negligencia del SUBARRENDATARIO. El SUBARRENDADOR no

B. SUBLESSEE may also install temporary improvements in the interior of the Terra Building (hereinafter referred to as, the “SUBLESSEE’s Improvements”), provided that such improvements are installed and are removed without damage to the structure of the SUBLESSOR’s Improvements. Such SUBLESSEE’s Improvements shall remain property of SUBLESSEE and shall be completely removed by SUBLESSEE on or before the expiration date of the Sublease Term or upon anticipated termination hereof, unless SUBLESSEE is in default hereunder, in which case the same will remain in benefit of SUBLESSOR, free of any and all costs without any formalities other than the written notice of default. SUBLESSEE shall repair in accordance to the Maintenance Manual and at its own cost, all damages caused for the installation or removal of trade fixtures, equipment, furniture or temporary improvements.

The parties agree that in the event that the trade fixtures, equipment, furniture and temporary improvements performed by SUBLESSEE, remain within the Subleased Property, notwithstanding the obligation herein assumed by SUBLESSEE, for a period of [***] calendar days as of the date of termination hereof, regardless of the cause of such termination, the same will remain in benefit of SUBLESSOR, free of any and all costs, without the need of any proceeding for such purpose, notwithstanding the fact that SUBLESSEE is obligated to pay for their removal when applicable and notwithstanding any other actions that may be filed.

VIII. REPAIRS, ALTERATIONS AND IMPROVEMENTS.

A. SUBLESSOR

1. After receipt of written notice from SUBLESSEE, SUBLESSOR at its expense shall with minimum interference of SUBLESSEE’s normal use of the Subleased Property, diligently proceed to repair any structural defects in the roof, leaks (during the first and second lease years) or exterior bearing walls, floors, primary plumbing and dirt slopes of the Terra Building, built by SUBLESSOR excepting normal use, wear and damage, when these are not damages caused by negligence of the SUBLESSEE. SUBLESSOR shall not be liable for any damages, and shall not be obligated to make any repairs, caused by any negligent act or

será responsable de daño alguno y no estará obligado a reparar ninguno de los daños causados por negligencia u omisión del SUBARRENDATARIO, o los que a continuación se señalan de manera enunciativa y no limitativa, sus empleados, agentes, invitados o contratistas. El SUBARRENDADOR no tendrá obligación adicional alguna de mantenimiento o reparación de cualquier otra porción de la Propiedad Subarrendada. El SUBARRENDADOR no será responsable ante el SUBARRENDATARIO por cualesquier daño que resultare del incumplimiento por parte del SUBARRENDADOR de hacer las reparaciones, salvo que el SUBARRENDATARIO haya notificado por escrito con acuse de recibo al SUBARRENDADOR de la necesidad de tales reparaciones, y el SUBARRENDADOR, por causas que le sean directamente imputables, no haya iniciado tales reparaciones dentro del término de [***] días naturales siguientes a la notificación. Cualesquier gotera en el techo ocasionada por defecto de construcción será reparada por el SUBARRENDADOR excepto cuando sean por causa de acciones u omisiones del SUBARRENDATARIO. Sin embargo, se entiende que cualesquier daño causado por motivo de dichas goteras tanto a los materiales o al equipo a a cualquier propiedad del SUBARRENDATARIO no será responsabilidad del SUBARRENDADOR. En consecuencia el SUBARRENDATARIO deberá mantener vigente una póliza de seguro que cubra tales bienes, y libere al SUBARRENDADOR de cualesquier responsabilidad que se menciona, de conformidad con la Cláusula VI anterior.

2. En caso de que el SUBARRENDADOR no lleve a cabo las reparaciones a que se refiere el párrafo anterior, el SUBARRENDATARIO podrá, sin que le sea obligatorio y previa autorización que por escrito le otorgue el SUBARRENDADOR, efectuar o hacer los arreglos necesarios para que se efectúen tales reparaciones y el SUBARRENDADOR deberá, al requerírsele, pagar de inmediato el costo de las reparaciones realizadas. La falta de reembolso al SUBARRENDATARIO, una vez requerido el mismo, hace acreedor al SUBARRENDATARIO a una tasa de interés del [***] por ciento mensual a partir del décimo día de haber requerido el reembolso de gastos del SUBARRENDATARIO al SUBARRENDADOR y hasta que dicho pago sea cubierto en su totalidad.

omissions of SUBLESSEE, and the following which include but are not limited to its employees, agents, invitees, or contractors. SUBLESSOR shall have no other obligation to maintain or repair any other portion of the Subleased Property. SUBLESSOR shall not be liable to SUBLESSEE for any damage resulting from SUBLESSOR's failure to make repairs, unless SUBLESSEE has provided written notice with receipt acknowledgement to SUBLESSOR of the need for such repairs, and SUBLESSOR, for causes directly attributable to SUBLESSOR, has failed to commence such repairs within [***] calendar days after said notice has been given. Any leaks in the roof resulting from construction defects will be repaired by SUBLESSOR unless the same are caused by any actions or omissions of SUBLESSEE. However, it is understood that any damages caused by any such leaks either to the materials or equipment or any property of SUBLESSEE shall not be the responsibility of SUBLESSOR. Consequently SUBLESSEE shall maintain an insurance policy to cover any such items, and releases SUBLESSOR of any liability thereof pursuant with Clause VI above.

2. If SUBLESSOR fails to make the repairs described in the preceding paragraph, SUBLESSEE may, but shall not be required to, make or cause such repairs, to be made with prior written authorization granted by SUBLESSOR, and SUBLESSOR shall, on demand, immediately pay to SUBLESSEE the actual cost of repairs performed. Failure to reimburse SUBLESSEE upon demand shall entitle SUBLESSEE to interest at the rate of [***] percent a month as of the tenth day of request of reimbursement provided by SUBLESSEE to SUBLESSOR, until the reimbursement of cost incurred by SUBLESSEE.

B. SUBARRENDATARIO.

1. El SUBARRENDATARIO, a su costa, deberá conservar y mantener en buenas condiciones y reparar, conforme a lo establecido en el Manual de Mantenimiento excepto por cuanto hace el uso y deterioro normal, todas las Propiedad Subarrendada que no sean obligación del SUBARRENDADOR en términos de la presente Cláusula, incluyendo en forma enunciativa y no limitativa las demás Mejoras del SUBARRENDADOR y las Mejoras del SUBARRENDATARIO, así como las instalaciones de plomería y drenaje y otros servicios que se encuentren dentro y sirven a la Propiedad Subarrendada, así como enseres, divisiones, cielos, paredes (interiores y exteriores incluyendo pintura, tantas veces como sea necesaria), pisos, anuncios, puertas, ventanas, cristales, implementos de acondicionamiento térmico y todas las demás reparaciones de cualquier tipo y motivo que sea necesario hacer a la Propiedad Subarrendada.

El SUBARRENDATARIO tendrá garantía por defectos ocultos, construcción durante todo el período inicial y cualquier Prórroga, y de dos años por goteras en el techo, excepto que las mismas sean causadas por su negligencia o cuando el SUBARRENDATARIO haya ejecutado previamente instalaciones en el techo; a partir del tercer año de subarrendamiento o a partir de que realice instalaciones en los techos, el SUBARRENDATARIO, reparará todas las goteras en techos excepto aquellas causadas por defectos estructurales; y será responsable del mantenimiento del techo de la Propiedad Subarrendada; **pudiendo realizarse dichas reparaciones y mantenimiento por el SUBARRENDADOR a solicitud y costa del SUBARRENDATARIO.** El SUBARRENDADOR deberá dar atención al SUBARRENDATARIO por cualquier gotera que se presente, dentro de [***] de la detección de dicha gotera, e iniciará comunicación con el proveedor de reparación de goteras para programar y coordinar dicha reparación en el menor tiempo posible.

Las instalaciones de plomería y drenaje no podrán ser usadas para fines diversos a aquellos para las que fueron implementadas, en el entendido de que toda descarga a la red de drenaje Principal del Parque Industrial necesariamente tendrá que ser tratada previamente por el SUBARRENDATARIO para cumplir con la NOM-002-SEMARNAT-1996, que establece los límites máximos permisibles de contaminantes en las descargas de aguas residuales a los sistemas de alcantarillado

B. SUBLESSEE

1. SUBLESSEE, at its expense, shall keep and maintain in good order and repair, except for normal wear and tear, as determined in the Maintenance Manual all of the Subleased Property, that is not within SUBLESSOR's obligations in the terms of this Clause, including but not limited to the rest of SUBLESSOR's Improvements and SUBLESSEE's Improvements as well as plumbing, sewage and other services that are within and that serve the Subleased Property, as well as fixtures, partitions, walls (interior and exterior, including painting as often as necessary), floors, ceilings, signs, doors, windows, plate glass, thermal conditioning implements and all other repairs of all kinds and for all causes as necessary to perform on the Subleased Property.

SUBLESSEE shall have a warranty for hidden defects of the building during the entire Initial Term and any Extended Term and of two year for leaks on the roof, excluding those caused by SUBLESSEE's negligence or when SUBLESSEE has previously executed installations in the roof; as from the third sublease year or as from when it has executed installations in the roof, SUBLESSEE shall repair all leaks in ceilings except those caused by construction defects, and will be responsible for the maintenance of the roofs of the Subleased Property; **such repairs and maintenance may be executed by SUBLESSOR at SUBLESSEE's cost and request.** SUBLESSOR shall give attention to the SUB-LESSEE for any leak that appears, within [***] of the detection of said leak, and will initiate communication with the leak repair provider to schedule and coordinate said repair in the shortest possible time.

The plumbing and sewage facilities shall not be used for any other purpose than that for which they were installed, in the understanding that all discharges into the Industrial Park's main sewage line shall necessarily be treated previously by SUBLESSEE in compliance with NOM-002-SEMARNAT-1996, which establishes the maximum permitted limits of pollutants in residual water discharges into the sewage systems. Any modification to the existing system shall require

Cualquier modificació al sistema existente requerirá una autorización por escrito del SUBARRENDADOR. El costo de cualquier descompostura, obstaculización o daño resultante de una violación a esta estipulación será pagado por el SUBARRENDATARIO. El SUBARRENDATARIO almacenará toda clase de basura solo de manera temporal dentro de la Propiedad Subarrendada de conformidad con el Reglamento del Parque Industrial, y deberá proveer para la recolección regular de la basura a costo del SUBARRENDATARIO. El SUBARRENDATARIO no podrá en forma alguna almacenar cualesquier clase de basura o desecho de procesos dentro de la Propiedad Subarrendada, a excepción de los espacios designados para ello en términos del Reglamento del Parque Industrial, debiendo hacer los arreglos necesarios para su recolección regular y periódica a su propio costo. El SUBARRENDATARIO no deberá incinerar material alguno, incluyendo basura de especie alguna en la Propiedad Subarrendada o en el Parque Industrial o cerca de él. El SUBARRENDATARIO debe mantener todas las partes de la Propiedad Subarrendada y aquellas áreas adjuntas de la Propiedad Subarrendada en condiciones de limpieza, aseo y orden, libre de basura, desecho de procesos, escombros y obstrucción en términos del referido Reglamento del Parque Industrial. El SUBARRENDATARIO bajo ninguna circunstancia, deberá estacionar o permitir que sus empleados, agentes, comisionistas, proveedores o contratistas estacionen vehículos, camiones o tráileres o que realicen maniobras incluyendo pero no limitado a las de carga y descarga de materiales a lo largo de las avenidas, cages o áreas comunes del Parque Industrial.

2. El SUBARRENDATARIO mantendrá la Propiedad Subarrendada libre de todo gravamen o embargo que resulte de actos u omisiones del SUBARRENDATARIO, incluyendo aquellos derivados de sus relaciones laborales o relaciones con agentes, comisionistas, etc., y actos o de la construcción hecha u ordenada por el SUBARRENDATARIO.

Sin embargo, si por cualquier razón, particularmente obligaciones incurridas por el SUBARRENDATARIO con cualquier tercero, o cualesquier otro acto u omisión del SUBARRENDATARIO, el SUBARRENDADOR es hecho responsable o involucrado en litigio, el SUBARRENDATARIO mantendrá a salvo e indemnizará al SUBARRENDADOR, incluyendo

written authorization of SUBLESSOR. The expense of any breakage, stoppage or damage resulting from a violation of this provision, shall be borne by SUBLESSEE. SUBLESSEE shall store all trash only temporarily within Subleased Property in accordance with the Park Rules and Regulations, and shall arrange for the regular pick-up of trash at SUBLESSEE's expense. SUBLESSEE shall not in any form store any kind of trash or scrap within the Subleased Property, except for the places designated for such purposes in terms of the Industrial Park Regulations, with SUBLESSEE having to make arrangements for its regular and periodic collection at its own cost. SUBLESSEE shall not burn any trash of any kind in or about the Subleased Property or the Industrial Park or near it. SUBLESSEE must maintain all parts of the Subleased Property and those areas adjoining the Subleased Property in a neat, clean and orderly condition, free of garbage, scrap, debris and obstruction in terms of the Industrial Park Regulations. SUBLESSEE shall not under any circumstances park its vehicles or allow its employees, agents, commissioners, suppliers or contractors to park its vehicles, trucks or trailers along the avenues, streets or common areas or that they perform operations including but not limited to mounting and dismounting of materials through the avenues, streets or common areas of the Industrial Park.

2. SUBLESSEE shall keep the Subleased Property free and clear of all encumbrances and liens arising out of acts or omissions of SUBLESSEE, including those that are consequence of its labor relations or relations with agents, commissioners, etc., and acts or construction done or ordered by SUBLESSEE.

However, if for any reason, particularly obligations incurred by SUBLESSEE with any third party, or any other act or omission by SUBLESSEE, SUBLESSOR is made liable or involved in litigation, SUBLESSEE shall hold harmless and indemnify SUBLESSOR including any costs and expenses, and attorney's fees incurred by reason thereof. Should SUBLESSEE fail to fully discharge

cualquier costo, gasto y honorarios de abogados en que incurra en razón de lo anterior. En caso de que el SUBARRENDATARIO no libere totalmente cualquiera de dichos gravámenes o embargo dentro de los [***] días naturales siguientes a la fecha de su constitución, o no proporcione una fianza aceptable al SUBARRENDADOR, a su elección en caso de litigio, el SUBARRENDADOR podrá, a su opción, pagar todo o parte del mismo. En caso de que el SUBARRENDADOR pague tal gravamen o embargo, o una parte del mismo, el SUBARRENDATARIO deberá, a solicitud del SUBARRENDADOR, pagar de inmediato al SUBARRENDADOR el monto de lo pagado, junto con intereses a razón del [***] por ciento ([***]%) mensual a partir de la fecha de pago. Ningún gravamen o embargo derivado de actos u omisiones del SUBARRENDATARIO deberá en forma alguna gravar o afectar los derechos del SUBARRENDADOR con respecto al título sobre la Propiedad Subarrendada.

3. El SUBARRENDATARIO, a su costa, deberá mantener vigente en todo tiempo, una póliza de *mantenimiento* por el equipo proporcionado por el SUBARRENDADOR incluyendo de manera enunciativa y no limitativa, el equipo de refrigeración y aire acondicionado, aire comprimido e instalaciones eléctricas que incluyan subestaciones eléctricas y alumbrado exterior e interior; el SUBARRENDATARIO entregará al SUBARRENDADOR una copia de la póliza de mantenimiento dentro de los [***] días naturales siguientes a la Fecha de Inicio de conformidad con el Manual de Mantenimiento.

Para los fines del mantenimiento del techo de la Propiedad Subarrendada del tercer al quinto año de Subarrendamiento, el SUBARRENDATARIO tendrá la opción de pagar al SUBARRENDADOR al comienzo de cada uno de dichos años la cantidad correspondiente más el correspondiente impuesto al valor agregado por la ejecución del mantenimiento anual del techo.

A modo de referencia se señala que durante 2019, el costo de dichos trabajos correspondió a \$[***] **Dólares ([***]Dólares [***] Moneda de Curso Legal de los Estados Unidos de América)** para las instalaciones del techo tal como se entregaron al SUBARRENDATARIO al comienzo de este subarrendamiento. Dicha cantidad se encuentra sujeta al costo que proporcione el contratista de tiempo en tiempo y variará anualmente según lo determinen los contratistas correspondientes bajo condiciones de mercado. El SUBARRENDATARIO tendrá la opción de pagar dichas reparaciones a su costa.

any such encumbrances or liens within [***] days after the date the same appears of record or fail to provide a bond acceptable to SUBLESSOR, SUBLESSOR, at its option, may pay all or any part thereof. If SUBLESSEE pays any such lien or encumbrances or any part thereof, SUBLESSEE shall, on demand, immediately pay SUBLESSOR the amount so paid, together with interest at the rate of [***] percent ([***]%) per month from the date of payment. No lien or encumbrance any character whatsoever created by and act or omission by SUBLESSEE shall in any way affect the rights of SUBLESSOR regarding clear title to the Subleased Property.

3. SUBLESSEE, at its expense, shall have active at all times a *maintenance* policy, for all the equipment provided by SUBLESSOR, including, but not limited, to refrigeration and air conditioning equipment, compressed air and electrical equipment and installations that include electrical substations and external and internal lighting; SUBLESSEE shall deliver to SUBLESSOR a copy of the maintenance policy within [***] days following Commencement Date in compliance with the Maintenance Manual.

For the purposes of maintenance of the roof of the Subleased Property from the third to the fifth Sublease year, SUBLESSEE shall have the option to pay SUBLESSOR, at the beginning of each such lease years, the corresponding amount plus the corresponding value added tax, for the execution of the annual maintenance of the roof.

As a reference it is stated that during 2019, the cost of such works arose to US \$[***] **Dollars ([***] Dollars [***] Legal Currency of the United States of America)** for the roof installations as they have been delivered to the SUBLESSEE at the commencement of this sublease and it will vary annually as it is annually determined by the contractors under market conditions. Said amount is subject to the cost provided by the contractor from time to time. SUBLESSEE will have the option to pay such repairs at its expense.

4. Tratándose de trabajos que impliquen cualesquier construcción, alteración, mejora o adición incluyendo pero no limitado a las paredes exteriores y techo de la Propiedad Subarrendada o cualesquier trabajo que el SUBARRENDATARIO pretenda iniciar en los términos del presente párrafo, requerirá la notificación por escrito del SUBARRENDATARIO al SUBARRENDADOR con por lo menos [***] días naturales de anticipación a aquel en que pretenda iniciar, independientemente de su costo, el SUBARRENDATARIO requerirá además de lo anterior presentar al SUBARRENDADOR igualmente con por lo menos [***] días naturales de anticipación a aquel en que pretenda iniciar los mismos, los planos, especificaciones y licencia de construcción. El SUBARRENDADOR los analizará en un tiempo prudente y resolverá respecto de la autorización que en su caso entregará por escrito, y sin la cual el SUBARRENDATARIO no podrá hacer construcción, alteración, mejora o adición alguna incluyendo, pero no limitado a las paredes exteriores y techo de la Propiedad Subarrendada. En cualquier caso, el SUBARRENDATARIO no deberá dañar ningún piso, pared, techo, mamparas a cualesquier trabajo de madera, piedra o herrería en o alrededor de la Propiedad Subarrendada, en relación con los trabajos aquí referidos, de acuerdo con el Manual de Mantenimiento. El SUBARRENDADOR no retendrá, condicionará o retrasará injustificadamente cualquier consentimiento a aprobación del SUBARRENDADOR requerido por esta Cláusula, y el SUBARRENDADOR responderá de inmediato a cualquier solicitud de aprobación, consentimiento o decisión sobre planes, especificaciones u otras circunstancias previstas en esta sección.

En términos de lo anterior, queda claramente entendido que mediante la aprobación de los planos y especificaciones de cualesquier construcción, alteraciones, mejoras o adiciones, el SUBARRENDADOR no asume responsabilidad alguna por el cumplimiento técnico del proyecto a las obras, con los términos y especificaciones que se establecen en los lineamientos contenidos en el Reglamento del Parque Industrial.

IX. SERVICIOS PÚBLICOS.

Durante el Término de este Contrato de Subarrendamiento, el SUBARRENDATARIO

4. When dealing with works that require any construction, alterations, improvements or additions including but not limited to the exterior walls and roof of the Subleased Property or any and all works that SUBLESSEE intends to initiate in the terms of this paragraph, shall require written notice from SUBLESSEE to SUBLESSOR with at least [***] calendar days in advance to that in which it intends to initiate, regardless of its cost, SUBLESSEE shall require in addition to the above, to present SUBLESSOR, also with at least [***] days in advance to that in which it intends to initiate, layouts, specifications and construction license. SUBLESSOR will analyze in prudent time and will resolve with respect to authorization, in which case, if granted it will be delivered in writing and without which SUBLESSEE cannot perform any construction, alterations, improvements or additions including but not limited to the exterior walls and roof of the Subleased Property. In any event SUBLESSEE shall not damage any floors, walls, ceilings, partitions, or any wood, stone or ironwork on or about the Subleased Property in connection with the works herein referred and in accordance with the Maintenance Manual. SUBLESSOR shall not unreasonably withhold, condition or delay any consent or approval by SUBLESSOR required by this Clause, and SUBLESSOR shall promptly respond to any requests for approval, consent or decision as to plans, specifications or other circumstances provided for in this section.

In terms of the above, it is clearly understood that by approving the layouts and specifications of any construction, alterations, improvements or additions, SUBLESSOR does not assume any responsibility in regards to compliance of the technical project or of the works, with the terms and specifications established in the guidelines contained in the Industrial Park Regulations.

IX. UTILITY SERVICES.

During the term of this Sublease Agreement, SUBLESSEE shall immediately and timely pay for

deberá pagar de inmediato y puntualmente todos y cada uno de los servicios públicos y cualesquiera otros que se contraten para Propiedad Subarrendada, incluyendo en forma enunciativa y no limitativa, cargos por servicio de agua, gas, electricidad, teléfono y recolección de basura.

Se precisa que la Propiedad Subarrendada tendrá la infraestructura a pie de terreno para la conexión de servicios públicos, que deberán ser contratados ante las entidades correspondientes por parte del SUBARRENDATARIO; el SUBARRENDADOR por su cuenta prestará asesoría al SUBARRENDATARIO respecto a la mecánica de contratación de dichos servicios en caso de ser requerido.

El SUBARRENDATARIO solamente podrá **consumir agua a un máximo de [***] litros por segundo**, sujeto a la disponibilidad por el proveedor de servicio de agua potable, y solo podrá realizar **descarga de aguas al sistema de drenaje del Vie Verte Business Center - Tijuana respecto de las provenientes de baños, limpieza de oficinas y cafetería**; para la verificación de lo anterior el SUBARRENDATARIO deberá de instalar los medidores necesarios cuando así lo solicite el SUBARRENDADOR; sin perjuicio de lo anterior, debido a la intermitencia en el servicio de agua potable que ocurre con regularidad en la ciudad de Tijuana, el SUBARRENDATARIO deberá tomar las medidas necesarias para resolver sus necesidades de consumo de agua cuando el servicio de agua presente interrupciones, por lo que deberá de instalar tanques de almacenamiento para tal efecto cuyas capacidades no deberán afectar el flujo de agua u otros arrendatarios del parque. Así mismo, el SUBARRENDATARIO deberá instalar por encima o por debajo del suelo un tanque de retención de drenaje de agua ([***] litros) para permitir el almacenamiento temporal y la transferencia periódica del agua utilizada en sus procesos de manufactura a través de camiones de agua a costa del Subarrendatario. El SUBARRENDADOR acuerda cooperar con los esfuerzos del SUBARRENDATARIO para conectar la línea de alcantarillado del municipio para la disposición futura de las aguas residuales de producción, con el SUBARRENDATARIO asumiendo el costo de dicho proyecto y conexión. Todos los contratos necesarios para la instalación de cualesquier servicio a la Propiedad Subarrendada, cuotas por concepto de conexión de agua, drenaje y teléfono si las hubiere, así como cualquier cargo por la instalación de KVAs por la

any and all public and other utilities and related services that may be furnished to the Subleased Property, including but not limited to, water, gas, electricity, telephone and trash pick-up charges.

It is established that the Subleased Property shall have infrastructure at the limit of the property for the connection of utilities, same that shall be contracted by SUBLESSEE; SUBLESSOR on its account will give SUBLESSEE advice in regards to the mechanics of contracting such utilities if required.

SUBLESSEE may only **consume water at a maximum of [***] liters per second** subject to availability from the water utility provider, and may only **discharge the water of bathrooms, offices cleaning and cafeteria to the drainage system of Vie Verte Business Center - Tijuana**; for the verification of the foregoing SUBLESSEE shall install the necessary meters at the requirement of SUBLESSOR; notwithstanding, due to the intermittence of the water service in Tijuana, SUBLESSEE shall take the necessary measures to solve its needs of water consumption when the water service presents interruptions, for which purpose it shall install water storage tanks which capacities shall not affect water flow of other park tenants. Likewise, SUBLESSEE will install above or below ground a water drain holding tank ([***] liters) to allow for temporary storage and periodic transfer of the water used in its manufacturing processes through water trucks at SUBLESSEE's own cost. SUBLESSOR agrees to cooperate with SUBLESSEE's efforts to connect the municipality's sewer line for future disposal of the production waste water with SUBLESSEE bearing the cost of such project and connection. All contracts necessary for the installation of any services to the Subleased Property, water, drainage and telephone hook-up fees if any, as well as any KVA installation charge by the Mexican Federal Electricity Commission ("CFE" by its Spanish acronym) and its electricity hook-up fees usage charge will be covered in full by SUBLESSEE, including those payments of fees that may have been executed by SUBLESSOR previously, in the proportion in which such rights are transferred for use of SUBLESSEE, including but not limited water hook-up fees and KVAs fees before "CFE". Also, in the event that the installed or available capacity of any service including but not limited to water and

Comisión Federal de Electricidad (CFE) y sus cuotas de conexión y cargos por uso serán tramitados y pagados en su totalidad por el SUBARRENDATARIO, incluyendo aquellos pagos de derechos que haya realizado previamente el SUBARRENDADOR, en la proporción en la que se le trasladen derechos de uso al SUBARRENDATARIO, incluyendo en forma enunciativa mas no limitativa a los pagos realizados por derechos de conexión a la red de agua potable y pagos por KVAs ante CFE. Igualmente, en caso de que la capacidad instalada o disponible de cualesquier servicio como puede ser de manera enunciativa y no limitativa, los derechos de conexión de agua y drenaje, capacidad de suministro y uso de agua potable, drenaje, KVAs en la Propiedad Subarrendada sea insuficiente, el SUBARRENDATARIO a su cuenta y gasto hará las adecuaciones necesarias quedando estas en beneficio de la Propiedad Subarrendada sin costo ni formalidad alguna adicional a lo que requiera el proveedor. Igualmente cuando las mismas excedan el requerimiento del SUBARRENDATARIO, será su responsabilidad y bajo su cuenta y gasto realizar cualquier ajuste al efecto, así como la restitución a la capacidad original que recibió, una vez que por la causa que fuere se dé por terminado el presente Contrato.

Las partes acuerdan que el SUBARRENDATARIO solamente podrá consumir agua para fines de aseo, uso de sanitarios, cafetería y proceso de manufactura; en caso de que el SUBARRENDATARIO requiriera hacer uso de agua para sus procesos o actividades industriales más allá del flujo acordado de [***] litros por segundo, deberá de notificar al SUBARRENDADOR a fin de que se determine si es posible aumentar su consumo de agua, así como si se requiere infraestructura o el pago de derechos adicionales para tal efecto.

X. DERECHO DE PASO.

En este acto se le otorga al SUBARRENDADOR derecho de paso sobre, a través y por debajo de la Propiedad Subarrendada, para entrar, salir, hacer instalaciones, reposiciones, reparaciones y mantenimiento de todos los servicios, incluyendo en forma enunciativa y no limitativa agua, gas, teléfono y cualesquiera otros sistemas de electricidad, así como servicios de antenas de radiocomunicación y televisión que sirvan a la Propiedad Subarrendada. En virtud de este derecho de paso, queda expresamente permitido

sewage connection rights and capacity of supply and usage of potable water, drainage, KVA's in the Subleased Property is insufficient, SUBLESSEE at its own cost and expense will perform necessary adjustments, same which will remain in benefit of the Subleased Property free of any cost and without any formalities other than those required by the service provider. Also, when the same exceeds the requirements of SUBLESSEE, it will be its responsibility and under its own cost and expense, to perform any adjustment to the effect as well as the restitution to the original capacity received, once that, for any reason, this Agreement is terminated.

The parties agree that SUBLESSEE may only consume water for the purposes of use of restrooms, cleaning, cafeteria and manufacturing processes; in the event that SUBLESSEE requires to make use of water for its industrial processes and activities beyond the agreed flow rate of [***] liters per second, it shall give notice to SUBLESSOR so that it can determine if it is possible to have that increase of consumption of water, as well as if there is requirement of additional infrastructure or payment of additional rights for such purpose.

X. RIGHT OF WAY.

SUBLESSOR is hereby granted a right-of-way upon, across, and under the Subleased Property to enter, exit, make installations, replacements, repair and maintain all utilities, including but not limited to water, gas, telephone, all electricity and any television or radio antenna system serving the Subleased Property. By virtue of this right-of-way it shall be expressly permissible for the electrical and/or telephone companies to erect and maintain the necessary poles and other necessary equipment on the Subleased Property; provided,

a cualquier compañía de teléfonos, agua y drenaje y/o electricidad la instalación y mantenimiento de postes y otro equipo necesario en la Propiedad Subarrendada; en el entendido que al ejercitar cualquier derecho otorgado al SUBARRENDATARIO en esta Cláusula, el SUBARRENDADOR conviene en causar solamente la interferencia mínima a la posesión y uso de la Propiedad Subarrendada por parte del SUBARRENDATARIO.

XI. CESIÓN Y SUBARRENDAMIENTO.

A. El SUBARRENDATARIO, con el consentimiento del GARANTE, exclusivamente en caso de obtener autorización previa y por escrito del SUBARRENDADOR, podrá ceder, transferir o subarrendar este Contrato de Subarrendamiento o cualesquier interés en el mismo, o permitir el uso de la Propiedad Subarrendada; condicionado a que el SUBARRENDATARIO se encuentre al corriente en el cumplimiento de sus pagos de rental u otras obligaciones. En caso de dicha cesión, traspaso o sub-subarrendamiento, el SUBARRENDATARIO y el Garante a que se refiere la Cláusula XXVI N del presente, seguirán siendo responsables de todas sus obligaciones establecidas en el presente Contrato de Subarrendamiento. El SUBARRENDATARIO o el GARANTE tienen el derecho en cualquier momento de solicitar la sustitución del SUBARRENDATARIO por una entidad mexicana propiedad del GARANTE con una notificación anticipada de [***] días al SUBARRENDADOR por parte del GARANTE de su intención de hacerlo, y lo cual no podrá ser negada injustificadamente. Dicha sustitución de SUBARRENDATARIO extinguirá a partir de la celebración de un convenio de Substitución de Arrendatario con el SUBARRENDADOR—Ios derechos y obligaciones de Baja Fur, S.A. de C. V. bajo este Contrato de subarrendamiento, que será asumido automáticamente por el GARANTE y el SUBARRENDATARIO sustituto. El SUBARRENDATARIO acuerda y consiente los derechos del GARANTE bajo esta Cláusula y los términos de este Contrato de Subarrendamiento.

B. El SUBARRENDADOR tendrá derecho a ceder una o varias veces, de tiempo en tiempo, todos o cualesquiera de los derechos y obligaciones del SUBARRENDADOR en este Contrato de Subarrendamiento, o cualquier interés en el mismo, siempre y cuando dicha cesión no afecte los derechos del SUBARRENDATARIO derivados del presente y que el SUBARRENDADOR

that in exercising any right SUBLESSEE may have under this Clause, SUBLESSOR agrees to cause only a minimum interference with SUBLESSEE's use and possession of the Subleased Property.

XI. ASSIGNMENT AND SUBLETTING.

A. SUBLESSEE, with the consent of GUARANTOR, exclusively by obtaining prior written authorization from SUBLESSOR, shall be able to assign, transfer or sub-sublease this Sublease Agreement, or any interest therein, or to permit the use of the Subleased Property, provided that, SUBLESSEE is not in default in the payment of rents or other obligations. In the event of any such assignment, transfer or sub-sublease, SUBLESSEE and Guarantor referred to in Clause XXVI N herein, shall remain liable for all their obligations under this Sublease Agreement. SUBLESSEE or GUARANTOR have the right at any time to request the substitution of SUBLESSEE for a Mexican entity owned by the GUARANTOR with a [***] day advanced notice to the SUBLESSOR by GUARANTOR of its intent to do so, which approval may not be unreasonably denied. Such substitution of SUBLESSEE as from the execution of a Tenant Substitution Agreement with SUBLESSOR shall extinguish the rights and obligations of Baja Fur S.A. de C.V. under this Sublease Agreement, which shall automatically be assumed by GUARANTOR and the substitute SUBLESSEE. SUBLESSEE hereby agrees and consents to GUARANTOR's rights under this Clause and the terms of this Sublease Agreement.

B. SUBLESSOR shall have the right to assign and reassign, from time to time, any or all of the rights and obligations of SUBLESSOR in this Sublease Agreement or any interest therein, provided that no such assignment or reassignment shall impair any of the rights of SUBLESSEE herein, and provided further, that SUBLESSOR shall remain liable for all of its obligations under this Sublease Agreement.

continúe obligado al cumplimiento de todas y cada una de sus obligaciones derivadas de este Contrato de Subarrendamiento. En caso de cualquier cesión o cesiones, el SUBARRENDATARIO no podrá disminuir o retener el pago de las rentas pagaderas conforme a este Contrato, entablando directamente en contra del cesionario cualquier defensa, compensación o contrademanda que el SUBARRENDATARIO pueda tener en contra del SUBARRENDADOR o de cualquier otra persona. Sin embargo, el SUBARRENDATARIO específicamente renuncia en este acto, con relacion a la retención de la renta, a cualesquier medida cautelar que garantice el pago de reclamaciones, en los términos establecidos por el Código Civil y el Código de Procedimientos Civiles del Estado.

XII. SUBORDINACIÓN.

Durante el término de este Contrato de Subarrendamiento, el SUBARRENDADOR tendrá el derecho de gravar los derechos que tiene sobre la Propiedad Subarrendada o en este Contrato para los efectos que considere convenientes y el SUBARRENDATARIO deberá subordinar y en este acto subordina sus derechos en este Contrato de Subarrendamiento y en la Propiedad Subarrendada a dicho gravamen. Sin embargo, en el caso de que dichos gravámenes sean hechos efectivos o ejecutados judicialmente, el titular de los derechos derivados del gravamen deberá convenir en respetar este Contrato de Subarrendamiento y aceptar el cumplimiento por parte del SUBARRENDATARIO de las obligaciones a que el mismo se refiere. El SUBARRENDATARIO deberá celebrar aquellos convenios que el SUBARRENDADOR solicite para confirmar esta subordinación y presentar cualesquier información financiera que se requiera en forma normal por cualesquier institución fiduciaria, banco o cualquier otra institución de crédito reconocida.

Una vez que el SUBARRENDADOR notifique por escrito al SUBARRENDATARIO que aquella ha cedido sus derechos sobre este Contrato de Subarrendamiento a una institución financiera como garantía de cualquier deuda u otra obligación del SUBARRENDADOR, el SUBARRENDADOR no tendrá derecho a modificar este Contrato de Subarrendamiento con el objeto de reducir la renta, disminuir el término o modificar o negar cualquier obligación substancial del SUBARRENDATARIO sin el consentimiento

In the event of such assignment or reassignment, SUBLESSEE shall not diminish or withhold any of the rents payable hereunder by asserting against such assignee any defense, setoff, or counterclaims which SUBLESSEE may have against SUBLESSOR or any other person. However, SUBLESSEE hereby specifically waives, with respect to withholding of rent, any preventive measures to guarantee payment of a claim, in the terms provided State's Civil Code and the Code of Civil Proceedings.

XII. SUBORDINATION.

During the term of this Sublease Agreement, SUBLESSOR shall have the right to encumber its interest in the Subleased Property or in this Sublease Agreement for any purpose it deems convenient and SUBLESSEE shall and hereby does subordinate its interest in this Sublease Agreement and in the Subleased Property to such encumbrances. However, in the event such encumbrances are foreclosed upon or judicially enforced, the one who holds the encumbrance shall agree to respect this Sublease Agreement and accept the performance by SUBLESSEE of its obligation hereunder. SUBLESSEE shall execute any agreement which may be required by SUBLESSOR in confirmation with such subordination and submit whatever public finance data may normally be requested by any trust insurance, bank or other recognized lending institution.

Once SUBLESSOR shall have notified SUBLESSEE in writing that the former has assigned its interest in this Sublease Agreement to any lending institution as security for a debt or other obligation of SUBLESSOR, SUBLESSOR shall not have the power to amend this Sublease Agreements so as to reduce the rent, decrease the term or modify or negate any substantial obligation without the written consent of such lending institution. Such obligation shall continue until the lending institution has notified SUBLESSEE in

por escrito por parte de tal institución financiera. Dicha obligación continuará hasta en tanto la institución financiera haya notificado al SUBARRENDATARIO, por escrito, que dicha cesión ha sido terminada, en el entendido de que si el SUBARRENDADOR no obtiene la autorización de dicha institución financiera para llevar a cabo lo anterior, la modificación de los términos anteriormente establecidos no tendrá ningún efecto contra la institución financiera. Además, en caso de que la institución financiera notifique por escrito al SUBARRENDATARIO que las rentas aquí convenidas deberán ser pagadas directamente a dicha institución financiera o a su representante, el SUBARRENDATARIO estará obligado a pagar a dicha institución financiera o a su representante cada una de las rentas mensuales subsecuentes que venzan de acuerdo con este Contrato de Subarrendamiento (así como, en su caso, aquellas rentas no pagadas y vencidas con anterioridad, con los consecuentes intereses moratorios), hasta la fecha en que la institución financiera notifique al SUBARRENDATARIO su autorización para que las rentas se paguen al SUBARRENDADOR o a cualquier otra persona que tenga derecho de recibirlas. El SUBARRENDATARIO entiende y está de acuerdo en que con excepción del depósito en garantía a que se refiere el presente Contrato de Subarrendamiento, en la Cláusula XXVI F, el SUBARRENDADOR no podrá cobrar por adelantado más de [***] de renta y el SUBARRENDATARIO, a solicitud del SUBARRENDADOR proporcionará un documento manifestando que no ha efectuado pagos por adelantado; este documento será obligatorio para el SUBARRENDATARIO en relación con la institución financiera a la que este Contrato de Subarrendamiento se ceda, en su caso. Asimismo, la institución financiera no quedará obligada a reconocer aquellos pagos hechos por el SUBARRENDATARIO al SUBARRENDADOR después de que el SUBARRENDATARIO haya recibido la notificación que lo obligue a hacer los pagos a dicha institución financiera.

XIII. ACCESO A LA PROPIEDAD SUBARRENDADA.

Sin excesiva interferencia para la operación del SUBARRENDATARIO, el SUBARRENDADOR o sus representantes autorizados tendrán el derecho de entrar a la Propiedad Subarrendada durante las horas de trabajo del SUBARRENDATARIO otorgando aviso con [***] de anticipación, y a cualquier hora en caso de emergencia, para

writing that such assignment has been terminated, in the understanding that if SUBLESSOR fails to obtain such lending institution's approval to carry out the foregoing, the amendment of the terms above mentioned shall have no effect whatsoever as against such lending institution. In addition, if the lending institution shall notify SUBLESSEE in writing requiring the payment of rents hereunder directly to such lending institution or its representative, then SUBLESSEE shall be obligated to pay such lending institution or its representative each subsequent rental that may become due under this Sublease Agreement (together with any unpaid rent then past due), until the date on which such lending institution notifies SUBLESSEE authorizing payment of rent to SUBLESSOR or other party entitled thereto. SUBLESSEE understands and agrees that except for the security deposit mentioned in Clause XXVI F of this Sublease Agreement, SUBLESSOR may not collect any rent more than [***] in advance and SUBLESSEE, at the request of SUBLESSOR, shall provide a statement that no such advanced payment has been made; such document shall be binding upon SUBLESSEE as against the lending institution to which this Sublease Agreement may be assigned. In addition, the lending institution shall not be bound to recognize those payments made to SUBLESSOR after the SUBLESSEE has received notice requiring payments to be made to such lending institutions.

XIII. ACCESS TO SUBLEASED PROPERTY.

Without undue interference to SUBLESSEE's operation, SUBLESSOR or its authorized representatives shall have the right to enter the Subleased Property during all SUBLESSEE business hours with [***] advanced notice, and in emergencies at all times, to inspect the Subleased Property and to make repairs, and if approved by

inspeccionarla y para hacer reparaciones, y si fuera autorizado por el SUBARRENDATARIO, para realizar adiciones o alteraciones a la Propiedad Subarrendada. Por un período que se iniciará [***] días antes de la terminación de este Contrato de Subarrendamiento, y en caso de que el SUBARRENDATARIO no desee renovar el presente Contrato de Subarrendamiento; el SUBARRENDADOR, tendrá acceso a la Propiedad Subarrendada con el objeto de exhibirla a posibles subarrendatarios dando aviso con [***] de anticipación, y podrá instalar los anuncios acostumbrados “Se Vende” o “Se Renta” en la Propiedad Subarrendada. Excepto en casos de emergencia, el SUBARRENDADOR deberá notificar con [***] de anticipación al SUBARRENDATARIO antes de entrar a la Propiedad Subarrendada.

XIV. DAÑOS O DESTRUCCIÓN.

A. Total. En caso de que todo o una parte substancial de la Propiedad Subarrendada sea dañada o destruida por incendio, actos de la naturaleza, o cualesquiera otra causa, de tal manera que el SUBARRENDATARIO se vea imposibilitado a continuar la operación de sus negocios, el SUBARRENDADOR determinará dentro de los [***] días posteriores a dicha destrucción, si la Propiedad Subarrendada puede ser restaurada dentro de los siguientes [***] meses, y notificará al SUBARRENDATARIO de tal determinación. Si el SUBARRENDADOR determina que la Propiedad Subarrendada no puede ser restaurada en el período de [***] meses, tanto el SUBARRENDADOR como el SUBARRENDATARIO, tendrán el derecho y la opción de terminar en forma inmediata este Contrato de Subarrendamiento, por medio de aviso por escrito hecho a la otra parte, sin responsabilidad alguna para las partes, excepto la del SUBARRENDATARIO de estar al corriente en el cumplimiento de las obligaciones generadas a la fecha, en los términos del Contrato de Subarrendamiento. Si el SUBARRENDADOR determinara que la Propiedad Subarrendada puede ser restaurada dentro del término de [***] meses, el SUBARRENDADOR, deberá a su propio costo y de acuerdo a la cantidad entregada al SUBARRENDADOR, por el pago del seguro requerido en la Cláusula VI anteriormente señalada, procederá diligentemente a reconstruir la Propiedad Subarrendada y las Mejoras del SUBARRENDADOR, en tal caso, el SUBARRENDADOR, aceptará a su elección y en lugar de la renta durante el periodo que el

SUBLESSEE, additions or alterations to the Subleased Property. For a period of [***] days prior to the termination of this Sublease Agreement, and in the event SUBLESSEE does not want to extend the Sublease Agreement; SUBLESSOR shall have access to the Subleased Property for the purpose of exhibiting it to prospective tenants with [***] advanced notice and may post usual “For Sale” or “For Sublease” signs upon the Subleased Property. Except in case of Emergency, SUBLESSOR shall give [***] notice to SUBLESSEE before entering the Subleased Property.

XIV. DAMAGE OR DESTRUCTION.

A. Total. In the event that the whole or a substantial part of the Subleased Property is damaged or destroyed by fire, act of nature, or any other cause, so as to make SUBLESSEE unable to continue the operation of its business, SUBLESSOR shall, within [***] days from such destruction, determine whether the Subleased Property can be restored within [***] months. If SUBLESSOR determines that the Subleased Property cannot be restored within [***] months, either SUBLESSOR or SUBLESSEE shall have the right and option to immediately terminate this Sublease Agreement, by advising the other thereof by written notice without any responsibilities to the parties, except for that of SUBLESSEE to be in compliance with all obligations generated to date in the terms of this Agreement. If SUBLESSOR determines that the Subleased Property can be restored within said [***] months, SUBLESSOR shall at its own cost and according to the amount delivered to SUBLESSOR as payment of insurance required in terms of Clause VI herein, will proceed diligently to reconstruct the SUBLESSOR's Subleased Property and Improvements, in that event SUBLESSOR will accept, at its election, and in lieu of the rent during this period the payment of insurance policy covering rent or consequential damages as per Clause VI above or the bond applicable to payment of rent and compliance of other obligations. During the period of reconstruction the SUBLESSEE will not be obligated to pay the rent or maintenance fees. In the event that the Subleased Property could not be reconstructed in [***] months as determined by SUBLESSOR, SUBLESSOR will

SUBARRENDATARIO este privado del uso de la Propiedad Subarrendada, el pago del seguro de renta o daños consecuenciales a que se refiere la Cláusula VI anterior o el pago de la fianza destinada a rentas y cumplimiento de otras obligaciones. Durante el periodo de reconstrucción, el SUBARRENDATARIO, no tendrá obligación de pagar la renta o cuota de mantenimiento. En el caso que la Propiedad Subarrendada no fuere restaurada dentro de [***] meses como fue determinado por el SUBARRENDADOR, el SUBARRENDADOR tendrá un periodo de gracia de [***] días para completar la construcción de la Propiedad Subarrendada y las mejoras del SUBARRENDADOR a partir del último día de los [***] meses. Ante la no entrega por parte del SUBARRENDADOR de la Propiedad Subarrendada y las Mejoras del SUBARRENDADOR para el último día del periodo de gracia de [***] días, el SUBARRENDATARIO, tendrá el derecho de dar por terminado el subarrendamiento, mediante aviso efectuado a la otra parte o de aceptar un día de renta gratuito por cada día de retraso en la entrega de la Propiedad Subarrendada al término del [***] mes.

B. Parcial. En caso de que los mencionados daños causados a la Propiedad Subarrendada no impidan al SUBARRENDATARIO continuar la operación normal de sus negocios en la Propiedad Subarrendada, el SUBARRENDADOR y el SUBARRENDATARIO deberán reparar dichos daños, cada uno reconstruyendo la porción de las mejoras por la que cada una de las partes era responsable en la construcción inicial; en el entendido de que durante el periodo que corresponda a la reparación de las Mejoras del SUBARRENDADOR, la renta pagadera en los términos de este Contrato por el SUBARRENDATARIO será prorrateada equitativamente en proporción a la interferencia que sufra el SUBARRENDATARIO en el uso y posesión de la Propiedad Subarrendada causada por dichos daños y reparaciones, única y exclusivamente cuando el SUBARRENDATARIO esté al corriente en todas sus obligaciones, particularmente en lo que a seguros se refiere la Cláusula VI del presente, y que en tal virtud, la aseguradora haya respondido del siniestro. En tal caso el SUBARRENDADOR aceptará a su elección, en lugar del pago prorrateado de la renta aquí señalada, durante el periodo cuando el SUBARRENDATARIO sea parcialmente privado del uso y posesión de la Propiedad Subarrendada, cualquier pago del seguro de renta o fianza aplicable a la renta y otros pagos.

have a cure period of [***] days to finish the construction of the SUBLESSOR'S Improvements, beginning the last day of the [***] months. Upon failure to deliver the Subleased Property and Improvements by the SUBLESSOR in the last day of the cure period of [***] days, the SUBLESSEE, will have the right to terminate this Sublease Agreement, by written notice given to the other party or to accept one day of free rent for each day of delay of the delivery of the Subleased Property at the end of the [***] month.

B. Partial. In the event the said damages caused to the Subleased Property does not prevent SUBLESSEE from continuing the normal operation of its business on the Subleased Property, SUBLESSOR and SUBLESSEE shall repair said damage, each party reconstructing that portion of the improvements for which it was responsible in the original construction; provided that during the period required for such repair work of SUBLESSOR's Improvements, the rent payable hereunder by SUBLESSEE shall be equitably prorated for the interference with SUBLESSEE's use and possession of the Subleased Property caused by such damage and repairs, exclusively when SUBLESSEE is up to date with compliance of all its obligations, in particular in regards to insurance acquisition and effectiveness as referred in Clause VI herein and thus, that the insurance company has responded for the damage. In that event the SUBLESSOR will accept, at its election and in lieu of any prorated payment of the rent hereunder, during the period when the SUBLESSEE is partially deprived of the use and possession of the Subleased Property, any payment of the rent insurance or a bond applicable for rent and other payments.

XV. LIMITACIÓN DE RESPONSABILIDAD.

Con excepción de cualesquiera actos intencionales o negligentes u omisiones del SUBARRENDADOR, de sus agentes o empleados, el SUBARRENDADOR no será responsable frente al SUBARRENDATARIO ni frente a cualquier otra persona, por cualesquier pérdida o daño de cualquier clase, causados por actos intencionales o negligentes u omisiones del SUBARRENDATARIO u otros ocupantes del Parque Industrial o de las propiedades adyacentes o del público, u otras causas fuera del control del SUBARRENDADOR, incluyendo en forma enunciativa y no limitativa, la falta de entrega o cualquier interrupción de los servicios públicos o de cualquier otro servicio, ya sea que éste ocurra en la Propiedad Subarrendada o cerca de ella. El SUBARRENDATARIO reconoce que de tiempo en tiempo se efectuarán adiciones, composturas y reparaciones al Parque Industrial, sin embargo esto no deberá interferir en forma substancial con el uso y goce de la Propiedad Subarrendada por parte del SUBARRENDATARIO.

XVI. INDEMNIZACIÓN.

El SUBARRENDATARIO conviene en indemnizar y dejar a salvo al SUBARRENDADOR de cualquier demanda por daños y perjuicios de cualquier clase o naturaleza que resulten de actos negligentes u omisiones del SUBARRENDATARIO o sus contratistas, licenciarios, agentes, invitados o empleados, o que se deriven de accidentes, lesiones o daños causados en cualesquiera forma a personas o bienes que ocurran en o cerca de la Propiedad Subarrendada, o áreas adyacentes a la Propiedad Subarrendada, así como de los costos y gastos, incluyendo honorarios de abogado en que por tal motivo se incurra.

El SUBARRENDADOR indemnizará y dejará a salvo al SUBARRENDATARIO de cualquier daño o perjuicio al SUBARRENDATARIO o sus agentes o empleados y de toda responsabilidad por causa de lesiones o daños causados a terceras personas, o por daños a la propiedad por terceras personas que ocurran mientras se encuentren legalmente dentro de la Propiedad Subarrendada que resulten de actos negligentes u omisiones del SUBARRENDADOR, sus agentes o empleados, así como de los costos y gastos, incluyendo honorarios de abogado en que por tal motivo se incurra.

XV. LIMITATION OF LIABILITY.

Except for intentional or negligent acts or omissions of SUBLESSOR, its agents or employees, SUBLESSOR shall not be liable to SUBLESSEE or to any other person whatsoever for any loss or damage of any kind or nature caused by the intentional or negligent acts or omissions of SUBLESSEE or other occupants of the Industrial Park or of adjacent property, or the public, or the causes beyond the control of SUBLESSOR, including but not limited to any, failure to furnish or any interruption of any utility or other services in or about the Subleased Property. SUBLESSEE recognizes that additions, replacements and repairs to the Industrial Park will be made from time to time, provided that the same shall not substantially interfere with SUBLESSEE's use and enjoyment of the Subleased Property.

XVI. INDEMNIFICATION.

SUBLESSEE agrees to indemnify and save SUBLESSOR harmless from any kind or nature whatsoever, arising from any negligent acts or omissions of SUBLESSEE, or its contractors, licensees, agents, invitees or employees, or arising from any accident, injury or damage whatsoever caused to any person or property occurring in or about the Subleased Property, or the areas adjoining the Subleased Property, and from and against all costs and expenses, including attorney's fees, incurred thereby.

SUBLESSOR will indemnify and will hold SUBLESSEE harmless from any injury or damage to SUBLESSEE or its agents or employees and from any and all liability for injury to third persons or damage to the property by third persons while lawfully upon the Subleased Property occurring by reason of any negligent acts or omissions of SUBLESSOR, its agents or employees, and from and against all costs, and expenses, including attorney's fees, incurred thereby.

XVII. NOTIFICACIONES.

Todas las notificaciones a que se refiere el presente Contrato de Subarrendamiento deberán ser dirigidas al domicilio que se menciona en las Declaraciones anteriores o a cualquier otro domicilio que de tiempo en tiempo sea proporcionado por las partes. Dichas notificaciones serán hechas por escrito y enviadas por correo certificado, por fax, o entregadas personalmente cuando sea posible, y surtirán efectos [***] días después de la fecha de su envío por correo o en la fecha en que se entreguen personalmente.

XVIII. DISPOSICIONES AMBIENTALES.

El SUBARRENDADOR entrega al SUBARRENDATARIO la Propiedad Subarrendada libre de contaminación de conformidad con el certificado expedido por el Auditor Ambiental ante la Secretaría de Protección al Ambiente en el Estado, cuya copia en este acto se entrega al SUBARRENDATARIO quien a su vez la recibe de conformidad.

El SUBARRENDATARIO entregará al SUBARRENDADOR, el certificado expedido por las Autoridades Ambientales del Estado por el cual se clasifica el riesgo de las actividades del SUBARRENDATARIO. En caso que El SUBARRENDATARIO cambie sus operaciones y estas afecten su clasificación de riesgo, en este acto se obliga a notificar por escrito al SUBARRENDADOR, dentro de un plazo de [***] días naturales, inmediatos posteriores de la fecha del cambio, de las operaciones, adjuntando el certificado expedido por la Autoridad Ambiental del Estado.

El SUBARRENDATARIO es responsable de todo y cualesquier acto, hecho u omisión acontecido durante el Término del Subarrendamiento, originado por sus actividades en la Propiedad Subarrendada que pueda producir cualquier desequilibrio ecológico, daño ambiental, responsabilidad o reclamación de responsabilidad por el uso de materiales y desechos industriales que contaminen la Propiedad Subarrendada y mantendrá al SUBARRENDADOR libre y a salvo de cualesquier reclamación, incluyendo multas, honorarios de abogado y consultores, ingenieros y cualesquier gasto relacionado con la solución de

XVII. NOTICES.

All notices under this Sublease Agreement shall be forwarded to the address mentioned in the Recitals above or such other addresses as may from time to time be furnished by the parties hereto. Said notices shall be in writing and sent registered mail, by fax, or hand-delivered when possible, and shall be effective [***] days after the date of mailing thereof, or on the date they are hand-delivered.

XVIII. ENVIRONMENTAL PROVISIONS.

SUBLESSOR delivers SUBLESSEE the Subleased Property free of contamination according to the certificate issued by the environmental expert registered before the Ministry of Environmental Protection in the State, a copy of which is hereby delivered in this act to SUBLESSEE, whom in turn, receives it in conformity.

SUBLESSEE will deliver SUBLESSOR, the certificate issued by the State Environmental Authorities where the risk of SUBLESSEE's activities is classified. SUBLESSEE is hereby bound to provide written notice to SUBLESSOR if its operations affects its classification of risk, by which in this act comply to notify SUBLESSOR within a [***] calendar day period immediately after SUBLESSEE changes its operations, attaching the certificate issued by the State Environmental Authorities.

SUBLESSEE is responsible for any and all acts, facts or omissions occurred throughout the Sublease Term, caused by its activities on the Sublease Property that can produce any ecological imbalance, environmental damage, responsibility or claim of responsibility for the use of materials and industrial waste that contaminates the Subleased Property and will hold SUBLESSOR harmless of any and all claims, penalties, including attorneys', consultants and engineer's fees and any cost related with the solution of the same. This responsibility will endure regardless of that this Agreement is terminated by any reason and as

La misma. Esta responsabilidad perdurará sin importar que el presente Contrato sea terminado por cualesquier causa y siempre y cuando la autoridad ambiental competente determine que el impacto fue causado directa y exclusivamente por el SUBARRENDATARIO. El costo de cualquier estudio o actividad necesaria o relacionada con el impacto ambiental será pagado por el SUBARRENDATARIO.

El SUBARRENDADOR conducirá una inspección cada [***] meses, para verificar cualquier acto que pueda producir un cambio en las condiciones de la Propiedad Subarrendada y para asegurarse de que no haya áreas contaminadas por material o desecho industrial. El resultado de dicha inspección o la falta de su realización no liberará de forma alguna al SUBARRENDATARIO de sus obligaciones bajo el presente Contrato. En caso de que cualquier área se detecte contaminada, el SUBARRENDATARIO a su exclusiva cuenta y gasto aplicará las medidas necesarias y satisfactorias para el SUBARRENDADOR a efecto de solventar, regenerar, recuperar, renovar y restaurar las condiciones ambientales prevalecientes en la Fecha de Inicio.

Si en un período de [***] días naturales luego de que se tenga conocimiento de alguna variación de las condiciones ambientales prevalecientes en la Fecha de Inicio, el SUBARRENDATARIO no ha iniciado la implementación de medidas para restaurar, el SUBARRENDADOR a cuenta y gasto del SUBARRENDATARIO aplicará tales medidas y notificará a las Autoridades Ambientales para que realicen los procedimientos para prevenir y evitar que el SUBARRENDATARIO continúe causando daños ambientales. En caso de que el SUBARRENDATARIO no cumpla con la implementación de la totalidad de las medidas de reparación en el término que el SUBARRENDADOR haya autorizado para el efecto, el SUBARRENDATARIO se hará responsable de dicha demora y establecerá el tiempo necesario para ello, a satisfacción del SUBARRENDADOR.

A la terminación del presente Contrato, y para que la entrega física de la Propiedad Subarrendada sea aceptada, el SUBARRENDATARIO deberá presentar y el Plan de Abandono de conformidad a la establecido en las Leyes de la materia y la normatividad implementada por la Secretaría de Protección al Ambiente del Estado, y deberá entregar al SUBARRENDADOR el certificado expedido por el Auditor Ambiental autorizado, ante

long as the competent environmental authority determines that the impact was caused directly and exclusively by the SUBLESSEE. The cost of any study or activity necessary or in relation to the environmental impact will be paid by SUBLESSEE.

SUBLESSOR will conduct an inspection every [***] months, to verify any act that can produce a change in the conditions of the Subleased Property and to make sure there are no contaminated areas by material and industrial waste. The result of said inspection, nor the failure to conduct it shall in any form waive SUBLESSEE's responsibilities under this Agreement. In the event that any areas are detected to be contaminated, SUBLESSEE to its sole cost and expense will apply the measures necessary and satisfactory to SUBLESSOR in order to solve, regenerate, recover, renovate and restore the environmental conditions that prevailed at Commencement Date.

If in a [***] calendar day period after knowledge of a variation of environmental conditions prevailing at Commencement Date, SUBLESSEE has not initiated implementation of measures to restore, SUBLESSOR at SUBLESSEE's sole cost and expense will apply such measures and will notify the Environmental Authority to carry out the procedures in order to prevent and avoid that SUBLESSEE continue to cause environmental damage. In the event that SUBLESSEE fails to comply with implementation of all repair measures within the term that SUBLESSOR has authorized to the effect, SUBLESSEE will be held responsible for such delay and shall establish the necessary time for such purpose in terms satisfactory to SUBLESSOR.

Upon termination of this Agreement, and for physically delivery of the Subleased Property to be accepted, SUBLESSEE must present an Abandonment Plan, established in the applicable law and the regulations implemented by the Ministry of Environmental Protection in the State, and shall deliver to SUBLESSOR a Certificate issued by an Environmental Auditor authorized by the Ministry of Environmental Protection in the State, certifying that the Subleased Property is free from contamination.

la Secretaría de Protección al Ambiente en el Estado, que se certifique que la Propiedad Subarrendada está libre de contaminación.

XIX. INCUMPLIMIENTO POR PARTE DEL SUBARRENDATARIO.

A. Cada uno de los siguientes casos serán considerados como incumplimiento por parte del SUBARRENDATARIO:

1. Desocupar o abandonar la Propiedad Subarrendada; el SUBARRENDADOR considerará que el edificio se encuentra abandonado cuando el SUBARRENDATARIO cierra sus operaciones, finiquita a todos sus empleados y deja de pagar la renta de [***] meses. Bajo estas circunstancias el SUBARRENDADOR podrá proceder a ocupar el edificio, una vez que haya notificado al SUBARRENDATARIO, conforme a los términos del presente contrato, y que no se reciba respuesta en un período de [***] días siguientes a tal aviso. Para dicho propósito, el SUBARRENDADOR en este acto queda expresamente autorizado por el SUBARRENDATARIO para solicitar al Juzgado competente mediante el procedimiento de jurisdicción voluntaria, se le otorgue posesión del edificio utilizando cualesquier medio legal que otorga la Ley y renunciando expresamente el SUBARRENDATARIO al derecho a ser notificado, debido al aviso de abandono anterior. Este procedimiento podrá observarse independientemente de cualesquier otro recurso utilizado por el SUBARRENDADOR, según lo establecido en este Contrato;

2. La falta de pago de [***] mensualidades de renta devengada y pagadera en la fecha de vencimiento, de acuerdo con la Cláusula "IV" del presente, sin necesidad de ningún tipo de notificación;

3. Incumplimiento en la ejecución de cualquier pacto, acuerdo, contratos u obligaciones del SUBARRENDATARIO en los términos del presente, si dicho incumplimiento continúa por [***] días naturales siguientes a la notificación por escrito del SUBARRENDADOR al SUBARRENDATARIO (o durante un período razonable que fuere necesario para remediar el incumplimiento) otorgado por el SUBARRENDADOR, cuando no se haya previsto término expreso; sin embargo, si el incumplimiento del SUBARRENDATARIO no puede subsanarse razonablemente dentro de los [***] días calendario, se le otorgará al SUBARRENDATARIO tiempo

XIX. SUBLESSEE'S DEFAULT.

A Each of the following shall be a default of SUBLESSEE:

1. Vacating or abandonment of the Subleased Property; SUBLESSOR shall consider the building abandoned when SUBLESSEE closes its operation, terminates all employees and stops making payment of rent for [***] months. Under such circumstances SUBLESSOR may proceed to take over the building after notifying SUBLESSEE under the terms hereunder provided, and no answer is received for a period of [***] days following such notice. For such purpose, SUBLESSOR is hereby expressly authorized by SUBLESSEE to request the competent Court under a voluntary jurisdiction procedure to be given possession of the building using any legal means provided by Law, and expressly waiving SUBLESSEE the right to be notified due to prior notice of abandonment. This procedure may be observed independently of any other remedies of SUBLESSOR as provided hereunder;

2. Failure to pay [***] installments of rent due and payable hereunder upon the date when said payment is due, as provided for in Clause "IV" hereunder, without need of notice of any kind;

3. Default in the performance of any of SUBLESSEE's covenants, agreements or obligations hereunder, said default continuing for [***] calendar days after written notice thereof, is given by SUBLESSOR to SUBLESSEE (or for any reasonable period necessary for SUBLESSEE to cure said default,) given by SUBLESSOR, when no express period is stated; provided, however, that if SUBLESSEE's failure to comply cannot reasonably be cured within [***] calendar days, SUBLESSEE shall be allowed additional time as is reasonably necessary to cure the default; provided, further, that (i) SUBLESSEE should commence to cure the default within such [***] calendar days, and

adicional que sea razonablemente necesario para corregir el incumplimiento; provisto, además, que (i) el SUBARRENDATARIO debe comenzar a reparar el incumplimiento dentro de dichos [***] días calendario, y (ii) el SUBARRENDATARIO diligentemente proceda con un curso de acción que subsane el incumplimiento y haga que el SUBARRENDATARIO regrese a estar en cumplimiento con este Contrato de Subarrendamiento.

4. Una cesión general por parte del SUBARRENDATARIO en beneficio de acreedores;

5. Petición voluntaria de una declaración de quiebra por el SUBARRENDATARIO o petición de una declaración involuntaria de quiebra por los acreedores del SUBARRENDATARIO, si dicha petición permanece sin retirarse por un periodo de [***] días naturales;

6. El nombramiento de un Depositario Judicial que tome posesión substancial de todos los bienes del SUBARRENDATARIO o de este Subarrendamiento, si permanece dicha disposición judicial sin retirarse por un periodo de [***] días naturales; o

7. Incumplimiento por parte del SUBARRENDATARIO de cualesquier leyes o regulaciones de cualesquier Autoridades Ambientales del Gobierno Mexicano, en relación con la ejecución de sus actividades o con el use y operación de cualesquier equipo por parte del SUBARRENDATARIO que pudiera ser considerada como contaminante por dicha Autoridad Gubernamental, así como el incumplimiento respecto de cualesquier ley, reglamento o recomendación efectuada por dicha Autoridad en relación con dicho asunto, de conformidad con las disposiciones de notificación establecidas en párrafo 3 de esta Cláusula.

8. La falta de sustitución de la Carta de Crédito prevista en la letra O de la Cláusula XXVI de este contrato en el término ahí previsto, y el contrato de subarrendamiento opere por más de [***] días naturales sin que el SUBARRENDATARIO subsane al SUBARRENDADOR dicha omisión.

B. En cualquiera de los casos anteriores y sujeto a las disposiciones de notificación establecidas en esta Cláusula, el SUBARRENDADOR a su opción tendrá el derecho, además de utilizar cualesquier recurso otorgado por la ley, de reclamar daños, de

(ii) SUBLESSEE diligently pursue a course of action that will cure the default and bring SUBLESSEE back into compliance with this Sublease Agreement.

4. A general assignment by SUBLESSEE for the benefit of creditors;

5. The filing of a voluntary petition in bankruptcy by SUBLESSEE or the filing of an involuntary petition by SUBLESSEE's creditors, said petition remaining undischarged for a period of [***] calendar days;

6. The appointment of a Receiver to take possession of substantially all of SUBLESSEE's assets or of this Sublease hold, said receivership remaining undissolved or un-stayed for a period of [***] calendar days after the levy thereof; or

7. Failure by SUBLESSEE to comply with any and all applicable laws and regulations of any Environmental Agency of the Government of Mexico as determined by the corresponding Environmental Authorities, in connection with the performance of their activities or the use or operation of any equipment by SUBLESSEE that may be considered as contaminating by such Governmental Office, and failure to comply with any and all recommendations, so given by said Governmental Office, pursuant to the notice provisions set forth in paragraph 3 of this Clause.

8. The lack of substitution of the Letter of Credit foreseen in letter O of Clause XXVI of this contract within the term provided therein, when the sublease contract operates for more than [***] calendar days without SUBLESSEE curing this omission.

B. Upon the occurrence of any of the foregoing defaults and subject to the notice provisions set forth in this Clause, SUBLESSOR shall have the right, at its option, and in addition to other rights or remedies granted by law, including the right to

rescindir de inmediato este Contrato de Subarrendamiento y exigir al SUBARRENDATARIO la desocupación de la Propiedad Subarrendada, sin afectar los derechos del SUBARRENDADOR de acuerdo a los términos del párrafo A), 1) de esta Cláusula, y particularmente el derecho de recaudar las rentas restantes del Término de Subarrendamiento de este contrato. Así mismo, en caso de rescisión de este Contrato de Subarrendamiento ambas partes acuerdan que las mejoras, tales como ampliación en área de oficinas, planta de tratamiento, equipamiento en área de producción, almacén, cafetería, etc, a llevarse a cabo tanto en la Fase 1 como en la Fase 2 a que se refieren en el tercer párrafo del inciso C de la Cláusula II de este Contrato, son garantía mueble de este Contrato de Subarrendamiento.

XX. DERECHO A SUBSANAR EL INCUMPLIMIENTO DE LAS OBLIGACIONES.

En caso de que el SUBARRENDATARIO no cumpla con cualesquier término o estipulación contenida en este Contrato (excepto la falta de pago de rentas y cuota de mantenimiento), el SUBARRENDADOR podrá, sin estar obligado a ello, y en cualquier momento después de aviso por escrito dado con [***] días, subsanar dicho incumplimiento, incluyendo la aplicación de mecanismos de restauración en caso de contaminación o hacer reparaciones a la Propiedad Subarrendada, por cuenta y a cargo del SUBARRENDATARIO. Si el SUBARRENDADOR, en virtud de dicho incumplimiento, paga cualesquier cantidad de dinero o incurre en cualquier gasto, incluyendo honorarios de abogados, las cantidades que haya pagado o erogado junto con todos los intereses, costos y daños, serán pagados por el SUBARRENDATARIO al SUBARRENDADOR el primer día del mes siguiente en que dichos gastos fueron incurridos.

Si cualquier pago de renta o cualesquier otro pago no son efectuados inmediatamente después de ser exigibles, generarán intereses a razón del [***] ([***]%) por ciento mensual a partir de la fecha en que se hicieran exigibles, hasta su liquidación total. Esta estipulación no se entenderá como liberación del SUBARRENDATARIO de cualquier incumplimiento al efectuar los pagos a tiempo y en la forma que se establece en este Contrato. Los intereses, gastos y daños mencionados anteriormente, serán cobrados del SUBARRENDATARIO mediante el ejercicio por

claim damage, to immediately rescind this Sublease Agreement and evict SUBLESSEE from the Subleased Property, without affecting the rights of SUBLESSOR under the terms of paragraph A), 1) of this Clause, and particularly the right to collect the remaining rents for the contractual Sublease Term. Likewise, in the event of rescission of this Sublease Agreement, both parties agree that the improvements, such as expansion in the office area, treatment plant, equipment in the production area, warehouse, cafeteria, etc., to be carried out in both Phase 1 and Phase 2, referred to in the third paragraph of subsection C of Clause II herein, are a collateral of this sublease contract.

XX. RIGHT TO CURE DEFAULTS.

In the event of SUBLESSEE's breach of any term or provision herein, (except payment of rents and maintenance fee), SUBLESSOR may, without any obligation to do so at any time after [***] days written notice, cure such breach or default including the application of mechanisms of restoration in the event of contamination or make repairs to the Subleased Property, for the account and at the expense of SUBLESSEE. If SUBLESSOR, by reason of such breach or default, pays any money or is compelled to incur any expense including attorney's fees, the sums so paid or incurred by SUBLESSOR with all interest, cost and damages, shall be paid by SUBLESSEE to SUBLESSOR on the first day of the month after incurring such expenses.

If any installment of rent or any other payment is not paid promptly when due, it shall bear interest of [***] ([***]%) percent monthly from the date on which it becomes delinquent until paid. This provision is not intended to relieve SUBLESSEE from any default in the making of any payment at the time and in the manner herein specified. The foregoing interest, expenses and damages shall be recoverable from SUBLESSEE by exercise of SUBLESSOR's right to recover damages under this Clause. Nothing in this Clause affects the right of SUBLESSOR to indemnification by

parte del SUBARRENDADOR del derecho de obtener pago de daños y perjuicios en los términos de esta Cláusula. Nada de lo contenido en la presente Cláusula afecta el derecho del SUBARRENDADOR para ser indemnizado por el SUBARRENDATARIO, por la responsabilidad derivada antes de la terminación de este Contrato por lesiones o daños a la propiedad.

XX. RENUNCIA.

En caso de que el SUBARRENDADOR o el SUBARRENDATARIO no exijan que la otra parte cumpla con cualquiera de las obligaciones contenidas en este Contrato, esto no será interpretado como renuncia a exigir el cumplimiento de la misma obligación o de otras obligaciones en forma subsecuente. Cualquier consentimiento o aprobación no se considerará como renuncia o como innecesaria la aprobación o consentimiento para actos similares o subsecuentes del SUBARRENDATARIO o del SUBARRENDADOR.

XXII. CERTIFICACIONES.

El SUBARRENDATARIO, dentro de los [***] días siguientes al recibo de la solicitud por escrito del SUBARRENDADOR, deberá entregar al SUBARRENDADOR una declaración por escrito certificando que este Contrato no ha sido modificado y se encuentra en vigor (o en caso de que haya habido modificaciones, que las mismas están vigentes en los términos realizadas); las fechas en que las rentas y otros cargos hayan sido pagados por adelantado; y que las Mejoras del SUBARRENDADOR han sido terminadas en forma satisfactoria. Es la intención que dicha declaración pueda ser tomada en cuenta por cualquier persona, posible comprador o institución financiera interesada en la Propiedad Subarrendada.

XXIII. RETENCIÓN DE LA PROPIEDAD SUBARRENDADA.

Si el SUBARRENDATARIO permanece en posesión de la Propiedad Subarrendada, como consecuencia de su negligencia u omisión, después del vencimiento de este Contrato, el SUBARRENDATARIO pagará al SUBARRENDADOR una pena convencional mensual igual al [***] ([***]%) por ciento sobre el importe de la renta mensual, a partir de la fecha de vencimiento del Contrato de Subarrendamiento y hasta en tanto el SUBARRENDATARIO haya

SUBLESSEE for liability arising prior to the termination of this Sublease for personal injuries or property damage.

XX. WAIVER.

In the event SUBLESSOR or SUBLESSEE does not compel the other to comply with any of the obligations hereunder, such action or omission shall not be construed as a waiver of a subsequent breach of the same or any other provision. Any consent or approval shall not be deemed to waive or render unnecessary the consent or approval of any subsequent or similar act by SUBLESSEE or SUBLESSOR.

XXII. CERTIFICATES.

SUBLESSEE shall, within [***] days of receipt of a written request made by SUBLESSOR, deliver to SUBLESSOR a statement in writing certifying that this Sublease Agreement is unmodified and in full force and effect (or if there have been modifications, that the same are in full force and effect as modified); the dates to which the rent and any other charges have been paid in advance, and that SUBLESSOR's Improvements have been satisfactorily completed. It is intended that any such statement may be relied upon by any person, prospective purchaser or lending institution interested in the Subleased Property.

XXIII. HOLDING OVER.

If SUBLESSEE should remain in possession of the Subleased Property, due to SUBLESSEE's omission or negligence, after the expiration of this agreement, SUBLESSEE shall pay SUBLESSOR a monthly penalty equal to [***] ([***]%) percent of the amount of the monthly rent, as of the expiration date of the Sublease Agreement until SUBLESSEE has delivered to SUBLESSOR possession of the Subleased property or executed a new Sublease Agreement. This provision shall not be construed

entregado al SUBARRENDADOR la posesión de la Propiedad Subarrendada, o celebrado un nuevo Contrato de Subarrendamiento. Esta estipulación no será interpretada en el sentido de que se otorga derecho alguno al SUBARRENDATARIO para permanecer en posesión de la Propiedad Subarrendada después de la terminación del Término del Subarrendamiento. El SUBARRENDATARIO deberá indemnizar al SUBARRENDADOR contra cualesquier pérdida o responsabilidad que resulte de la demora en la entrega de la Propiedad Subarrendada, si dicha pérdida o responsabilidad se funda en tal demora. Las partes convienen en que el SUBARRENDATARIO deberá desocupar y entregar la PROPIEDAD SUBARRENDADA a la terminación de este Contrato de Subarrendamiento.

XXIV. ENTREGA.

El último día del término de este Contrato de Subarrendamiento o antes, en caso de que sea terminado anticipadamente de acuerdo con lo establecido en otras disposiciones de este Contrato de Subarrendamiento, el SUBARRENDATARIO deberá desocupar y entregar la Propiedad Subarrendada, limpia, en buenas condiciones, junto con todas las alteraciones, adiciones y mejoras que hayan sido hechas en la misma, excepto por mobiliario, maquinaria y equipo propiedad del SUBARRENDATARIO salvo diversa autorización por escrito por el SUBARRENDADOR. A la terminación de este Contrato, el SUBARRENDATARIO deberá retirar inmediatamente todos sus bienes, excepto por lo mencionado anteriormente, y todo aquello que no haya sido retirado se considerará abandonado por el SUBARRENDATARIO. El SUBARRENDATARIO deberá reparar cualesquier daño y perjuicio causado a la Propiedad Subarrendada por el retiro de los bienes del SUBARRENDATARIO.

XXV. USO Y GOCE PACIFICO.

El SUBARRENDADOR conviene que el SUBARRENDATARIO, mediante el pago de las rentas y demás cantidades que se establecen en este Contrato y mediante el cumplimiento de todos los términos y disposiciones de este Contrato de Subarrendamiento, podrá ocupar y disfrutar en forma legal y pacífica la Propiedad Subarrendada durante el Término del Subarrendamiento.

as granting any right to SUBLESSEE to remain in possession of the Subleased Property after the expiration of the Sublease term. SUBLESSEE shall indemnify SUBLESSOR against any loss or liability resulting from the delay by in surrendering the subleased Property, if such loss or liability is founded on said delay. The parties agree that SUBLESSEE shall quit and surrender the Subleased Property at the expiration of this Sublease Agreement.

XXIV. SURRENDER.

On the last day of the term of this Sublease Agreement, or the sooner termination thereof pursuant to other provisions hereof, SUBLESSEE shall quit and surrender the Subleased Property, broom clean, in good condition together with all alterations, additions and improvements that may have been made to the same, except furniture, machinery and equipment owned by SUBLESSEE, unless otherwise authorized in writing by SUBLESSOR. Upon the termination of this Sublease Agreement, SUBLESSEE shall immediately remove all of its property, with the exception noted above, and all property not removed shall be deemed abandoned by SUBLESSEE. SUBLESSEE shall immediately repair any and all damage caused to the Subleased Property by the removal of SUBLESSEE's property.

XXV. PEACEFUL ENJOYMENT.

SUBLESSOR agrees that SUBLESSEE, upon paying the rent and all other charges provided for herein and upon complying with all of the terms and provisions of the Sublease Agreement, shall lawfully and quietly occupy and enjoy the Subleased Property during the Sublease Term without disturbance from anyone.

XXVI. DISPOSICIONES MISCELÁNEAS

A. Este documento contiene todas las condiciones y acuerdos entre las partes y no podrá ser modificado verbalmente ni en alguna otra manera, sino mediante convenio escrito firmado por los representantes autorizados de ambas partes.

B. Si cualquier término, pacto, condición o previsión de este Contrato o la aplicación del mismo a cualquier persona o circunstancia, es declarado inválido, nulo o no ejecutable en cualquier grado por un tribunal competente, el resto de los términos, pactos, condiciones o previsiones de este Contrato o la aplicación del mismo a cualquier persona o circunstancia, deberán permanecer en plena vigencia y en ninguna forma resultarán por ello afectados, objetados o invalidados.

C. En caso de que cualquiera de las partes entablara acción judicial en contra de la otra parte por la posesión de la Propiedad Subarrendada, o para el pago de cualquier cantidad a que se refiere este Contrato, o en virtud de incumplimiento de cualquier estipulación en los términos de este Contrato, la parte que obtenga sentencia favorable tendrá derecho a cobrar de la otra los gastos y costas correspondientes, incluyendo honorarios de abogados.

D. Todos los pagos y obligaciones que se requieren conforme a este Contrato de Subarrendamiento serán hechos y ejecutados precisamente en la fecha señalada para ello y excepto por los períodos de gracia específicos, no se permitirá ningún retraso o ampliación de los mismos.

E. Los títulos y subtítulos de las Cláusulas de este documento no tendrán efecto alguno en la interpretación de los términos y disposiciones de este Contrato de Subarrendamiento.

F. El SUBARRENDADOR reconoce haber recibido del SUBARRENDATARIO la cantidad de **US\$[***] Doláres ([***] Doláres [***] Moneda de Curso Legal en los Estados Unidos de America)** equivalente a **[***] meses** de renta, como depósito en garantía por el cumplimiento de las obligaciones asumidas por el SUBARRENDAMIENTO en este Contrato de SUBARRENDATARIO, incluyendo pero no limitado al pago de rentas, pasivos laborales, daños ambientales o contaminación a la Propiedad Subarrendada, y será devuelto al

XXVI. MISCELLANEOUS.

A. This document contains all of the agreements and conditions made between the parties, and may not be modified orally or in any manner other than by a written agreement signed by the authorized representatives of the parties.

B. If any term, covenant, condition or provision of this Sublease, or the application thereof to any person or circumstances, shall to any extent be held by a court of competent jurisdiction, to be invalid, void or unenforceable, the remaining terms, covenants, conditions or provisions of this Sublease or the application thereof to any person or circumstances, shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

C. In the event that either party should bring an action against the other party for the possession of the Subleased Property or for the recovery of any sum due hereunder, or because of the breach of default of any covenant in this Sublease Agreement, the prevailing party shall have the right to collect from the other party its relevant costs and expenses, including attorney's fees.

D. Every payment and performance required by this sublease Agreement, shall be paid and performed on the date specified for such payment or performance and except for the specific grace periods herein, no delay or extension thereof shall be permitted.

E. The titles and subtitles to the Clauses of this document shall have no effect on the interpretation of the terms and provisions contained in this Sublease Agreement.

F. SUBLESSOR hereby acknowledges having received from SUBLESSEE the amount of **US\$[***] Dollars ([***] Dollars [***] Legal Currency of the United States of America)**, equivalent to **[***] months** of rent as deposit in guaranty for compliance of the obligations assumed hereunder by SUBLESSEE, including but not limited to payment of rents, labor liens environmental damage or contamination of the Subleased Property and shall be reimbursed to SUBLESSEE by SUBLESSOR upon termination of the Sublease Agreement, and following **[***] business days**, once

SUBARRENDATARIO por el SUBARRENDADOR al término de este Contrato de Subarrendamiento, dentro de los [***] días hábiles siguientes a que el SUBARRENDATARIO compruebe que no existen pagos pendientes en relation con las obligaciones asumidas en este contrato y en específico las relativas a entregar la Propiedad Subarrendada en buenas condiciones y al pago de servicios publicos, a satisfacción del SUBARRENDADOR, de otra forma el SUBARRENDADOR queda expresamente autorizado a utilizar tal depósito para cubrir las cantidades adeudadas por cualquier concepto al SUBARRENDADOR a la terminación del Contrato de Subarrendamiento.

G. Las partes convienen que este Contrato de Subarrendamiento estará regido por las Leyes del Estado de Baja California.

H. Para todo lo relativo a la interpretación y cumplimiento de este Contrato de Subarrendamiento, las partes expresamente se someten a la jurisdicción de los Tribunales Civiles de la Ciudad de **Tijuana**, Estado de **Baja California**, renunciando expresamente a cualquier otro fuero que por razón de su domicilio presente o futuro o por cualquier otra causa pudiera llegar a corresponderles.

I. Siempre que se requiera el previo consentimiento de alguna de las partes, ya sea por escrito o manifestado en cualquier otra forma, como condición para que la otra parte ejecute algún acto, dicha parte conviene no denegar tal consentimiento en forma arbitraria.

J. Cada una de las partes se obliga a firmar aquellos documentos adicionales que requiera la otra parte, pero solamente hasta en la medida en que dicho documento tenga por objeto dar efectos legales a los derechos establecidos en este Contrato de Subarrendamiento.

K. La entrega de este documento para su revisión y firma por el SUBARRENDATARIO, no constituye reserva de, ni opción de subarrendamiento, y no tendrá valor alguno como Contrato de Subarrendamiento mientras no sea firmado y entregado por ambas partes, SUBARRENDADOR y SUBARRENDATARIO.

L. Este Subarrendamiento, y cada uno de sus términos y disposiciones, serán obligatorios, y redundarán en beneficio de las partes y sus respectivos sucesores o cesionarios, sujetos a las previsiones aquí estipuladas. Cuando se haga

SUBLESSEE provides evidence that all obligations have been complied with and that there are no pending payments in relation to the obligations assumed herein at SUBLESSOR's satisfaction, otherwise SUBLESSOR is expressly authorized to use such deposit to cover amounts owed under any title to SUBLESSOR at the termination of the sublease Agreement.

G. The parties agree that this Sublease Agreement shall be governed by the Laws of the State of Baja California.

H. For everything pertaining to the interpretation and compliance of this Sublease Agreement the parties thereby expressly submit to the jurisdiction of the Civil Courts of the City of **Tijuana**, State of **Baja California**, expressly waiving any other jurisdiction which might be applicable by reason of their present or future domiciles or otherwise.

I. Whenever the prior consent of either party, written or otherwise, is required as a condition for any act by the other party under this Sublease Agreement, such party agrees not arbitrarily to withhold such consent.

J. Each party shall execute such further documents as shall be requested by the other party, but only to the extent that the effect of said documents is to give legal effect to rights set forth in this Sublease Agreement.

K. Submission of this instrument for examination or signature by SUBLESSEE does not constitute a reservation of or option to sublease, and it is not effective as a sublease or otherwise until execution and delivery by both SUBLESSOR and SUBLESSEE.

L. This Sublease Agreement and each of its covenants and conditions shall be binding upon and shall inure to the benefit of the parties hereto and their respective assignees, subject to the provisions hereof. Whenever in this Sublease a

referencia al SUBARRENDADOR en el presente Subarrendamiento, dicha referencia se entenderá que se refiere a la persona que represente los intereses del SUBARRENDADOR. Cualquier sucesor o cesionario del SUBARRENDATARIO que acepte la cesión a los beneficios del presente Contrato y tome posesión o goce en este contrato, asume y acepta las obligaciones y condiciones aquí estipuladas.

M. El SUBARRENDADOR conviene con el SUBARRENDATARIO que, si lo requiere el SUBARRENDATARIO, el SUBARRENDADOR construirá cualesquier mejora adicional en el edificio sujeto a los términos y condiciones relativos a las mismas, según se establece en este Contrato de Subarrendamiento.

N. Garantía. Queda claramente entendido que el SUBARRENDADOR ha convenido celebrar este Subarrendamiento con el SUBARRENDATARIO debido a las garantías que serán presentadas por el SUBARRENDATARIO. En consecuencia, el SUBARRENDATARIO acuerda y asegura que se otorgará una Garantía, en la forma y términos del **Anexo “G”** de este contrato y misma que será otorgada por parte de **OUTSET MEDICAL, INC.**, para asegurar la sujeción del SUBARRENDATARIO a todos los compromisos, condiciones, obligaciones, incluyendo aquellos relativos a la aplicación de mecanismos de restauración en caso de un daño o contaminación ambiental de la Propiedad Subarrendada, responsabilidades y convenios según se establecen en este Contrato de Subarrendamiento.

O. Carta de Crédito. Adicionalmente el SUBARRENDATARIO otorga al SUBARRENDADOR la Carta de Crédito (en lo sucesivo la “Carta de Crédito”) de la cual se adjunta una copia al presente contrato como **Anexo “H”** a fin de garantizar el cumplimiento de la totalidad de sus obligaciones así como la liquidación de cualquier pago o penalidad que le corresponda al SUBARRENDATARIO de acuerdo con este contrato misma que deberá garantizar un monto equivalente a [***] meses de rentas base y cuotas de mantenimiento, incluyendo la cantidad correspondiente a impuesto predial, seguros, impuestos y demás erogaciones a cargo del SUBARRENDATARIO que se dispongan en el presente contrato; la Carta de Crédito podrá ser sustituida por una que garantice un monto de [***] meses de renta y demás cuotas mencionadas, previa autorización del SUBARRENDADOR

reference is made to SUBLESSOR, such reference shall be deemed to refer to the person in whom the interest of the SUBLESSOR hereunder shall be vested. Any successor or assignee of SUBLESSEE who accepts an assignment of the benefit of this Sublease and enters into possession or enjoyment hereunder shall thereby assume and agree to perform and be bound by, the covenants and conditions hereof.

M. SUBLESSOR hereby agrees with SUBLESSEE that, if so requested by SUBLESSEE, SUBLESSOR shall construct any additional Improvements in the building subject to the stipulations, terms and conditions as established elsewhere in this Sublease Agreement.

N. Guaranty. It is clearly understood that SUBLESSOR has been induced to enter into this Sublease with SUBLESSEE due to the guaranties to be submitted by SUBLESSEE. Consequently, SUBLESSEE hereby agrees and assures that a Guaranty under the form and terms of **Exhibit “G”** attached hereto, and it is will be granted by **OUTSET MEDICAL, INC.**, to insure the adherence by SUBLESSEE of all of the conditions, covenants, obligations, including those concerning the application of mechanisms of restoration in the event of an environmental damage and contamination of the Subleased Property, liabilities and agreements set forth in this Sublease Agreement.

O. Letter of credit. In addition, SUBLESSEE grants SUBLESSOR the Letter of Credit (hereinafter the “Letter of Credit”) of which a copy is attached to this agreement as **Exhibit “H”** in order to guarantee the fulfilment of all its obligations as well as the settlement of any payment or penalty corresponding to the SUBLESSEE in accordance with this agreement which shall warrant an amount equivalent to [***] months of base rent and maintenance fees, including, the amount corresponding to property tax, insurance, taxes and other expenditures in charge of the SUBLESSEE that are provided herein; Such Letter of Credit may be changed for one warranting an amount of [***] months of rent and other mentioned fees, previous SUBLESSOR’s authorization, when: (i) the net profits for Guarantor’s immediately preceding fiscal or calendar year end (from ordinary business operations, without considering

siempre y cuando: (I) las ganancias netas, para el GARANTE para el fin del año fiscal o año calendario inmediatamente anterior (proveniente de operaciones comerciales ordinarias, y sin considerar ingresos extraordinarios) sean igual o mayor que [***], (ii) el capital contable del Garante sea equivalente a [***] (iii) sus activos circulantes de pronta realización de [***]. La Carta de Crédito que se presente deberá renovarse y entregarse al SUBARRENDADOR a mas tardar dentro de los primeros [***] días calendario del [***] mes de cada período anual.

En el caso de que el Garante no cumpla con el limite de beneficio neto establecido en el inciso “(i)” del párrafo anterior, pero si para el final del año 2021 el Garante tiene liquidez en efectivo (según los estados financieros actualizados a esa fecha), suficiente para satisfacer las proyecciones de inversion y gastos del Garante señalados para llevarse a cabo tanto en la Fase 1 como en la Fase 2 a que se refieren en el tercer parrafo del inciso C de la Cláusula II de este Contrato, el Garante podia ajustar fa Carta de Crédito a un monto equivalente a los siguientes [***] meses de obligaciones del arrendamiento, siempre que en la fecha de renovación de la Carta de Crédito, los estados financieros del Garante demuestren que tiene liquidez suficiente para pagar sus inversiones en Mejoras de ARRENDATARIO y sus costos operativos durante la duracion del Arrendamiento.

P. Sistemas contra INCENDIOS y de Seguridad Civil. El SUBARRENDADOR garantiza que la Propiedad Subarrendada cuenta con el sistema básico contra incendio, con las características técnicas que se detallan en el **Anexo “I”** de este Contrato, así como con las salidas de emergencia estándares de acuerdo con el edificio, ambas sin considerar la actividad industrial del SUBARRENDATARIO, por lo que en este acto, el SUBARRENDATARIO se obliga a dar el debido mantenimiento y cuidado al sistema contra incendios de la Propiedad Subarrendada y en caso de ser necesario o requerido de acuerdo a su actividad de negocios, a mejorar el sistema contra incendios de la Propiedad Subarrendada, a efecto de que cumpla exhaustivamente con las disposiciones normativas municipales y la Norma Oficial Mexicana NOM-002-STPS-2010, relativa a las condiciones de seguridad para la prevención y protección contra incendios en los centros de trabajo, y también se obliga a certificar ante las autoridades municipales y estatales competentes que la Propiedad Subarrendada cumple con los requerimientos en materia de protección civil,

extraordinary income) are equal to or greater than [***], (ii) Guarantors net stockholders’ equity is equivalent to [***] (iii) Current assets of Guarantor must be equal to at least [***]. The letter of Credit shall be renewed and delivered to the SUBLESSOR no later than during the first [***] calendar days of the [***] month of each annual period.

In the event that Guarantor does not meet the net profit threshold set forth in “(i)” of the previous paragraph, but by the end of the year 2021 Guarantor has liquidity in cash, (based on financial statements updated as of that date), sufficient to satisfy the projections of Guarantor’s investment and expenses set forth to be carried out in both Phase 1 and Phase 2, as referred to in the third paragraph of subsection C of Clause II herein, Guarantor may adjust the Letter of Credit to an amount equivalent to the next [***] months of Lease Obligations, so long as on the Letter of Credit renewal date, Guarantor’s financial statements demonstrate that it has liquidity sufficient to pay its investments in LESSEE’S Improvements and operating costs through the duration of the Lease.

P. Fire Deterrent Systems and Civil Security. SUBLESSOR guarantees that the Subleased Property has the basic system against fires with the specifications detailed in **Exhibit “I”** of this contract, as well as with the standard emergency exits according to the building, both without considering the industrial activity of SUBLESSEE, thereby SUBLESSEE hereby is bound to give the necessary maintenance to the fire deterrent system of the Subleased Property and if needed or required according to its business activity, to improve it, so that it complies exhaustively with applicable municipal regulations and the Official Mexican Regulation NOM-002-STPS-2010, relative to the security conditions to prevent and protect against fire in the workplace, and is also bound to certify before the competent municipal and state authorities that the Subleased Property complies with the requirements in the field of civil protection, by the elaboration and authorization of a Civil Protection Internal Program considering the risk presented by the industrial activity, the operations, the number of employees and the distribution of the facilities of the SUBLESSEE.

mediante la elaboración y autorización de un Programa Interno de Protección Civil, considerando el riesgo que presente la actividad industrial, operaciones, número de empleados y distribución de las instalaciones del SUBARRENDATARIO. El SUBARRENDATARIO será responsable de mejorar y modificar a su propio costo el sistema básico instalado originalmente para la nave inventarlo, según se describe anteriormente, en caso de que cualquier nueva regulación o norma oficial requiera una modificación al sistema básico requerido para dicho tipo de edificio.

De igual forma, el SUBARRENDATARIO deberá, bajo su propia responsabilidad, certificar ante las autoridades competentes en materia de protección civil y bomberos, que su operación no sobrepasa los cupos máximos de personal permitidos en base a las dimensiones de la Propiedad Subarrendada.

Q. El presente Contrato se firma en Español e Inglés, y en caso de que resultare alguna inconsistencia con respecto a su interpretación, prevalecerá la versión en Español.

PARA CONSTANCIA, las partes han celebrado este Contrato de Subarrendamiento en la Ciudad de **Tijuana**, Estado de **Baja California**, México, a los **05 días de Mayo de 2020**.

EL SUBARRENDADOR:
Inmobiliaria IAMSA, S.A. de C.V.

/s/ Eduardo Mendoza Larios

Sr. Eduardo Mendoza Larios

EL SUBARRENDATARIO:
BAJA FUR S.A. DE C.V.

/s/ Oswaldo Alberto Diaz Herrera

Sr. Oswaldo Alberto Diaz Herrera

SUBLESSEE will be responsible to improve and modify at its own cost the basic system originally installed for the shell building as described above, in case that any new regulation or official specification requires any improvement for the basic system required for such type of building.

In the same manner, SUBLESSEE, under its own responsibility, shall certify before the competent authorities in the field of civil protection and before the Fire Prevention Authorities, that its operation does not exceed the maximum number of employees allowed based on the dimensions of the Subleased Property.

Q. This Agreement is executed in the Spanish and English and in the event any inconsistency arises regarding its interpretation, the Spanish version shall prevail.

IN WITNESS WHEREOF, the parties have executed this Sublease Agreement in the city of **Tijuana**, State of **Baja California**, Mexico, on the **5th day of May, 2020**.

SUBLESSOR:
Inmobiliaria IAMSA, S.A. de C.V.

/s/ Eduardo Mendoza Larios

Mr. Eduardo Mendoza Larios

SUBLESSEE:
BAJA FUR S.A. DE C.V.

/s/ Oswaldo Alberto Diaz Herrera

Mr. Oswaldo Alberto Diaz Herrera

**EL GARANTE:
OUTSET MEDICAL, INC.**

/s/ Martin Vazquez

Martin Vazquez

**TESTIGOS:
*/s/ Carlos Uribe***

Carlos Uribe

**GUARANTOR:
OUTSET MEDICAL, INC.**

/s/ Martin Vazquez

Martin Vazquez

**WITNESSES:
*/s/ Carlos Uribe***

Carlos Uribe

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

PRIMER CONVENIO MODIFICATORIO que celebran por una parte, **INMOBILIARIA IAMSA S.A. de C.V.**, representada en este acto por el señor Eduardo Mendoza Larios en lo sucesivo referido como el SUBARRENDADOR, y **BAJA FUR S.A. DE C.V.**, en lo sucesivo referido como el SUBARRENDATARIO, representada por su representante legal, el Sr. Oscar Guillermo Anaya Medina, con la comparecencia y consentimiento de **OUTSET MEDICAL INC.**, en lo sucesivo referido como el GARANTE, y que formalizan al tenor de las siguientes DECLARACIONES y CLÁUSULAS.

DECLARACIONES

Declaran ambas partes:

I. Que el SUBARRENDADOR y el SUBARRENDATARIO celebraron un Contrato de Subarrendamiento con fecha del 5 de mayo de 2020 (en lo sucesivo el “Contrato de Subarrendamiento”) donde el SUBARRENDADOR otorgó en subarrendamiento la Propiedad Subarrendada (según dicho termino se define en el Contrato de Subarrendamiento, mismo que en este acto se tiene por reproducido como si a la letra se instare), cuyo domicilio oficial es: C. Vecinal #20601, Módulos J y K, Col. Presa Rodriguez, Tijuana, B.C. C.P. 22124.

II. Que es voluntad celebrar este Primer Convenio Modificatorio, considerando que las partes requieren modificar diversos apartados del Contrato de Subarrendamiento.

III. Que los poderes de representación bajo los cuales los apoderados representan el SUBARRENDADOR y al SUBARRENDATARIO se encuentra todavía vigentes y que los mismos no han sido revocados o limitados de ninguna manera, y consecuentemente los mismos se reconocen mutuamente su representación y capacidad para todos los efectos legales.

FIRST AMENDMENT AGREEMENT entered into by and between **INMOBILIARIA IAMSA S.A. de C.V.**, herein represented by Mr. Eduardo Mendoza Larios, hereinafter referred to as SUBLESSOR, and **BAJA FUR S.A. DE C.V.**, hereinafter referred to as SUBLESSEE, represented by its legal representative, Mr. Oscar Guillermo Anaya Medina, with the presence and consent of **OUTSET MEDICAL, INC.**, hereinafter referred to as the GUARANTOR, pursuant to the following RECITALS and CLAUSES.

RECITALS

Both parties declare:

I. That SUBLESSOR and the SUBLESSEE have entered into a Sublease Agreement dated May 5th, 2020 (hereinafter referred to as the “Sublease Agreement”) whereby SUBLESSOR subleased in favor of SUBLESSEE the Subleased Property (as such term is defined in the Sublease Agreement, same which is hereby considered reproduced as if literally inserted), with an official address: “C. Vecinal #20601, Módulos J y K, Col. Presa Rodriguez, Tijuana, B.C. C.P. 22124.”

II. That it is their intention to execute this First Amendment Agreement, in order to modify several sections of the Sublease Agreement.

III. That the powers of attorney under which SUBLESSOR and SUBLESSEE are being represented, are still in effect, and that such have not revoked or limited in any manner, and consequently they mutually acknowledge their representation and capacity for all legal purposes;

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De acuerdo con lo anterior, las partes acuerdan las siguientes:

Pursuant to the above the parties agree as follows:

CLÁUSULAS

CLAUSES

PRIMERA. OBJETO. Las partes acuerdan modificar lo previsto en el Apartado C de la Cláusula II; Apartado B de la Cláusula XIX; y Apartado O de la Cláusula XXVI del Contrato de Arrendamiento, dichas modificaciones se harán en los términos que a continuación se establecen para quedar en lo sucesivo, redactadas como sigue:

FIRST. OBJECT. The parties agree to modify the provisions of Section C of Clause II; Section B of Clause XIX; and Section O of Clause XXVI, of the Lease Agreement, such modifications will be made under the terms established below to be hereinafter, drawn up as follows:

“II. CONSTRUCCIONES O MODIFICACIONES A LAS MEJORAS DEL SUBARRENDADOR.

“II. CONSTRUCTIONS OR MODIFICATIONS TO IMPROVEMENTS BY SUBLESSOR.

A. a B...

A. to B...

*C. Las Mejoras Contractuales, o cualquier mejora autorizada por el SUBARRENDADOR, que amplie la superficie rentable dentro de la Propiedad Subarrendada, es decir, aquellas que aumenten la superficie utilizable dentro o fuera de la Propiedad Subarrendada, cualquiera que sea su naturaleza, incluyendo pero no limitado a mezzanine, cafetería, ampliación de oficinas, almacenes, laboratorios, cuartos de máquinas, planta de producción y espacios de estacionamiento adicional más allá de los [***] espacios de estacionamiento que forman parte de la superficie rentable, se consideraran por las partes como superficie rentable, y por consiguiente como parte de la Propiedad Subarrendada bajo este Contrato, por lo cual el valor de renta de la misma será negociado oportunamente por el SUBARRENDADOR y el SUBARRENDATARIO, considerando la superficie, su naturaleza, materiales de construcción y acabados de la misma según su destino. En cualquier caso, las anteriores precisiones y cualesquier otras necesarias constarán por escrito y serán firmadas por las partes.*

*C. The Contractual Improvements, or any improvement authorized by SUBLESSOR that expand leasable floor area within the Subleased Property, meaning those ones that increase the usable floor area within or without the Subleased Property, whatever its nature, including but not limited to a mezzanine, cafeteria, expansion of offices, warehouses, lab rooms, machinery rooms, production floor, and any additional parking beyond the [***] parking spaces which are included in the rental area, will be considered by the parties as rental area, and thus part of the Subleased Property under this Agreement, for which rent value will be timely negotiated by SUBLESSOR and SUBLESSEE, considering the area, its nature, construction materials and furnishings of the same, considering its purpose. In any event, all such precisions and others necessary shall be agreed on writing and executed by the parties.*

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*Prevía aprobación por escrito del SUBARRENDADOR, la cual no deberá ser retenida injustificadamente, el SUBARRENDATARIO podrá construir a su propio costo un Mezzanine sobre el piso de producción sin que la superficie de dicho Mezzanine se considere superficie rentable, siempre que su superficie rentable, siempre que su superficie sea de [***] pies cuadrados o menos; cualquier excedente del área de [***] pies cuadrados deberá ser autorizado por el SUBARRENDADOR previamente y se considerará como superficie arrendable y será sujeta al pago de renta en base al pago de renta por pie cuadrado vigente en ese momento. Además, el área de materiales peligrosos, la subestación eléctrica, las salas de compresores, los tanques de tratamiento y de retención de agua, y cualquier equipo futuro ubicado en el área de la plataforma del equipo y en los andenes de carga no se considerará superficie arrendable adicional. A solicitud del SUBARRENDADOR, cualquier Mezzanine o equipo construido por el SUBARRENDATARIO deberá ser removido al finalizar este Contrato de Subarrendamiento y cualquiera de sus extensiones.*

D. a H... ”

*With prior written approval of SUBLESSOR, which approval may not be unreasonably withheld, SUBLESSEE may build at its own cost a Mezzanine over the production floor without such Mezzanine being considered as rental area, as long the area is [***] square feet or less; any excess area over [***] square feet shall be approved previously by SUBLESSOR and will be considered as rental area and will be subject to payment of rent at the then current base rent per square foot. Additionally, the hazardous materials area, the electrical substation, compressor rooms, water treatment and holding tanks, and any future equipment located in the equipment pad area and dock wells shall not be considered additional leasable area. At the request of SUBLESSOR, any such Mezzanine or equipment constructed by SUBLESSEE shall be removed upon termination of this Sublease Agreement and any of its extensions.*

D. to H... ”

“XIX. INCUMPLIMIENTO POR PARTE DEL SUBARRENDATARIO.

...
B. En cualquiera de los casos anteriores y sujeto a las disposiciones de notificación establecidas en esta Cláusula, el SUBARRENDADOR a su opción tendrá el derecho, además de utilizar cualesquier recurso otorgado por la ley, de reclamar daños, de rescindir de inmediato este Contrato de Subarrendamiento y exigir al SUBARRENDATARIO la desocupación de la Propiedad Subarrendada, sin afectar los derechos del SUBARRENDADOR de acuerdo a los términos del párrafo A), 1) de esta Cláusula, y particularmente el derecho de recaudar las rentas restantes del Término de Subarrendamiento de este contrato.”

“XXVI. DISPOSICIONES MISCELANEAS

A. a N...

O. Carta de Crédito. Adicionalmente el SUBARRENDATARIO otorga al SUBARRENDADOR la Carta de Crédito (en lo sucesivo la “Carta de Crédito”) de la cual se adjunta una copia al presente contrato como **Anexo “H”** a fin de garantizar el cumplimiento de la totalidad de sus obligaciones así como la liquidación de cualquier pago o penalidad que le corresponda al SUBARRENDATARIO de acuerdo con este contrato y la Garantía misma que deberá garantizar un monto equivalente a [***] meses de rentas base y cuotas de mantenimiento, incluyendo la cantidad correspondiente a impuesto predial, seguros, impuestos y demás erogaciones a cargo del SUBARRENDATARIO que se dispongan en el presente contrato; La Carta de Crédito que se presente deberá renovarse y entregarse al SUBARRENDADOR a más tardar dentro de los primeros [***] días calendario del [***] mes de cada periodo anual.

P. a Q...”

SEGUNDA: SUSTITUCIÓN DE CARTA DE CRÉDITO: Acuerdan las partes que, a la fecha de celebración del presente convenio modificatorio, el SUBARRENDATARIO hace entrega y por tanto sustituye la Garantía y la Carta de Crédito contenidas en los Anexo

XIX. SUBLESSEE’s DEFAULT.

...
B. Upon the occurrence of any of the foregoing defaults and subject to the notice provisions set forth in this Clause, SUBLESSOR shall have the right, at its option, and in addition to other rights or remedies granted by law, including the right to claim damage, to immediately rescind this Sublease Agreement and evict SUBLESSEE from the Subleased Property, without affecting the rights of SUBLESSOR under the terms of paragraph A), 1) of this Clause, and particularly the right to collect the remaining rents for the contractual Sublease Term.”

“XXVI. MISCELLANEOUS.

A. to

O. Letter of credit. In addition, SUBLESSEE grants SUBLESSOR the Letter of Credit (hereinafter the “Letter of Credit”) of which a copy is attached to this agreement as **Exhibit “H”** in order to guarantee the fulfilment of all its obligations as well as the settlement of any payment or penalty corresponding to the SUBLESSEE in accordance with this agreement and the Guaranty which shall warrant an amount equivalent to [***] months of base rent and maintenance fees, including, the amount corresponding to property tax, insurance, taxes and other expenditures in charge of the SUBLESSEE that are provided herein. The letter of Credit shall be renewed and delivered to the SUBLESSOR no later than during the first [***] calendar days of the [***] month of each annual period.

P. a Q...”

SECOND: SUBSTITUTION OF EXHIBITS: The parties agree that, on the date of execution of this Amendment Agreement, SUBLESSEE delivers and therefore replaces the Guaranty and the Letter of Credit contained in Exhibits “G” and “H”

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

“G” y “H” mencionados en la Cláusula XXVI Apartado N y O del Contrato de Subarrendamiento, cuyo contenido deberá actualizarse y en consecuencia reflejar las modificaciones acordadas por las partes; documentos que se agregan al presente marcados como Anexo “A”—Garantía y Anexo “B”—Carta de Crédito. De conformidad con lo anterior, la Garantía y Carta de Crédito otorgados previamente junto con el Contrato de Subarrendamiento, se sustituyen por los aquí otorgados y quedan sin efecto a partir de la fecha de firma del presente instrumento.

TERCERA: OFERTA DEL CONTRATISTA. Acuerdan las partes que el SUBARRENDADOR podrá presentar una oferta para llevar a cabo la construcción de las Mejoras del SUBARRENDATARIO de la Propiedad Subarrendada, en el entendido que, el SUBARRENDATARIO, a su exclusivo criterio, decidirá quién será el contratista para dicha construcción.

CUARTA: Todo los otros términos y condiciones del Contrato de Subarrendamiento incluyendo las relativas a Garantía y Seguros, y todas las estipulaciones que ahí figuran, se mantienen válidas y en efecto tal cual fueron estipuladas en dicho Contrato de Subarrendamiento, par lo cual este Convenio Modificatorio no genera novación. Los términos en mayúscula utilizados en el presente y no definidos tendrán las significados que se les atribuyen en el Contrato de subarrendamiento.

QUINTA: Para todo lo relativo a la interpretación y cumplimiento de este Primer Convenio Modificatorio y el Contrato de Subarrendamiento, las partes expresamente se someten a la jurisdicción de los Tribunales de la Ciudad de Tijuana, Estado de Baja California, renunciando a cualquier otro fuero que por razón de su domicilio presente o futuro o por cualquier otra causa pudiera llegar a corresponderles.

mentioned in Clause XXVI Section N and O of the Sublease Agreement that is modified by this Amendment Agreement, the content of which shall be updated and in consequence shall reflect the modifications agreed by the parties; documents that are attached here in marked as Exhibit “A” - Guaranty and Exhibit “B”—Letter of Credit. In accordance with the foregoing, the Guaranty and Letter of Credit previously granted along with the Sublease Agreement, are replaced by the ones granted here in and are void as of the date of signature of this instrument.

THIRD: CONTRACTOR BID. The parties agree that the SUBLESSOR may submit a bid to carry out the construction of SUBLESSEE’s Improvements in the Subleased Property, in the understanding that, SUBLESSEE may decide at it sole discretion who will be the contractor for such construction.

FOURTH: All other terms and conditions of the Sublease Agreement, including the ones relative to the Guaranty and Insurance and all stipulations contained therein will remain and continue in full force and effect as contained in such Sublease Agreement, therefore this Amendment Agreement does not cause novation. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Sublease Agreement.

FIFTH: The parties hereunder agree that everything to the interpretation and compliance of this First Amendment Agreement and the Sublease Agreement, they expressly submit to the jurisdiction of the Civil Courts of the City of Tijuana, State of Baja California, expressly waiving any other jurisdiction which might be applicable by reason of their present or future domiciles or otherwise.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

PARA CONSTANCIA, las partes han celebrado el presente Primer Convenio Modificadorio al Contrato de Subarrendamiento en la Ciudad de Tijuana, Baja California, Mexico, a día 23 de junio del 2020.

IN WITNESS WHEREOF, the parties have executed this First Amendment Agreement to the Sublease Agreement in the city of Tijuana Baja California, Mexico, on the 23rd day of June of 2020.

**EL SUBARRENDADOR:
INMOBILIARIA IAMS A.S.A. de C.V.**

**SUBLESSOR:
INMOBILIARIA IAMS A.S.A. de C.V.**

/s/ Eduardo Mendoza Larios
Eduardo Mendoza Larios

/s/ Eduardo Mendoza Larios
Eduardo Mendoza Larios

**EL SABARRENDATARIO
BAJA FUR S.A. DE C.V.**

**SUBLESSEE:
BAJA FUR S.A. DE C.V.**

/s/ Oswaldo Alberto Díaz Herrera
Sr. Oswaldo Alberto Daz Herrera

/s/ Oswaldo Alberto Díaz Herrera
Mr. Oswaldo Alberto Díaz Herrera

**GARANTE:
OUTSET MEDICAL, INC.**

**GUARANTOR:
OUTSET MEDICAL, INC.**

/s/ Martin Vázquez
Sr. Martin Vázquez

/s/ Martin Vázquez
Mr. Martin Vázquez

TESTIGOS:

WITNESSES:

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

GUARANTY

This Guaranty is entered into between INMOBILIARIA IAMSA, S.A., de C.V. (hereinafter “IAMSAs” or “Landlord”) and Outset Medical Inc. (hereinafter “Guarantor”) regarding the following:

A. On or about May 6th, 2020; IAMSA, as Lessor/Landlord and Baja Fur S.A. de C.V. (Tenant) entered into a lease agreement (the Lease) for those certain premises (the Premises) located at Vie Verte Business Center in the City of Tijuana, Mexico.

B. This Guaranty incorporates by reference the terms of the Lease, a copy of which is attached hereto as Exhibit A.

C. IAMSA would not have entered into the Lease with Tenant without this Guaranty and the express promise by Guarantor to fulfill the obligations stated in this Guaranty.

D. If Guarantor merges with, is acquired by, or sells and/or disposes of more than 50% (fifty percent) of its assets to another company, Guarantor agrees to provide written notice to Landlord thereof, and any such merger, acquisition, or sale shall be conditioned upon the inclusion of a written provision whereby the surviving entity/entities, Parent Company of the surviving entity/entities, or Holding Company of the surviving entity/entities assumes all of Guarantor’s obligations under this Guarantee.

E. In consideration for IAMSA entering into the Lease with Tenant, Guarantor does hereby unconditionally guaranty to IAMSA, as Landlord, the following:

1. Guaranty of Payments and Performance. Guarantor agrees to make all payments and fulfill all covenants of Tenant under the Lease, including, but not limited to, Tenant’s obligation to pay: (a) rent; (b) insurance reimbursements; (c) additional rent; (d) common area charges; (e) late fees; (f) interest and penalties; and (g) any other costs or charges including reasonable attorneys’ fees and costs incurred by Landlord in connection with Tenant’s default under the Lease and any reasonable costs incurred by Landlord for restoration or remediation in the event of any environmental damage or contamination of the Leased Property (as such term is defined in the Lease). This agreement applies whether or not Tenant is in possession of the Premises.

2. Timing of Payments and Security Therefor. Guarantor shall faithfully perform and fulfill all terms, covenants, conditions, provisions and agreements to be performed by Tenant under the Lease. Guarantor agrees to pay any amount due within [***] days of the date of written demand by Landlord. In addition, Guarantor shall, within [***] days of the date of Landlord’s written demand, pay to Landlord any and all damages and expenses that may arise as a consequence of any default by Tenant under or pursuant to the Lease, including but not limited to all reasonable attorneys’ fees and costs advanced by Landlord, and any and all reasonable fees and costs associated with the repair and return of the Premises to the condition in which they were originally delivered to Tenant, normal wear and tear expected, or, at Landlord’s option, to a finished occupiable shell condition. As security for Guarantor’s obligations hereunder, during the five year term of the Lease, Guarantor will provide Landlord with a Letter of Credit (“LC”) in an amount equal to the outstanding Lease Obligations (“Lease Obligations” means rent, maintenance fees,

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property taxes, insurance, VAT, etc.) due according to the Lease pursuant to the following terms and conditions:

- i. In the event that the term of the LC is one year, it must be renewed annually and delivered to the Lessor at least one month prior to each anniversary of the Lease; and
- ii. Each LC must be in an amount sufficient to pay the Lease Obligations for the remaining term of the Lease as of the date each LC is issued.
- iii. Each LC shall be issued on terms that will permit Landlord to obtain payment for the amount(s) due pursuant to this Guarantee in the event of a default by Tenant that is not cured by Guarantor after the expiration of [***] days from the date of Landlord's written demand to Guarantor.

3. Guaranty Not Diminished. This Guaranty shall remain and continue in full force and effect and the obligations and liabilities of Guarantor hereunder shall in no way be affected, modified, diminished (other than indefeasible payment and performance in full of all rents and other payments due and payable by Tenant under the Lease) or discharged in whole or in part notwithstanding (whether prior or subsequent to the execution hereof) by reason of: (a) any assignment, sublease, renewal, modification, amendment or extension of the Lease; (b) any modification, alteration or waiver of or change in any of the terms, covenants, conditions, provisions, or agreements of the Lease; (c) any extension of time that may be granted by Landlord to Tenant; (d) any consent, release, indulgence or other action, inaction or omission under or in respect of the Lease; (e) any unilateral action of either Landlord or Tenant; or, (f) the dissolution, bankruptcy, insolvency, reorganization, liquidation, arrangement, assignment for the benefit of creditors, receivership, trusteeship or similar proceeding or event affecting Tenant, or (g) any other dealings or transactions occurring between Landlord and Tenant including, without limitation, any adjustments, compromises, settlements, accord and satisfactions, or releases, or any bankruptcy, insolvency, reorganization, arrangement, assignment for benefit of creditors, receivership, or trusteeship affecting Tenant. Guarantor hereby agrees that the liability of Guarantor shall be based upon the obligations of Tenant as set forth in the Lease, as altered, renewed, extended, modified, amended or assigned.

4. Unconditional Terms/Enforceability. This Guaranty is an absolute and unconditional contract of payment and performance by Guarantor of all obligations arising under or pursuant to the Lease. The obligations of Guarantor are continuing and independent of the obligations of Tenant. This Guaranty shall be enforceable against the Guarantor with the understanding that [***] business days written notice of breach of obligations has been previously delivered to Guarantor. In addition, Landlord shall have the option to institute and prosecute a separate action or actions against the Guarantor, whether or not any action is first or subsequently brought against Tenant, or whether or not Tenant is joined in any such action. Guarantor may be joined in any action or proceeding commenced by Landlord against Tenant arising out of, in connection with, or based upon the Lease. Guarantor waives any right to require Landlord to proceed against Tenant or pursue any other remedy in Landlord's power. Any sums recovered by Landlord, whether from Tenant or Guarantor, shall be credited against the outstanding obligations under the Lease, and this Guarantee and the obligations under this Guaranty shall be satisfied and extinguished to the extent of such payment.

10. Attorneys' Fees and Costs. In addition to the amounts guaranteed under this agreement, Guarantor agrees to pay reasonable attorneys' fees and all other costs and expenses incurred by Landlord in enforcing this Guaranty in any action or proceeding arising out of, or relating to, this Guaranty.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

11. Continuing Obligation. At any time within [***] days following written request by Landlord, Guarantor agrees to execute, acknowledge and deliver to Landlord a statement certifying that this Guaranty is unmodified and in full force and effect (or if there have been modifications that it is in full force and effect as modified). Guarantor agrees that such a certificate may be relied on by anyone holding or proposing to acquire any interest in the Lease or the Leased Property from or through Landlord or by any mortgagee or lessor, or prospective mortgagee, lessor or purchaser.

12. Rights Cumulative. All of Landlord's rights and remedies under the Lease and under this Guaranty are intended to be distinct, separate, and cumulative. No such rights and remedies are intended to be in exclusion or a waiver of any of the others. In the event that any other agreement is entered into by other persons or entities with respect to the Lease, this Guaranty shall be cumulative of any such agreement so that the liabilities of Guarantor hereunder shall be joint and several, and the liabilities of Guarantor hereunder shall in no event be affected or diminished by reason of any such other agreement.

13. Joinder of Parties. The obligations of Guarantors (if there are more than one Guarantor) are joint and several, and independent of the obligations of Tenant. Landlord who may bring and prosecute a separate action or actions against Guarantor(s), whether it brings an action against Tenant or joins Tenant in any action commenced. Guarantor(s) waive, to the fullest extent permitted by law, the benefit of any statute of limitations affecting their liability under this agreement or the enforcement of this agreement. Any payment by Tenant or other circumstances that operates to toll any statute of limitation as to Tenant shall also operate to toll the statute of limitations as to Guarantors.

14. Subordination. Any indebtedness of Tenant now or later held by Guarantor is subordinated to the indebtedness of Tenant to Landlord, and all indebtedness of Tenant to Guarantor, if Tenant so requests, shall be collected, enforced and received by Guarantor as trustees for Tenant and be paid over to Tenant on account of the indebtedness of Tenant to Landlord, without affecting or impairing in any manner the liability of Guarantor under the provisions of this Guaranty.

15. Capacity to Execute. Guarantor warrants and represents that it has the legal right and capacity to execute this Guaranty and that Guarantor has a direct financial interest in the Lease. Guarantor shall provide a resolution from its board of directors authorizing the execution of this Guarantee by the individual who executes this Guarantee on behalf of Guarantor.

16. Notices. Any notice given by any party under this Guaranty shall be emailed and personally delivered or sent by United States mail, postage prepaid, and addressed to Landlord or Guarantor at their respective addresses for notices indicated below. Guarantor and Landlord may change the place to which notices, requests, and other communications are to be sent to them by giving written notice of that change to the other.

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If to IAMSAs:

Eduardo Mendoza Larios

Km 10.5 Carretera a San Luis.

Mexicali, B.C. Mexico

[***]

If to Guarantor:

Outset Medical, Inc.

Att: Martin Vazquez

1830 Bering Drive

San Jose, CA 95112

[***]

17. Timing of Execution. The execution of this Guaranty prior to execution of the Lease shall not invalidate this Guaranty or lessen the obligations of Guarantor hereunder.

18. Integration. This Guaranty is an integrated written agreement expressing the entire agreement between the parties and supersedes and replaces all prior agreements and understandings, whether oral or written, express or implied. This Guaranty shall constitute the entire agreement between the parties hereto. No amendment or waiver shall be binding or effective unless executed in writing by the parties to this Guaranty.

19. Arms Length/Opportunity to Consult With Attorney. The parties hereto represent that this Agreement was negotiated at arms-length, in good faith, and without any intent of harming any party to this Agreement, or any other person and/or entity. Guarantor acknowledges that it has had the opportunity to consult with an attorney prior to entering into and signing this Guaranty.

20. Severability. The provisions of this Agreement are severable, and if any part of it is found to be invalid or unenforceable, the other paragraphs shall remain fully valid and enforceable.

21. Headings. Headings in this agreement are for convenience only and shall not be used to interpret or construe its provisions.

22. Counterparts. This agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Facsimile or electronic signatures shall have the same force and effect as original signatures.

23. Singular and Plural. In all cases when there is but a single Tenant or single Guarantor, all words used in the plural shall be deemed to have been used in the singular if the context and construction so require; and when there is more than one Tenant, or when this Guaranty is executed by more than one Guarantor, the word “Tenant” and “Guarantor” respectively shall mean all and any one or more of them.

24. Choice of Law/Venue. This Guaranty is made pursuant to, and shall be governed by and construed in accordance with, the laws of the State of California, and Guarantor stipulates to submit any and all disputes which may arise under the Lease (and any modification or renewal thereof) or this Guaranty to the jurisdiction and venue of the United States District Court for the Southern District of California, or the Superior Court for the County of San Diego, San Diego Judicial District.

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IN THE WITNESS WHEREOF, the undersigned hereby signs and authorizes this Guaranty this 6th of May, 2020.

Landlord:

INDUSTRIAS ASOCIADAS
MAQUILADORAS, S.A., de C.V.
Name: Eduardo Mendoza Larios
Title: CFO

/s/ Eduardo Mendoza Larios

Jun-30-2020

Witness:

Guarantor:

Outset Medical, Inc.
Name: Martin Vazquez
Title: COO

/s/ Martin Vazquez

Jun-26-2020

Witness:

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LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT (this “**Agreement**”) dated as of July 2, 2020 (the “**Effective Date**”) between **SILICON VALLEY BANK**, a California corporation (“**Bank**”), and **OUTSET MEDICAL, INC.**, a Delaware corporation (“**Borrower**”), provides the terms on which Bank shall lend to Borrower and Borrower shall repay Bank. The parties agree as follows:

1. ACCOUNTING AND OTHER TERMS

Accounting terms not defined in this Agreement shall be construed following GAAP. Calculations and determinations must be made following GAAP, (except for (i) non-compliance with FAS 123R in monthly reporting and (ii) with respect to unaudited financial statements for the absence of footnotes and subject to year-end audit adjustments, provided, however, that if at any time any change in GAAP would affect the computation of any covenant or requirement set forth in any Loan Document, and either Borrower or Bank shall so request, Borrower and Bank shall negotiate in good faith to amend such covenant or requirement to preserve the original intent thereof in light of such change in GAAP; provided, further, that, until so amended, (i) such covenant or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) Borrower shall provide Bank financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP; provided, further, that (x) all obligations of any Person that are or would have been treated as operating leases for purposes of GAAP prior to the issuance by the Financial Accounting Standards Board on February 25, 2016 of an Accounting Standards Update (the “**ASU**”) shall continue to be accounted for as operating leases for purposes of all financial definitions, calculations and covenants for purpose of this Agreement (whether or not such operating lease obligations were in effect on such date) notwithstanding the fact that such obligations are required in accordance with the ASU (on a prospective or retroactive basis or otherwise) to be treated as capitalized lease obligations in accordance with GAAP. Notwithstanding the foregoing, all financial covenant (if any) and other financial calculations shall be computed with respect to Borrower only, and not on a consolidated basis. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 13. All other terms contained in this Agreement, unless otherwise indicated, shall have the meaning provided by the Code to the extent such terms are defined therein.

2. LOAN AND TERMS OF PAYMENT

2.1 Promise to Pay. Borrower hereby unconditionally promises to pay Bank the outstanding principal amount of all Credit Extensions and accrued and unpaid interest thereon as and when due in accordance with this Agreement.

2.2 Term Loan.

(a) Availability. Subject to the terms and conditions of this Agreement, Bank shall make a term loan advance available to Borrower in the original principal amount not to exceed Thirty Million Dollars (\$30,000,000) (the “**Term Loan Advance**”). The Term Loan Advance shall be available in a single advance on or about the Effective Date. After repayment, no Term Loan Advance (or any portion thereof) may be reborrowed.

(b) Interest Payments. With respect to the Term Loan Advance, commencing on the first Payment Date following the Funding Date of the Term Loan Advance and continuing on the Payment Date of each month thereafter, Borrower shall make monthly payments of interest, in arrears, on the principal amount of the Term Loan Advance at the rate set forth in Section 2.3(a).

(c) Repayment. Commencing on the Term Loan Amortization Date and continuing on each Payment Date thereafter, Borrower shall repay the Term Loan Advance in (i) thirty (30) equal monthly installments of principal, plus (ii) monthly payments of accrued interest at the rate set forth in Section 2.3(a). All outstanding principal and accrued and unpaid interest under the Term Loan Advance, and all other outstanding Obligations with respect to the Term Loan Advance, are due and payable in full on the Term Loan Maturity Date.

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(d) Permitted Prepayment. Borrower shall have the option to prepay all, but not less than all, of the Term Loan Advance, provided Borrower (i) delivers written notice to Bank of its election to prepay the Term Loan Advance at least [***] Business Days prior to such prepayment, and (ii) pays, on the date of such prepayment (A) the outstanding principal plus accrued and unpaid interest with respect to the Term Loan Advance, (B) the Prepayment Fee, (C) the Final Payment, and (D) all other sums, if any, that shall have become due and payable with respect to the Term Loan Advance, including interest at the Default Rate with respect to any past due amounts.

(e) Mandatory Prepayment Upon an Acceleration. If the Term Loan Advance is accelerated by Bank following the occurrence and during the continuance of an Event of Default in accordance with Section 9.1, Borrower shall immediately pay to Bank an amount equal to the sum of (i) all outstanding principal plus accrued and unpaid interest with respect to the Term Loan Advance, (ii) the Prepayment Fee, (iii) the Final Payment, and (iv) all other sums, if any, that shall have become due and payable with respect to the Term Loan Advance, including interest at the Default Rate with respect to any past due amounts.

2.3 Payment of Interest on the Credit Extensions.

(a) Interest Rate. Subject to Section 2.3(b), the principal amount outstanding under the Term Loan Advance shall accrue interest at a floating per annum rate equal to the greater of (A) one-half of one percent (0.50%) above the Prime Rate and (B) three and three-quarters of one percent (3.75%), which interest shall be payable monthly in accordance with Section 2.3(d) below.

(b) Default Rate. Immediately upon the occurrence and during the continuance of an Event of Default, Obligations shall bear interest at a rate per annum which is [***] percent ([***]%) above the rate that is otherwise applicable thereto (the “**Default Rate**”) unless Bank elects to impose a lesser rate in its sole discretion. Fees and expenses which are required to be paid by Borrower pursuant to the Loan Documents (including, without limitation, Bank Expenses) but are not paid when due shall bear interest until paid at a rate equal to the highest rate applicable to the Obligations. Payment or acceptance of the increased interest rate provided in this Section 2.3(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Bank.

(c) Adjustment to Interest Rate. Changes to the interest rate of any Credit Extension based on changes to the Prime Rate shall be effective on the effective date of any change to the Prime Rate and to the extent of any such change.

(d) Payment; Interest Computation. Interest is payable monthly on the Payment Date of each month and shall be computed on the basis of a 360-day year for the actual number of days elapsed. In computing interest, (i) all payments received after 12:00 p.m. Pacific time on any day shall be deemed received at the opening of business on the next Business Day, and (ii) the date of the making of any Credit Extension shall be included and the date of payment shall be excluded; provided, however, that if any Credit Extension is repaid on the same day on which it is made, such day shall be included in computing interest on such Credit Extension.

2.4 Fees. Borrower shall pay to Bank:

(a) Prepayment Fee. The Prepayment Fee, when due hereunder;

(b) Final Payment. The Final Payment, when due hereunder;

(c) Good Faith Deposit. A deposit of [***] Dollars (\$[***]) (the “**Good Faith Deposit**”) to initiate Bank’s due diligence review process, which Bank hereby acknowledges has been previously received as of the Effective Date. Any portion of the Good Faith Deposit not utilized to pay Bank Expenses on the Effective Date will be returned to Borrower; and

(d) Bank Expenses. All Bank Expenses (including reasonable and documented attorneys’ fees and expenses for documentation and negotiation of this Agreement which fees for the documentation and negotiation of this Agreement will not exceed [***] Dollars (\$[***]) as of the Effective Date provided that there are no more than [***] turns of any of the Loan Documents) incurred through and after the Effective Date, when due (or, if no stated due date, upon demand by Bank).

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(e) Fees Fully Earned. Unless otherwise provided in this Agreement or in a separate writing by Bank, Borrower shall not be entitled to any credit, rebate, or repayment of any fees earned by Bank pursuant to this Agreement notwithstanding any termination of this Agreement or the suspension or termination of Bank's obligation to make loans and advances hereunder. Bank may deduct amounts owing by Borrower under the clauses of this Section 2.4 pursuant to the terms of Section 2.5(c). Bank shall provide Borrower written notice of deductions made from the Designated Deposit Account pursuant to the terms of the clauses of this Section 2.4.

2.5 Payments; Application of Payments; Debit of Accounts.

(a) All payments to be made by Borrower under any Loan Document shall be made in immediately available funds in Dollars, without setoff or counterclaim, before 12:00 p.m. Pacific time on the date when due. Payments of principal and/or interest received after 12:00 p.m. Pacific time are considered received at the opening of business on the next Business Day. When a payment is due on a day that is not a Business Day, the payment shall be due the next Business Day, and additional fees or interest, as applicable, shall continue to accrue until paid.

(b) Bank has the exclusive right to determine the order and manner in which all payments with respect to the Obligations may be applied. Borrower shall have no right to specify the order or the accounts to which Bank shall allocate or apply any payments required to be made by Borrower to Bank or otherwise received by Bank under this Agreement when any such allocation or application is not specified elsewhere in this Agreement.

(c) Bank shall debit the Designated Deposit Account (or, if funds in the Designated Deposit Account are insufficient or if an Event of Default has occurred and is continuing, any other account of Borrower maintained with Bank), for principal and interest payments or any other amounts Borrower owes Bank when due. These debits shall not constitute a set-off.

2.6 Withholding.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of Borrower) requires the deduction or withholding of any Tax from any such payment by Borrower, then (A) Borrower shall be entitled to make such deduction or withholding, (B) Borrower shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law, and (C) if such Tax is an Indemnified Tax, then the sum payable by Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.6) Bank receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by Borrower. Without limiting the provisions of subsection (a) above, Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) Tax Indemnification. Without limiting the provisions of subsections (a) and (b) above, Borrower shall, and does hereby, indemnify Bank, within [***] days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.6) payable or paid by Bank or required to be withheld or deducted from a payment to Bank and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Borrower by Bank shall be conclusive absent manifest error.

(d) Evidence of Payments. As soon as practicable after any payment of Taxes by Borrower to a Governmental Authority pursuant to this Section 2.6, Borrower shall deliver to Bank a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to Bank.

(e) Status of Bank. If Bank (including any assignee or successor) is entitled to an exemption from or reduction of withholding tax with respect to payments made under any Loan Document, it shall deliver to Borrower, at the time or times reasonably requested by Borrower, such properly completed and executed documentation reasonably requested by Borrower as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, Bank (including any assignee or successor), if reasonably requested by Borrower, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by Borrower as will enable Borrower to determine whether or not Bank (or such assignee or successor) is subject to backup withholding or information reporting requirements. Without limiting the generality of the foregoing, Bank (including any assignee or successor) shall deliver, on or prior to the date on which Bank (or such assignee or successor) acquires an interest in any Loan Document (and from time to time thereafter upon the reasonable request of Borrower), executed copies of whichever of IRS Form W-9, IRS Form W-8BEN-E, IRS Form W-8ECI or W-8IMY is applicable, as well as any applicable supporting documentation or certifications.

3. CONDITIONS OF LOANS

3.1 Conditions Precedent to Initial Credit Extension. Bank's obligation to make the initial Credit Extension is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, such documents, and completion of such other matters, as Bank may reasonably deem necessary or appropriate, including, without limitation:

- (a) duly executed signatures to the Loan Documents;
- (b) the Operating Documents and long-form good standing certificate of Borrower certified by the Secretary of State (or equivalent agency) of Borrower's jurisdiction of organization or formation and the State of California, as of a date no earlier than [***] days prior to the Effective Date;
- (c) a secretary's certificate of Borrower with respect to such Borrower's Operating Documents, incumbency, and Borrowing Resolutions for Borrower;
- (d) duly executed signatures to a payoff letter from Perceptive;
- (e) evidence that (i) the Liens securing Indebtedness owed by Borrower to Perceptive will be terminated and (ii) the documents and/or filings evidencing the perfection of such Liens, including without limitation any financing statements and/or control agreements, have or will, substantially concurrently with the initial Credit Extension, be terminated;
- (f) certified copies, dated as of a recent date, of financing statement searches, as Bank may request, accompanied by written evidence (including any UCC termination statements) that the Liens indicated in any such financing statements either constitute Permitted Liens or have been or, in connection with the initial Credit Extension, will be terminated or released;
- (g) the Perfection Certificate executed by Borrower;
- (h) evidence satisfactory to Bank that the insurance policies required by Section 6.7 hereof are in full force and effect; and
- (i) payment of the fees and Bank Expenses then due as specified in Section 2.4 hereof.

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3.2 Conditions Precedent to all Credit Extensions. Bank's obligations to make each Credit Extension, including the initial Credit Extension, is subject to the following conditions precedent:

(a) timely receipt of an executed Payment/Advance Form and any materials and documents required by Section 3.4;

(b) the representations and warranties in this Agreement shall be true and correct in all material respects on the date of the Payment/Advance Form, and on the Funding Date of each Credit Extension; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true and correct in all material respects as of such date, and no Event of Default shall have occurred and be continuing or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in this Agreement remain true and correct in all material respects; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; and

(c) Bank determines to its satisfaction that there has not been a Material Adverse Change.

3.3 Covenant to Deliver.

(a) Except as otherwise provided in Section 3.3(b), Borrower agrees to deliver to Bank each item required to be delivered to Bank under this Agreement as a condition precedent to any Credit Extension. Borrower expressly agrees that a Credit Extension made prior to the receipt by Bank of any such item shall not constitute a waiver by Bank of Borrower's obligation to deliver such item, and the making of any Credit Extension in the absence of a required item shall be in Bank's sole discretion.

(b) Unless otherwise provided in writing, within [***] days after the Effective Date, Bank shall have received, in form and substance satisfactory to Bank, appropriate evidence showing lender loss payable and additional insured endorsements to the insurance policies in favor of Bank, as required by Section 6.7 of this Agreement.

3.4 Procedures for Borrowing. Subject to the prior satisfaction of all other applicable conditions to the making of a Term Loan Advance set forth in this Agreement, to obtain a Term Loan Advance, Borrower (via an individual duly authorized by an Administrator) shall notify Bank (which notice shall be irrevocable) by electronic mail by 12:00 noon Pacific time on the Funding Date of the Term Loan Advance. Such notice shall be made by Borrower through Bank's online banking program, provided, however, if Borrower is not utilizing Bank's online banking program, then such notice shall be in a written format acceptable to Bank that is executed by an Authorized Signer. Bank shall have received reasonably satisfactory evidence that the Board has approved that such Authorized Signer may provide such notices and request the Term Loan Advance. In connection with such notification, Borrower must promptly deliver to Bank by electronic mail or through Bank's online banking program a completed Payment/Advance Form executed by an Authorized Signer. Bank shall credit proceeds of any Term Loan Advance to the Designated Deposit Account. Bank may make the Term Loan Advance under this Agreement based on instructions from an Authorized Signer or without instructions if the Term Loan Advance is necessary to meet Obligations which have become due.

4. CREATION OF SECURITY INTEREST

4.1 Grant of Security Interest. Borrower hereby grants Bank, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges to Bank, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof.

Borrower acknowledges that it previously has entered, and/or may in the future enter, into Bank Services Agreements with Bank. Regardless of the terms of any Bank Services Agreement, Borrower agrees that any amounts

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Borrower owes Bank thereunder shall be deemed to be Obligations hereunder and that it is the intent of Borrower and Bank to have all such Obligations secured by the first priority perfected security interest in the Collateral granted herein (subject only to Permitted Liens that are permitted pursuant to the terms of this Agreement to have superior priority to Bank's Lien in this Agreement).

If this Agreement is terminated, Bank's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations) are repaid in full in cash. Upon payment in full in cash of the Obligations (other than inchoate indemnity obligations) and at such time as Bank's obligation to make Credit Extensions has terminated, Bank shall, at the sole cost and expense of Borrower, release its Liens in the Collateral and all rights therein shall revert to Borrower. In the event (x) all Obligations (other than inchoate indemnity obligations), except for Bank Services, are satisfied in full, and (y) this Agreement is terminated, Bank shall terminate the security interest granted herein upon Borrower providing cash collateral acceptable to Bank in its good faith business judgment for Bank Services, if any. In the event such Bank Services consist of outstanding Letters of Credit, Borrower shall provide to Bank cash collateral in an amount equal to (x) if such Letters of Credit are denominated in Dollars, then at least [***] percent ([***] %); and (y) if such Letters of Credit are denominated in a Foreign Currency, then at least [***] percent ([***] %), of the Dollar Equivalent of the face amount of all such Letters of Credit plus all interest, fees, and costs due or to become due in connection therewith (as estimated by Bank in its good faith business judgment), to secure all of the Obligations relating to such Letters of Credit.

Notwithstanding anything in this Agreement or any other Loan Document to the contrary, none of the Borrower or any of its Subsidiaries shall be required to take any actions in, or required by the laws of, Mexico in order to create, perfect or maintain any security interests in any assets of Borrower or its Subsidiaries located or registered in Mexico that are related to the Mexico Business Activities, including, without limitation, any Intellectual Property registered in Mexico and all real property located in Mexico (the "**Mexican Business Activities Assets**") (and no security agreements, pledge agreements, control agreements or similar security documents governed by the laws of Mexico or any bailee agreements or landlord waivers entered into with respect to locations in Mexico related to Mexico Business Activities shall be required, subject to the terms set forth herein), to the extent that the aggregate fair value (in accordance with GAAP) of the Mexican Business Activities Assets does not exceed [***] Dollars (\$[***]).

4.2 Priority of Security Interest. Borrower represents, warrants, and covenants that the security interest granted herein is and shall at all times continue to be a first priority perfected security interest in the Collateral (subject only to (i) any exceptions to perfection expressly set forth in this Agreement and (ii) Permitted Liens that are permitted pursuant to the terms of this Agreement to have superior priority to Bank's Lien under this Agreement). If Borrower shall acquire a commercial tort claim having a value in excess of [***] Dollars (\$[***]), Borrower shall promptly notify Bank in a writing signed by Borrower of the general details thereof and grant to Bank in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to Bank.

4.3 Authorization to File Financing Statements. Borrower hereby authorizes Bank to file financing statements, without notice to Borrower, with all appropriate jurisdictions to perfect or protect Bank's security interest or rights hereunder, including a notice that any disposition of the Collateral in violation of this Agreement, by either Borrower or any other Person, shall be deemed to violate the rights of Bank under the Code. Such financing statements may indicate the Collateral as "all assets of the Debtor" or words of similar effect, or as being of an equal or lesser scope, or with greater detail, all in Bank's discretion.

5. REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants as follows:

5.1 Due Organization, Authorization; Power and Authority. Borrower is duly existing and in good standing as a Registered Organization in its jurisdiction of formation and is qualified and licensed to do business and is in good standing in any jurisdiction in which the conduct of its business or its ownership of property requires that it be qualified except where the failure to do so could not reasonably be expected to have a Material Adverse Effect. In connection with this Agreement, Borrower has delivered to Bank a completed certificate signed by Borrower, entitled "Perfection Certificate" (the "**Perfection Certificate**"). Borrower represents and warrants to Bank that (a) Borrower's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof; (b) Borrower is an

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organization of the type and is organized in the jurisdiction set forth in the Perfection Certificate; (c) the Perfection Certificate accurately sets forth Borrower's organizational identification number or accurately states that Borrower has none; (d) the Perfection Certificate accurately sets forth Borrower's place of business, or, if more than one, its chief executive office as well as Borrower's mailing address (if different than its chief executive office); (e) Borrower (and each of its predecessors) has not, in the past [***] years, changed its jurisdiction of formation, organizational structure or type, or any organizational number assigned by its jurisdiction; and (f) all other information set forth on the Perfection Certificate pertaining to Borrower and each of its Subsidiaries is accurate and complete (it being understood and agreed that Borrower may from time to time update certain information in the Perfection Certificate after the Effective Date to the extent permitted by one or more specific provisions in this Agreement), in each case of clauses (a) through (f), other than to the extent such information has changed as permitted pursuant to Section 7.2.

The execution, delivery and performance by Borrower of the Loan Documents to which it is a party have been duly authorized, and do not (i) conflict with any of Borrower's organizational documents, (ii) contravene, conflict with, constitute a default under or violate any material Requirement of Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which Borrower or any of its Subsidiaries or any of their property or assets may be bound or affected, (iv) require any action by, filing, registration, or qualification with, or Governmental Approval from, any Governmental Authority (except (x) such Governmental Approvals which have already been obtained and are in full force and effect and (y) filings and recordings in respect of the Liens created pursuant to the applicable Loan Documents), or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any material agreement by which Borrower is bound to an extent or in a manner which has or is reasonably likely to have a Material Adverse Effect. Borrower is not in default under any agreement to which it is a party or by which it is bound in which the default could reasonably be expected to have a Material Adverse Effect.

5.2 Collateral. Borrower has good title to, rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. Borrower has no Collateral Accounts at or with any bank or financial institution other than Bank or Bank's Affiliates except for (i) the Collateral Accounts described in the Perfection Certificate delivered to Bank in connection herewith and (ii) which Borrower has taken such actions as are necessary to give Bank a perfected security interest therein, pursuant to the terms of Section 6.8(b). The Accounts are bona fide, existing obligations of the Account Debtors.

No Collateral with an aggregate value in excess of [***] Dollars (\$[***]) is in the possession of any third party bailee (such as a warehouse) except as otherwise provided in the Perfection Certificate or as permitted pursuant to Section 7.2. None of the components of the Collateral with an aggregate value in excess of [***] Dollars (\$[***]) shall be maintained at locations other than as provided in the Perfection Certificate or as permitted pursuant to Section 7.2 or Section 6.8(b).

All Inventory is in all material respects of good and marketable quality, free from material defects.

Borrower is the sole owner of the material Intellectual Property which it owns or purports to own except for (a) non-exclusive licenses granted to its customers in the ordinary course of business, (b) over-the-counter software that is commercially available to the public, and (c) Intellectual Property licensed to Borrower and noted on the Perfection Certificate. Each Patent which it owns or purports to own and which is material to Borrower's business is valid and enforceable, and no part of the Intellectual Property which Borrower owns or purports to own and which is material to Borrower's business has been judged invalid or unenforceable, in whole or in part. To the best of Borrower's knowledge, no claim has been made that any part of the Intellectual Property violates the rights of any third party except to the extent such claim would not reasonably be expected to have a Material Adverse Effect.

Except as noted on the Perfection Certificate or notified to Bank in writing after the Effective Date (and Bank has acknowledged receipt of such writing), Borrower is not a party to, nor is it bound by, any Restricted License.

5.3 Reserved.

5.4 Litigation. There are no actions or proceedings pending or, to the knowledge of any Responsible Officer, threatened in writing by or against Borrower or any of its Subsidiaries which could reasonably be expected to result in damages or costs to the Borrower or any of its Subsidiaries of, individually or in the aggregate, [***] Dollars (\$[***]) or more.

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5.5 Financial Statements; Financial Condition. All consolidated financial statements for Borrower and any of its Subsidiaries delivered to Bank by submission to the Financial Statement Repository or otherwise submitted to Bank fairly present in all material respects Borrower's consolidated financial condition and Borrower's consolidated results of operations as of the dates and periods covered thereby. There has not been any material deterioration in Borrower's consolidated financial condition since the date of the most recent financial statements submitted to the Financial Statement Repository or otherwise submitted to Bank.

5.6 Solvency. The fair salable value of Borrower's consolidated assets (including goodwill minus disposition costs) exceeds the fair value of Borrower's liabilities; Borrower is not left with unreasonably small capital after the transactions in this Agreement; and Borrower is able to pay its debts (including trade debts) as they mature.

5.7 Regulatory Compliance. Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in extending credit for the purpose of purchasing or carrying margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors). Borrower (a) has complied in all material respects with all Requirements of Law, and (b) has not violated any Requirements of Law the violation of which could reasonably be expected to have a Material Adverse Effect. None of Borrower's or any of its Subsidiaries' properties or assets has been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. The transactions contemplated hereby do not require any Governmental Approval of, registration or filing with, or any other action by, any Governmental Authority or any third party on the part of Borrower or any of its Subsidiaries, except for (x) those certain contracts, approvals, authorizations, filings, and notices that have been obtained or made and are in full force and effect and (y) filings and recordings in respect of the Liens created pursuant to the applicable Loan Documents.

5.8 Subsidiaries; Investments. Borrower does not own any stock, partnership, or other ownership interest or other equity securities except for Permitted Investments.

5.9 Tax Returns and Payments; Pension Contributions. Borrower has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except (a) to the extent such Taxes are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor, or (b) if such Taxes, assessments, deposits and contributions do not, individually or in the aggregate, exceed [***] Dollars (\$[***]) at any time.

To the extent Borrower defers payment of any contested taxes, Borrower shall (i) notify Bank in writing of the commencement of, and any material development in, the proceedings, and (ii) post bonds or take any other steps required to prevent the Governmental Authority levying such contested taxes from obtaining a Lien upon any of the Collateral that is other than a "Permitted Lien." Borrower is unaware of any claims or adjustments proposed for any of Borrower's prior tax years which could result in additional taxes becoming due and payable by Borrower in excess of [***] Dollars (\$[***]) in the aggregate at any time. Borrower has paid all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms, and Borrower has not withdrawn from participation in, and has not permitted partial or complete termination of, or permitted the occurrence of any other event with respect to, any such plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

5.10 Use of Proceeds. Borrower shall use the proceeds of the Credit Extensions solely as working capital and to fund its general business requirements and not for personal, family, household or agricultural purposes.

5.11 Full Disclosure. No written representation, warranty or other statement of Borrower in any report, certificate, or written statement submitted to the Financial Statement Repository or otherwise submitted to Bank in connection with the Loan Documents, as of the date such representation, warranty, or other statement was made (as may be modified or supplemented by other information so furnished prior to the date on which this representation is

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made or deemed made), when taken together as a whole with all such written reports, written certificates and written statements submitted to the Financial Statement Repository or otherwise submitted to Bank, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the reports, certificates, or written statements not misleading (it being recognized by Bank that the projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results and such differences may be material).

5.12 Definition of “Knowledge.” For purposes of the Loan Documents, whenever a representation or warranty is made to Borrower’s knowledge or awareness, to the “best of” Borrower’s knowledge, or with a similar qualification, knowledge or awareness means the actual knowledge, after reasonable investigation, of any Responsible Officer.

6. AFFIRMATIVE COVENANTS

Borrower shall do all of the following:

6.1 Government Compliance.

(a) Maintain its and all its Subsidiaries’ legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify would reasonably be expected to have a Material Adverse Effect. Borrower shall comply, and have each Subsidiary comply, in all material respects, with all laws, ordinances and regulations to which it is subject, except to the extent non-compliance would not reasonably be expected to have a Material Adverse Effect.

(b) Obtain all of the Governmental Approvals necessary for the performance by Borrower of its obligations under the Loan Documents to which it is a party and the grant of a security interest to Bank in all of the Collateral. Borrower shall promptly provide copies of any such obtained Governmental Approvals to Bank.

6.2 Financial Statements, Reports. Provide Bank with the following by submitting to the Financial Statement Repository or otherwise submitting to Bank:

(a) (i) at all times prior to the consummation of an IPO, as soon as available, but no later than [***] days after the last day of each month, a company prepared consolidated balance sheet and income statement covering Borrower’s and each of its Subsidiary’s operations for such month in a form reasonably acceptable to Bank, and (ii) at all times after the consummation of an IPO, as soon as available, but no later than [***] days after the last day of each fiscal quarter of each fiscal year, a company prepared consolidated balance sheet and income statement covering Borrower’s and each of its Subsidiary’s operations for such fiscal quarter in a form reasonably acceptable to Bank, it being understood, in each case, that the form of financial statements previously delivered to Bank prior to the Effective Date are acceptable;

(b) as soon as available, but no later than [***] days after the last day of each fiscal quarter, a completed Compliance Statement, confirming that, as of the end of such quarter, Borrower was in full compliance with all of the terms and conditions of this Agreement, and setting forth calculations showing compliance with the financial covenants set forth in this Agreement (if any) and such other information as Bank may reasonably request, including, without limitation, a statement that at the end of such month there were no held checks;

(c) within [***] days after the end of each fiscal year of Borrower, and contemporaneously with any updates or amendments thereto, (A) annual operating budgets (including income statements, balance sheets and cash flow statements, by month) for the current fiscal year of Borrower, and (B) annual financial projections for the current fiscal year (on a quarterly basis), in each case as approved by the Board, together with any related business forecasts used in the preparation of such annual financial projections;

(d) as soon as available, but no later than [***] days after the last day of Borrower’s fiscal year, company prepared consolidated financial statements prepared under GAAP, consistently applied, together with

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and commensurate with those provided to the Board; provided, however, if audited consolidated financial statements are required by the Board, Borrower shall deliver not later than [***] days after the last day of each such fiscal year, beginning with the fiscal year ending December 31, 2020, audited consolidated financial statements prepared under GAAP, consistently applied, together with an unqualified opinion on the financial statements (except the opinion on financial statements may contain a qualification as to going concern typical for venture backed companies similar to Borrower) from KPMG or another independent certified public accounting firm reasonably acceptable to Bank;

(e) at all times that Borrower is not a public company or an issuer of securities that are registered with the SEC under Section 12 of the Exchange Act (or that is required to file reports under Section 15(d) of the Exchange Act), prompt written notice of any changes to the beneficial ownership information set out in items 2(d) through 2(g) of the Perfection Certificate. Borrower understands and acknowledges that Bank relies on such true, accurate and up-to-date beneficial ownership information to meet Bank's regulatory obligations to obtain, verify and record information about the beneficial owners of its legal entity customers;

(f) in the event that Borrower becomes subject to the reporting requirements under the Exchange Act within [***] days of filing, copies of all periodic and other reports, proxy statements and other materials filed by Borrower and/or any Guarantor with the SEC, any Governmental Authority succeeding to any or all of the functions of the SEC or with any national securities exchange, or distributed to its shareholders, as the case may be. Documents required to be delivered pursuant to the terms hereof (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which Borrower posts such documents, or provides a link thereto, on Borrower's website on the internet at Borrower's website address; provided, however, Borrower shall promptly notify Bank in writing (which may be by electronic mail) of the posting of any such documents;

(g) within [***] days of delivery, copies of all statements, reports and notices made available to Borrower's security holders or to any holders of Subordinated Debt;

(h) prompt report of any legal actions pending or threatened in writing against Borrower or any of its Subsidiaries that could result in damages or costs to Borrower or any of its Subsidiaries of, individually or in the aggregate, [***] Dollars (\$[***]) or more; and

(i) promptly, from time to time, such other information regarding Borrower's operations, business affairs, and financial condition as reasonably requested by Bank.

Any submission by Borrower of a Compliance Statement or any financial statement submitted to the Financial Statement Repository pursuant to this Section 6.2 or otherwise submitted to Bank shall be deemed to be a representation by Borrower that (i) as of the date of such Compliance Statement or financial statement, the information and calculations set forth therein are true and correct, (ii) as of the end of the compliance period set forth in such submission, Borrower is in compliance with all required covenants except as noted in such Compliance Statement or financial statement, as applicable, (iii) as of the date of such submission, no Events of Default have occurred and are continuing, (iv) all representations and warranties other than any representations or warranties that are made as of a specific date in Section 5 remain true and correct in all material respects as of the date of such submission except as noted in such Compliance Statement or financial statement, as applicable, (v) as of the date of such submission, Borrower and each of its Subsidiaries has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 6.5, and (vi) as of the date of such submission, no Liens (other than Permitted Liens) have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank.

6.3 Inventory; Returns. Keep all Inventory in good and marketable condition, free from material defects. Returns and allowances between Borrower and its Account Debtors shall follow Borrower's customary practices as they exist at the Effective Date. Borrower must promptly notify Bank of all returns, recoveries, disputes and claims that involve more than [***] Dollars (\$[***]).

6.4 [Reserved.]

6.5 Taxes; Pensions. Timely file, and require each of its Subsidiaries to timely file, all required tax returns and reports and timely pay, and require each of its Subsidiaries to timely pay, all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower and each of its Subsidiaries, except for deferred payment of any taxes contested pursuant to the terms of Section 5.9 hereof, and taxes with respect to which the amount does not exceed the amount set forth in Section 5.9 hereof, and shall deliver to Bank, on demand, appropriate certificates attesting to such payments, and pay all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms.

6.6 [Reserved.]

6.7 Insurance.

(a) Keep its business and the Collateral insured for risks and in amounts standard for companies in Borrower's industry and location, with financially sound and reputable insurance companies that are not Affiliates of Borrower. All property policies shall have a lender's loss payable endorsement showing Bank as lender loss payee. All liability policies shall show, or have endorsements showing, Bank as an additional insured. Bank shall be named as lender loss payee and/or additional insured with respect to any such insurance providing coverage in respect of any Collateral.

(b) Ensure that proceeds payable under any property policy are, at Bank's option, payable to Bank on account of the Obligations. Notwithstanding the foregoing, (a) so long as no Event of Default has occurred and is continuing, Borrower shall have the option of applying the proceeds of any casualty policy up to [***] Dollars (\$[***) in the aggregate for any and all losses under all casualty policies in any one year, toward the replacement or repair of destroyed or damaged property; provided that any such replaced or repaired property (i) shall be of equal or like value as the replaced or repaired Collateral and (ii) shall be deemed Collateral in which Bank has been granted a first priority security interest, and (b) after the occurrence and during the continuance of an Event of Default, all proceeds payable under such casualty policy shall, at the option of Bank, be payable to Bank on account of the Obligations.

(c) At Bank's reasonable request, Borrower shall deliver copies of insurance policies and evidence of all premium payments. Borrower shall use commercially reasonable efforts to ensure each provider of any such insurance required under this Section 6.7 shall agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to Bank, that it will give Bank [***] days prior written notice before any such policy or policies shall be materially altered or canceled. If Borrower fails to obtain insurance as required under this Section 6.7 or to pay any amount or furnish any required proof of payment to third persons and Bank, Bank may make all or part of such payment or obtain such insurance policies required in this Section 6.7, and take any action under the policies Bank deems prudent.

6.8 Accounts.

(a) Borrower, any Subsidiary of Borrower and any Guarantor shall maintain the Restricted Cash Collateral Account and account balances in any of its accounts at or through Bank representing at least [***] percent ([***)%) of all deposit account balances of Borrower, such Subsidiary and such Guarantor at any financial institution.

(b) In addition to and without limiting the restrictions in Section 6.8(a), Borrower shall provide Bank [***] days prior written notice before establishing any Collateral Account at or with any bank or financial institution other than Bank or Bank's Affiliates. For each Collateral Account that Borrower at any time maintains, Borrower shall use its commercially reasonable efforts to cause the applicable bank or financial institution (other than Bank) at or with which any Collateral Account is maintained to execute and deliver a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Bank's Lien in such Collateral Account in accordance with the terms hereunder which Control Agreement may not be terminated without the prior written consent of Bank. The provisions of the previous sentence shall not apply to (i) deposit accounts exclusively used for payroll, payroll taxes, and other employee wage and benefit payments to or for the benefit of Borrower's employees and identified to Bank by Borrower as such or (ii) subject to the terms and conditions set forth in Section 4.1, deposit accounts with banks or financial institutions (other than Bank) located in Mexico to service the Mexico Business Activities in the ordinary course of Borrower's business.

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(c) Borrower, any Subsidiary of Borrower and any Guarantor shall obtain any business credit card, letters of credit and cash management exclusively from Bank, except that this clause (c) shall not apply to the extent that Borrower, any Subsidiary of Borrower or any Guarantor provides Bank evidence of an offer from a third-party to provide any business credit card, letters of credit or cash management on then current market terms and Bank is unable or unwilling to provide such business credit card, letters of credit or cash management on such proposed terms.

6.9 [Reserved.]

6.10 Protection of Intellectual Property Rights.

(a) (i) Protect, defend and maintain the validity and enforceability of Intellectual Property that is material to Borrower's business; (ii) promptly advise Bank in writing of material infringements or any other event that could reasonably be expected to materially and adversely affect the value of its Intellectual Property; and (iii) not allow any Intellectual Property material to Borrower's business to be abandoned, forfeited or dedicated to the public without Bank's written consent.

(b) Provide written notice to Bank within [***] days of entering or becoming bound by any Restricted License (other than over-the-counter software that is commercially available to the public). Borrower shall take such steps as Bank requests to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (i) any Restricted License to be deemed "Collateral" and for Bank to have a security interest in it that might otherwise be restricted or prohibited by law or by the terms of any such Restricted License, whether now existing or entered into in the future, and (ii) Bank to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Bank's rights and remedies under this Agreement and the other Loan Documents.

6.11 Litigation Cooperation. From the date hereof and continuing through the termination of this Agreement, make available to Bank, without expense to Bank, Borrower and its officers, employees and agents and Borrower's books and records, to the extent that Bank may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Bank with respect to any Collateral or relating to Borrower.

6.12 Online Banking.

(a) Utilize Bank's online banking platform for all matters requested by Bank which shall include, without limitation (and without request by Bank for the following matters), uploading information pertaining to Accounts and Account Debtors, requesting approval for exceptions, requesting Credit Extensions, and uploading financial statements and other reports required to be delivered by this Agreement (including, without limitation, those described in Section 6.2 of this Agreement).

(b) Comply with the terms of Bank's Online Banking Agreement as in effect from time to time and ensure that all persons utilizing Bank's online banking platform are duly authorized to do so by an Administrator. Bank shall be entitled to assume the authenticity, accuracy and completeness on any information, instruction or request for a Credit Extension submitted via Bank's online banking platform and to further assume that any submissions or requests made via Bank's online banking platform have been duly authorized by an Administrator.

6.13 Formation or Acquisition of Subsidiaries. Notwithstanding and without limiting the negative covenants contained in Sections 7.3 and 7.7 hereof, at the time that Borrower or any Guarantor forms (or such later time as Bank may agree to) any direct or indirect Subsidiary (other than an Excluded Foreign Subsidiary) or acquires any direct or indirect Subsidiary (other than an Excluded Foreign Subsidiary) after the Effective Date (including, without limitation, pursuant to a Division), Borrower and such Guarantor shall (a) cause such new Subsidiary to provide to Bank a joinder to this Agreement to become a co-borrower hereunder or a Guaranty to become a Guarantor hereunder, together with such appropriate financing statements and/or Control Agreements, all in form and substance satisfactory to Bank (including being sufficient to grant Bank a first priority Lien (subject to Permitted Liens) in and

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to the assets of such newly formed or acquired Subsidiary, to the extent constituting Collateral), (b) provide to Bank appropriate certificates and powers and financing statements, pledging all of the direct or beneficial ownership interest in such new Subsidiary, in form and substance reasonably satisfactory to Bank; and (c) provide to Bank all other documentation in form and substance satisfactory to Bank, including, to the extent reasonably requested by Bank, one or more customary opinions of counsel reasonably satisfactory to Bank. Any document, agreement, or instrument executed or issued pursuant to this Section 6.13 shall be a Loan Document.

6.14 Cash Collateral Requirement. Maintain in the Restricted Cash Collateral Account, a Restricted Cash Balance greater than or equal to the Cash Collateral Amount. In furtherance of the foregoing sentence, all of the Unrestricted Cash Balance in the Collateral Accounts of the Borrower up to the amount equal to the Cash Collateral Amount shall be transferred by Bank (without notice to Borrower) into the Restricted Cash Collateral Account. Bank shall have exclusive control over the Restricted Cash Collateral Account except that Borrower may request that Bank withdraw funds on behalf of Borrower from the Restricted Cash Collateral Account in excess of the Cash Collateral Amount and Bank agrees to provide such requested withdrawal to Borrower so long as (i) a Restricted Cash Balance greater than or equal to the Cash Collateral Amount is maintained in the Restricted Cash Collateral Account at all times, and (ii) an Event of Default has not occurred and is continuing or would result therefrom.

6.15 Further Assurances. Execute any further instruments and take further action as Bank reasonably requests to perfect or continue Bank's Lien in the Collateral or to effect the purposes of this Agreement.

7. NEGATIVE COVENANTS

Borrower shall not do any of the following without Bank's prior written consent:

7.1 Dispositions. Convey, sell, lease, transfer, assign, or otherwise dispose of (including, without limitation, pursuant to a Division) (collectively, "**Transfer**"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, except for:

(a) Transfers of Inventory in the ordinary course of business;

(b) Transfers of surplus, worn-out or obsolete Equipment that is, in the reasonable judgment of Borrower, no longer economically practicable to maintain or useful in the ordinary course of business of Borrower;

(c) Transfers consisting of Permitted Liens and Permitted Investments;

(d) Transfers consisting of the use of cash in a manner not prohibited by this Agreement or the other Loan Documents;

(e) non-exclusive licenses and sublicenses of Intellectual Property in the ordinary course of business;

(f) Transfers (including by discounting, cancellation or forgiveness) of accounts receivable (excluding sales or dispositions in a factoring arrangement) in connection with the compromise, settlement or collection thereof in the ordinary course of business;

(g) other Transfers not exceeding [***] Dollars (\$[***) in the aggregate for the Borrower and its Subsidiaries in any fiscal year of the Borrower so long as no Event of Default has occurred and is then continuing or could reasonably be expected to result therefrom in the ordinary course of business; and

(h) Transfers to the Borrower's contract manufacturers to facilitate product manufacturing; provided that the fair market value of the assets or property sold or otherwise transferred pursuant to this clause (h) shall not exceed [***] Dollars (\$[***) in the aggregate in any period of [***] months.

7.2 Changes in Business, Management, Control, or Business Locations. (a) Engage in or permit any of its Subsidiaries to engage in any business other than the businesses currently engaged in by Borrower and such

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Subsidiary, as applicable, or reasonably related or incidental thereto or constituting a reasonable extension thereof; (b) liquidate or dissolve; (c) fail to provide notice to Bank of the Key Person departing from or ceasing to be employed by Borrower within [***] days after their departure from Borrower; or (d) permit or suffer any Change in Control.

Borrower shall not, without at least [***] days prior written notice to Bank (or such shorter period as Bank may agree in writing on a case-by-case basis: (1) add any new offices or business locations, including warehouses (unless such new offices or business locations contain less than [***] Dollars (\$[***]) in Borrower's assets or property) or deliver any portion of the Collateral valued, individually or in the aggregate, in excess of [***] Dollars (\$[***]) to a bailee at a location other than to a bailee and at a location already disclosed in the Perfection Certificate (but excluding locations in Mexico related to Mexico Business Activities, subject to the terms and conditions set forth in Section 4.1), (2) change its jurisdiction of organization, (3) change its organizational structure or type, (4) change its legal name, or (5) change any organizational number (if any) assigned by its jurisdiction of organization. If Borrower intends to add any new offices or business locations, including warehouses, containing in excess of [***] Dollars (\$[***]) of Borrower's assets or property (but excluding locations in Mexico related to Mexico Business Activities, subject to the terms and conditions set forth in Section 4.1), then Borrower will first receive the written consent of Bank, and Borrower will use commercially reasonable efforts to arrange for the landlord of any such new offices or business locations, including warehouses, to execute and deliver a landlord consent in form and substance reasonably satisfactory to Bank. If Borrower intends to deliver any portion of the Collateral valued, individually or in the aggregate, in excess of [***] Dollars (\$[***]) to a bailee, and Bank and such bailee are not already parties to a bailee agreement governing both the Collateral and the location to which Borrower intends to deliver the Collateral, then Borrower will first receive the written consent of Bank, and Borrower will use commercially reasonable efforts to arrange for such bailee to execute and deliver a bailee agreement in form and substance reasonably satisfactory to Bank, except that subject to the terms and conditions set forth in Section 4.1, the foregoing requirement in this sentence shall not apply to locations in Mexico related to Mexico Business Activities and the Mexican Business Activities Assets.

7.3 Mergers or Acquisitions. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with any other Person, or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person (including, without limitation, by the formation of any Subsidiary or pursuant to a Division) (an "**Acquisition**") unless the Acquisition is a Permitted Acquisition. Once an Acquisition is completed the Borrower shall provide Bank with reasonable details of the Acquisition and updated *pro-forma* projections. Notwithstanding anything to the contrary herein, a Subsidiary may merge or consolidate into another Subsidiary or into Borrower.

7.4 Indebtedness. Create, incur, assume, or be liable for any Indebtedness, or permit any Subsidiary to do so, other than Permitted Indebtedness.

7.5 Encumbrance. Create, incur, allow, or suffer any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, permit any Collateral not to be subject to the first priority security interest granted herein, or enter into any agreement, document, instrument or other arrangement (except with or in favor of Bank) with any Person which directly or indirectly prohibits or has the effect of prohibiting Borrower or any Subsidiary from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower's or any Subsidiary's Intellectual Property, except as is otherwise permitted in Section 7.1 hereof and the definition of "Permitted Liens" herein.

7.6 Maintenance of Collateral Accounts. Maintain any Collateral Account except as permitted pursuant to the terms of Section 6.8 hereof.

7.7 Distributions; Investments.

(a) Pay any dividends or make any distribution or payment or redeem, retire or purchase any capital stock except:

(i) dividends with respect to the Borrower's Equity Interests payable solely in additional Equity Interests that constitute common stock (or the equivalent) (other than Disqualified Equity Interests);

(ii) the Borrower's purchase, redemption, retirement, or other acquisition of its Equity Interests with the proceeds received from a substantially concurrent issue of new shares of its Qualified Equity Interests, provided that no Event of Default has occurred and is continuing or would result therefrom;

(iii) dividends paid by any Subsidiary to any other Loan Party;

(iv) the Borrower may make dividends or other distributions (A) pursuant to and in accordance with restricted stock agreements, stock option plans or other benefit plans for management or employees of the Borrower and its Subsidiaries or (B) in connection with the satisfaction of withholding tax obligations; provided that (i) the aggregate amount of all such dividends or other distributions permitted under this clause (iv) shall not exceed [***] Dollars (\$[***]) in the aggregate in any fiscal year of the Borrower, and (ii) no Event of Default has occurred and is continuing or would result therefrom;

(v) the Borrower may pay cash in lieu of the issuance of fractional shares, provided that no Event of Default has occurred and is continuing or would result therefrom;

(vi) the Borrower may honor any non-cash conversion requests in respect of any convertible securities of the Borrower permitted under this Agreement into Qualified Equity Interests of the Borrower pursuant to the terms of such convertible securities;

(vii) the Borrower may honor any exercise request in respect of warrants to purchase Qualified Equity Interests of the Borrower pursuant to the terms of such warrants, and so long as no such exercise does not result in a payment of any cash by Borrower (other than cash in lieu of fractional shares), provided that no Event of Default has occurred and is continuing or would result therefrom; and

(viii) the Borrower may agree to pay and accrue dividends on its Equity Interests payable other than in Qualified Equity Interests so long as the Borrower does not make actual payment of any such dividend until (x) all Obligations have been paid in full, (y) Bank has no further obligations to Borrower, and (z) this Agreement has been terminated; and

(ix) the Borrower may agree to redeem its preferred stock as set forth in its certificate of incorporation as in effect from time to time, so long as such redemption date is on or after the date that is [***] days after the Term Loan Maturity Date;

(b) directly or indirectly make any Investment (including, without limitation, by the formation of any Subsidiary) other than Permitted Investments, or permit any of its Subsidiaries to do so.

7.8 Transactions with Affiliates. Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower, except:

(a) for transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person;

(b) (i) transactions between or among the Loan Parties and (ii) transactions with a Subsidiary of a Loan Party that is not a Loan Party to the extent permitted under this Agreement;

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(c) (i) customary compensation and indemnification of, and other employment arrangements with, directors, officers and employees of the Borrower or any of its Subsidiaries in the ordinary course of business and (ii) subject to limitations set forth in this Agreement regarding the payment of directors fees, reasonable and customary director, officer and employee compensation (including bonuses and stock option programs) and benefits arrangements, in each case, in the ordinary course of business and approved by the board of directors (or equivalent managing body) (or a committee thereof) of a Loan Party or Subsidiary; and

(d) transactions permitted by Section 7.7, to the extent permitted thereunder.

7.9 Subordinated Debt. (a) Make or permit any payment on any Subordinated Debt, except as permitted under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject, or (b) amend any provision in any document relating to the Subordinated Debt which would increase the amount thereof, provide for earlier or greater principal, interest, or other payments thereon, or adversely affect the subordination thereof to Obligations owed to Bank.

7.10 Compliance. Become an “investment company” or a company controlled by an “investment company”, under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Credit Extension for that purpose; fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, as defined in ERISA, to occur, in each case, except as could reasonably be expected to have a Material Adverse Effect; fail to comply with the Federal Fair Labor Standards Act or violate any other law or regulation, if the violation could reasonably be expected to have a Material Adverse Effect, or permit any of its Subsidiaries to do so; withdraw or permit any Subsidiary to withdraw from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan which could reasonably be expected to result in any material liability of Borrower, including any material liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

7.11 Cash Collateral in Restricted Cash Collateral Account. At any time, directly or indirectly withdraw or permit to exist any withdrawals of any cash or Cash Equivalents from the Restricted Cash Collateral Account without the prior written consent of the Bank.

8. EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an “**Event of Default**”) under this Agreement:

8.1 Payment Default. Borrower fails to (a) make any payment of principal on any Credit Extension when due, or (b) pay interest or any other Obligations within [***] Business Days after such Obligations are due and payable (which [***] Business Day cure period shall not apply to payments due on the Term Loan Maturity Date). During the cure period, the failure to make or pay any payment specified under clause (b) hereunder is not an Event of Default (but no Credit Extension will be made during the cure period);

8.2 Covenant Default.

(a) Borrower fails or neglects to perform any obligation in Sections 6.5, 6.7, 6.8, 6.10, 6.12, 6.13, 6.14 or 6.15 or violates any covenant in Section 7;

(b) Borrower fails or neglects to perform any obligation in Section 6.2 and such failure or neglect continues for more than [***] days after the occurrence thereof; or

(c) Borrower fails or neglects to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement or any Loan Documents, and as to any default (other than those specified in this Section 8) under such other term, provision, condition, covenant or agreement that can be cured, has failed to cure the default within [***] days after the occurrence thereof; provided, however, that if the default cannot by its nature be cured within the [***] day period or cannot after diligent attempts by Borrower be

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cured within such [***] day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional period (which shall not in any case exceed [***] days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default (but no Credit Extensions shall be made during such cure period). Cure periods provided under this section shall not apply, among other things, to financial covenants (if any) or any other covenants set forth in Section 8.2(a) and 8.2(b) above;

8.3 Material Adverse Change. A Material Adverse Change occurs;

8.4 Attachment; Levy; Restraint on Business.

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of Borrower or of any entity under the control of Borrower (including a Subsidiary), or (ii) a notice of lien or levy is filed against any of Borrower's assets by any Governmental Authority, and the same under subclauses (i) and (ii) hereof are not, within [***] days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); provided, however, no Credit Extensions shall be made during any [***] day cure period; or

(b) (i) any material portion of Borrower's assets is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents Borrower from conducting all or any material part of its business;

8.5 Insolvency. (a) Borrower or any of its Subsidiaries is unable to pay its debts (including trade debts) as they become due or otherwise becomes insolvent; (b) Borrower or any of its Subsidiaries begins an Insolvency Proceeding; or (c) an Insolvency Proceeding is begun against Borrower or any of its Subsidiaries and is not dismissed or stayed within [***] days (but no Credit Extensions shall be made while any of the conditions described in clause (a) exist and/or until any Insolvency Proceeding is dismissed);

8.6 Other Agreements. There is, under any agreement to which Borrower or any Guarantor is a party with a third party or parties, (a) any default resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount individually or in the aggregate in excess of [***] Dollars (\$[***]); or (b) any breach or default by Borrower or Guarantor, the result of which could have a Material Adverse Effect on Borrower's or any Guarantor's business;

8.7 Judgments; Penalties. One or more fines, penalties or final judgments, orders or decrees for the payment of money in an amount, individually or in the aggregate, of at least [***] Dollars (\$[***]) (not covered by independent third-party insurance as to which liability has been accepted by such insurance carrier) shall be rendered against Borrower by any Governmental Authority, and the same are not, within [***] days after the entry, assessment or issuance thereof, discharged, satisfied, or paid, or after execution thereof, stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay (provided that no Credit Extensions will be made prior to the satisfaction, payment, discharge, stay, or bonding of such fine, penalty, judgment, order or decree);

8.8 Misrepresentations. Borrower or any Person acting for Borrower makes any representation, warranty, or other statement now or later in this Agreement, any Loan Document or in any writing delivered to Bank or to induce Bank to enter this Agreement or any Loan Document, and such representation, warranty, or other statement is incorrect in any material respect when made;

8.9 Subordinated Debt. Any document, instrument, or agreement evidencing any Subordinated Debt shall for any reason be revoked or invalidated or otherwise cease to be in full force and effect, any Person shall be in breach thereof or contest in any manner the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations shall for any reason be subordinated or shall not have the priority contemplated by this Agreement or any applicable subordination or intercreditor agreement;

8.10 Guaranty. (a) Any guaranty of any Obligations (if any) terminates or ceases for any reason to be in full force and effect; (b) any Guarantor (if any) does not perform any obligation or covenant under any guaranty of the Obligations; (c) any circumstance described in Sections 8.3, 8.4, 8.5, 8.6, 8.7, or 8.8 of this Agreement occurs with respect to any Guarantor (if any), (d) the death, liquidation, winding up, or termination of existence of any Guarantor

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to the extent not permitted in this Agreement or the other Loan Documents; or (e)(i) a material impairment in the perfection or priority of Bank's Lien in the Collateral provided by Guarantor or in the value of such collateral or (ii) a material adverse change in the general affairs, management, results of operation, condition (financial or otherwise) or the prospect of repayment of the Obligations occurs with respect to any Guarantor; or

8.11 Governmental Approvals. Any Governmental Approval shall have been (a) revoked, rescinded, suspended, modified in an adverse manner or not renewed in the ordinary course for a full term or (b) subject to any decision by a Governmental Authority that designates a hearing with respect to any applications for renewal of any of such Governmental Approval or that could result in the Governmental Authority taking any of the actions described in clause (a) above, and such decision or such revocation, rescission, suspension, modification or non-renewal causes, or could reasonably be expected to cause, a Material Adverse Change.

9. BANK'S RIGHTS AND REMEDIES

9.1 Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Bank may, without notice or demand, do any or all of the following:

- (a) declare all Obligations immediately due and payable (but if an Event of Default described in Section 8.5 occurs all Obligations are immediately due and payable without any action by Bank);
- (b) stop advancing money or extending credit for Borrower's benefit under this Agreement or under any other agreement between Borrower and Bank;
- (c) demand that Borrower (i) deposit cash with Bank in an amount equal to at least (A) [***] percent ([***]%) of the Dollar Equivalent of the aggregate face amount of all Letters of Credit denominated in Dollars remaining undrawn, and (B) [***] percent ([***]%) of the Dollar Equivalent of the aggregate face amount of all Letters of Credit denominated in a Foreign Currency remaining undrawn (plus, in each case, all interest, fees, and costs due or to become due in connection therewith (as estimated by Bank in its good faith business judgment)), to secure all of the Obligations relating to such Letters of Credit, as collateral security for the repayment of any future drawings under such Letters of Credit, and Borrower shall forthwith deposit and pay such amounts, and (ii) pay in advance all letter of credit fees scheduled to be paid or payable over the remaining term of any Letters of Credit;
- (d) terminate any FX Contracts;
- (e) verify the amount of, demand payment of and performance under, and collect any Accounts and General Intangibles, settle or adjust disputes and claims directly with Account Debtors for amounts on terms and in any order that Bank considers advisable, and notify any Person owing Borrower money of Bank's security interest in such funds. Borrower shall collect all payments in trust for Bank and, if requested by Bank, immediately deliver the payments to Bank in the form received from the Account Debtor, with proper endorsements for deposit;
- (f) make any payments and do any acts it considers necessary or reasonable to protect the Collateral and/or its security interest in the Collateral. Borrower shall assemble the Collateral if Bank requests and make it available as Bank designates. Bank may enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred. Borrower grants Bank a license to enter and occupy any of its premises, without charge, to exercise any of Bank's rights or remedies;
- (g) apply to the Obligations any (i) balances and deposits of Borrower it holds, or (ii) amount held by Bank owing to or for the credit or the account of Borrower;
- (h) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral. Bank is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, Patents, Copyrights, mask works, rights of use of any name, trade secrets, trade names, Trademarks, and advertising matter, or any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section 9.1, Borrower's rights under all licenses and all franchise agreements inure to Bank's benefit;

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(i) place a “hold” on any account maintained with Bank and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral;

(j) demand and receive possession of Borrower’s Books; and

(k) exercise all rights and remedies available to Bank under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

9.2 Power of Attorney. Borrower hereby irrevocably appoints Bank as its lawful attorney-in-fact, exercisable following the occurrence and during the continuance of an Event of Default, to: (a) endorse Borrower’s name on any checks, payment instruments, or other forms of payment or security; (b) sign Borrower’s name on any invoice or bill of lading for any Account or drafts against Account Debtors; (c) demand, collect, sue, and give releases to any Account Debtor for monies due, settle and adjust disputes and claims about the Accounts directly with Account Debtors, and compromise, prosecute, or defend any action, claim, case, or proceeding about any Collateral (including filing a claim or voting a claim in any bankruptcy case in Bank’s or Borrower’s name, as Bank chooses); (d) make, settle, and adjust all claims under Borrower’s insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, or other claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of Bank or a third party as the Code permits. Borrower hereby appoints Bank as its lawful attorney-in-fact to sign Borrower’s name on any documents necessary to perfect or continue the perfection of Bank’s security interest in the Collateral regardless of whether an Event of Default has occurred until all Obligations have been satisfied in full and the Loan Documents have been terminated. Bank’s foregoing appointment as Borrower’s attorney in fact, and all of Bank’s rights and powers, coupled with an interest, are irrevocable until all Obligations have been fully repaid and performed and the Loan Documents have been terminated.

9.3 Protective Payments. If Borrower fails to obtain the insurance called for by Section 6.7 or fails to pay any premium thereon or fails to pay any other amount which Borrower is obligated to pay under this Agreement or any other Loan Document or which may be required to preserve the Collateral, Bank may obtain such insurance or make such payment, and all amounts so paid by Bank are Bank Expenses and immediately due and payable, bearing interest at the then highest rate applicable to the Obligations, and secured by the Collateral. Bank will make reasonable efforts to provide Borrower with notice of Bank obtaining such insurance at the time it is obtained or within a reasonable time thereafter. No payments by Bank are deemed an agreement to make similar payments in the future or Bank’s waiver of any Event of Default.

9.4 Application of Payments and Proceeds. At any time after the occurrence and during the continuance of an Event of Default, Bank shall have the right to apply in any order any funds in its possession, whether from Borrower account balances, payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, to the Obligations. Bank shall pay any surplus to Borrower by credit to the Designated Deposit Account or to other Persons legally entitled thereto; Borrower shall remain liable to Bank for any deficiency. If Bank, directly or indirectly, enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Bank shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Bank of cash therefor.

9.5 Bank’s Liability for Collateral. So long as Bank complies with reasonable banking practices regarding the safekeeping of the Collateral in the possession or under the control of Bank, Bank shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Except as set forth above, Borrower bears all risk of loss, damage or destruction of the Collateral.

9.6 No Waiver; Remedies Cumulative. Bank's failure, at any time or times, to require strict performance by Borrower of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of Bank thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the party granting the waiver and then is only effective for the specific instance and purpose for which it is given. Bank's rights and remedies under this Agreement and the other Loan Documents are cumulative. Bank has all rights and remedies provided under the Code, by law, or in equity. Bank's exercise of one right or remedy is not an election and shall not preclude Bank from exercising any other remedy under this Agreement or other remedy available at law or in equity, and Bank's waiver of any Event of Default is not a continuing waiver. Bank's delay in exercising any remedy is not a waiver, election, or acquiescence.

9.7 Demand Waiver. Borrower waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Bank on which Borrower is liable.

10. NOTICES

All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and [***] after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail or facsimile transmission; (c) [***] after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, facsimile number, or email address indicated below. Bank or Borrower may change its mailing or electronic mail address or facsimile number by giving the other party written notice thereof in accordance with the terms of this Section 10

If to Borrower: Outset Medical, Inc.
3052 Orchard Drive
San Jose, California 95112
Attn: Rebecca Chambers, Chief Financial Officer, and
John Brottem, General Counsel
Email: [***] and
[***]

If to Bank: Silicon Valley Bank
2400 Hanover Street
Palo Alto, California 94304
Attn: Robert Mingrone, Director
Email: [***]

11. CHOICE OF LAW, VENUE, JURY TRIAL WAIVER AND JUDICIAL REFERENCE

Except as otherwise expressly provided in any of the Loan Documents, California law governs the Loan Documents without regard to principles of conflicts of law. Borrower and Bank each submit to the exclusive jurisdiction of the State and Federal courts in California; provided, however, that nothing in this Agreement shall be deemed to operate to preclude Bank from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Bank. Each of Borrower and Bank expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and each of Borrower and Bank hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Each of Borrower and Bank hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower or Bank, as applicable, at the address set forth in, or subsequently provided by Borrower or Bank, as applicable, in accordance with, Section 10 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's or Bank's, as applicable, actual receipt thereof or [***] days after deposit in the U.S. mails, proper postage prepaid.

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TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND BANK EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of the Santa Clara County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in Santa Clara County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure Sections 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the Santa Clara County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure Section 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, foreclose against Collateral, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

This Section 11 shall survive the termination of this Agreement.

12. GENERAL PROVISIONS

12.1 Termination Prior to Maturity Date; Survival. All covenants, representations and warranties made in this Agreement shall continue in full force until this Agreement has terminated pursuant to its terms and all Obligations have been satisfied. So long as Borrower has satisfied the Obligations (other than inchoate indemnity obligations, and any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement), this Agreement may be terminated prior to the Term Loan Maturity Date by Borrower, effective [***] Business Days after written notice of termination is given to Bank. Those obligations that are expressly specified in this Agreement as surviving this Agreement's termination shall continue to survive notwithstanding this Agreement's termination.

12.2 Successors and Assigns. This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower may not assign this Agreement or any rights or obligations under it without Bank's prior written consent (which may be granted or withheld in Bank's discretion). Bank has the right, without the consent of or notice to Borrower, to sell, transfer, assign, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights, and benefits under this Agreement and the other Loan Documents. Notwithstanding the foregoing, so long as no Event of Default shall have occurred and is continuing, Bank shall not assign its interest in the Loan Documents to any Person who in the reasonable estimation of Bank is (a) a direct competitor of Borrower, or (b) a vulture fund or distressed debt fund.

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12.3 Indemnification. Borrower agrees to indemnify, defend and hold Bank and its directors, officers, employees, agents, attorneys, or any other Person affiliated with or representing Bank (each, an “**Indemnified Person**”) harmless against: (i) all obligations, demands, claims, and liabilities (collectively, “**Claims**”) claimed or asserted by any other party in connection with the transactions contemplated by the Loan Documents; and (ii) all losses or expenses (including Bank Expenses) in any way suffered, incurred, or paid by such Indemnified Person as a result of, following from, consequential to, or arising from the execution, delivery, enforcement, performance or administration of any Loan Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby (including reasonable and documented attorneys’ fees and expenses), except for Claims and/or losses directly caused by such Indemnified Person’s gross negligence or willful misconduct. This Section 12.3 shall survive until all statutes of limitation with respect to the Claims, losses, and expenses for which indemnity is given shall have run. Notwithstanding the foregoing, Borrower shall not have any obligation to make any payment to any Indemnified Person with respect to Excluded Taxes.

12.4 Time of Essence. Time is of the essence for the performance of all Obligations in this Agreement.

12.5 Severability of Provisions. Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

12.6 Correction of Loan Documents. Bank may correct patent errors and fill in any blanks in the Loan Documents consistent with the agreement of the parties so long as Bank provides Borrower with written notice of such correction and allows Borrower at least [***] days to object to such correction. In the event of such objection, such correction shall not be made except by an amendment signed by both Bank and Borrower.

12.7 Amendments in Writing; Waiver; Integration. No purported amendment or modification of any Loan Document, or waiver, discharge or termination of any obligation under any Loan Document, shall be enforceable or admissible unless, and only to the extent, expressly set forth in a writing signed by the party against which enforcement or admission is sought. Without limiting the generality of the foregoing, no oral promise or statement, nor any action, inaction, delay, failure to require performance or course of conduct shall operate as, or evidence, an amendment, supplement or waiver or have any other effect on any Loan Document. Any waiver granted shall be limited to the specific circumstance expressly described in it, and shall not apply to any subsequent or other circumstance, whether similar or dissimilar, or give rise to, or evidence, any obligation or commitment to grant any further waiver. The Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of the Loan Documents merge into the Loan Documents.

12.8 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement.

12.9 Confidentiality. In handling any confidential information, Bank shall exercise the same degree of care that it exercises for its own proprietary information, but disclosure of information may be made: [***]. Confidential information does not include information that is either: [***].

Bank Entities may use anonymous forms of confidential information for aggregate datasets, for analyses or reporting, and for any other uses not expressly prohibited in writing by Borrower. The provisions of the immediately preceding sentence shall survive the termination of this Agreement.

12.10 Attorneys’ Fees, Costs and Expenses. In any action or proceeding between Borrower and Bank arising out of or relating to the Loan Documents, the prevailing party shall be entitled to recover its reasonable and documented attorneys’ fees and other costs and expenses incurred, in addition to any other relief to which it may be entitled.

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12.11 Electronic Execution of Documents. The words “execution,” “signed,” “signature” and words of like import in any Loan Document shall be deemed to include images of manually executed signatures transmitted by facsimile or other electronic format (including, without limitation, “pdf,” “tif,” or “jpg”) and other electronic signatures (including the Bank’s DocuSign platform) or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act or the Code.

12.12 Right of Setoff. Borrower hereby grants to Bank a Lien and a right of setoff as security for all Obligations to Bank, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Bank or any entity under the control of Bank (including a subsidiary of Bank) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Bank may setoff the same or any part thereof and apply the same to any liability or Obligation of Borrower even though unmaturred and regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

12.13 Captions. The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

12.14 Construction of Agreement. The parties mutually acknowledge that they and their attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty this Agreement shall be construed without regard to which of the parties caused the uncertainty to exist.

12.15 Relationship. The relationship of the parties to this Agreement is determined solely by the provisions of this Agreement. The parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm’s-length contract.

12.16 Third Parties. Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

13. DEFINITIONS

13.1 Definitions. As used in the Loan Documents, the word “shall” is mandatory, the word “may” is permissive, the word “or” is not exclusive, the words “includes” and “including” are not limiting, the singular includes the plural, and numbers denoting amounts that are set off in brackets are negative. As used in this Agreement, the following capitalized terms have the following meanings:

“**Account**” is, as to any Person, any “**account**” of such Person as “account” is defined in the Code with such additions to such term as may hereafter be made, and includes, without limitation, all accounts receivable and other sums owing to such Person.

“**Account Debtor**” is any “**account debtor**” as defined in the Code with such additions to such term as may hereafter be made.

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“Administrator” is an individual that is named:

- (a) as an “Administrator” in the “SVB Online Services” form completed by Borrower with the authority to determine who will be authorized to use SVB Online Services (as defined in Bank’s Online Banking Agreement as in effect from time to time) on behalf of Borrower; and
- (b) as an Authorized Signer of Borrower in an approval by the Board.

“Affiliate” is, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person’s senior executive officers, directors, partners and, for any Person that is a limited liability company, that Person’s managers and members. For purposes of this defined term “control” means, in respect of a particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise.

“Agreement” is defined in the preamble hereof.

“Applicable Law” means all applicable provisions of constitutions, laws, statutes, ordinances, rules, treaties, regulations, permits, licenses, approvals, interpretations and orders of courts or Governmental Authorities and all orders and decrees of all courts and arbitrators.

“Authorized Signer” is any individual listed in on the incumbency certificate delivered by Borrower to Bank who is authorized to execute the Loan Documents, including making (and executing if applicable) any Credit Extension request, on behalf of Borrower.

“Bank” is defined in the preamble hereof.

“Bank Entities” is defined in Section 12.9.

“Bank Expenses” are all audit fees and expenses, costs, and expenses (including reasonable and documented attorneys’ fees and expenses) for preparing, amending, negotiating, administering, defending and enforcing the Loan Documents (including, without limitation, those incurred in connection with appeals or Insolvency Proceedings) or otherwise incurred with respect to Borrower or any Guarantor.

“Bank Services” are any products, credit services, and/or financial accommodations previously, now, or hereafter provided to Borrower or any of its Subsidiaries by Bank or any Bank Affiliate, including, without limitation, any letters of credit, cash management services (including, without limitation, merchant services, direct deposit of payroll, business credit cards, and check cashing services), interest rate swap arrangements, and foreign exchange services as any such products or services may be identified in Bank’s various agreements related thereto (each, a **“Bank Services Agreement”**).

“Bank Services Agreement” is defined in the definition of Bank Services.

“Board” is Borrower’s board of directors.

“Borrower” is defined in the preamble hereof.

“Borrower’s Books” are all Borrower’s books and records including ledgers, federal and state tax returns, records regarding Borrower’s assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

“Borrowing Resolutions” are, with respect to any Person, those resolutions adopted by such Person’s board of directors (and, if required under the terms of such Person’s Operating Documents, stockholders) and delivered by such Person to Bank approving the Loan Documents to which such Person is a party and the transactions contemplated thereby.

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“Business Day” is any day that is not a Saturday, Sunday or a day on which Bank is closed.

“Capital Lease” means, with respect to any Person, any lease of real or personal property by such Person as lessee which is required under GAAP to be capitalized on the balance sheet of such Person.

“Capital Lease Obligation” means, as to any Person, any obligation of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) real or personal property, which obligations are required to be classified and accounted for as a Capital Lease on a balance sheet of such Person under GAAP and, for purposes of this Agreement, the amount of any such obligation shall be the capitalized amount thereof, determined in accordance with GAAP.

“Cash Collateral Amount” is equal to the then outstanding principal balance of the Term Loan Advance.

“Cash Equivalents” means (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than one (1) year from the date of acquisition; (b) commercial paper maturing no more than one (1) year after its creation and having the highest rating from either Standard & Poor’s Ratings Group or Moody’s Investors Service, Inc.; (c) Bank’s certificates of deposit issued maturing no more than one (1) year after issue; and (d) money market funds at least ninety-five percent (95%) of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (c) of this definition.

“Cash Pledge Agreement” means that certain Bank Services Cash Pledge Agreement (including that certain Annex I and that certain Rider thereto) by Borrower in favor of Bank dated as of the Effective Date, (as the same may be amended, modified, supplemented or restated from time to time).

“Change in Control” means (a) at any time, any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), shall become, or obtain rights (whether by means of warrants, options or otherwise) to become, the “beneficial owner” (as defined in Rules 13(d)-3 and 13(d)-5 under the Exchange Act), directly or indirectly, of (x) prior to the consummation of an IPO, [***] percent ([***]%) or more and (y) upon and after the consummation of an IPO, [***] percent ([***]%) or more, in each case, of the ordinary voting power for the election of directors of Borrower (determined on a fully diluted basis) other than by the sale of Borrower’s equity securities in a public offering or to venture capital or private equity investors so long as Borrower identifies to Bank the venture capital or private equity investors at least [***] Business Days prior to the closing of the transaction and provides to Bank a description of the material terms of the transaction; (b) during any period of [***] months, a majority of the members of the board of directors or other equivalent governing body of Borrower cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body; or (c) at any time, Borrower shall cease to own and control, of record and beneficially, directly or indirectly, [***] percent ([***]%) of each class of outstanding capital stock of each subsidiary of Borrower free and clear of all Liens (except Liens created by this Agreement); provided that, to the extent otherwise expressly permitted pursuant to Section 7.3, this clause (c) shall not prevent or prohibit any merger, amalgamation or similar consolidation (x) of Subsidiaries of the Borrower into the Borrower so long as the Borrower is the surviving corporation or (y) of Subsidiaries of the Borrower into Subsidiaries of the Borrower that are Loan Parties so long as such Loan Party is the surviving entity and the requirements of this clause (c) are satisfied with respect to such surviving Loan Party.

“Claims” is defined in Section 12.3.

“Code” is the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of California; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Bank’s Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of

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California, the term “Code” shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

“**Collateral**” is any and all properties, rights and assets of Borrower described on Exhibit A.

“**Collateral Account**” is any Deposit Account, Securities Account, or Commodity Account.

“**Commodity Account**” is any “commodity account” as defined in the Code with such additions to such term as may hereafter be made.

“**Compliance Statement**” is that certain statement in the form attached hereto as Exhibit B.

“**Contingent Obligation**” is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any Indebtedness of another such as an obligation, in each case, directly or indirectly guaranteed, endorsed, co made, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn letters of credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but “Contingent Obligation” does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith; but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

“**Control Agreement**” is any control agreement entered into among the depository institution at which Borrower maintains a Deposit Account or the securities intermediary or commodity intermediary at which Borrower maintains a Securities Account or a Commodity Account, Borrower, and Bank pursuant to which Bank obtains control (within the meaning of the Code) over such Deposit Account, Securities Account, or Commodity Account.

“**Copyrights**” are any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret.

“**Credit Extension**” is the Term Loan Advance or any other extension of credit by Bank for Borrower’s benefit.

“**Default Rate**” is defined in Section 2.3(b).

“**Deposit Account**” is any “deposit account” as defined in the Code with such additions to such term as may hereafter be made.

“**Designated Deposit Account**” is the account number ending [***] maintained by Borrower with Bank (provided, however, if no such account number is included, then the Designated Deposit Account shall be any deposit account of Borrower maintained with Bank as agreed between Borrower and Bank).

“**Disqualified Equity Interests**” means, with respect to any Person, any Equity Interests of such Person which, by their terms, or by the terms of any security into which they are convertible or for which they are putable or exchangeable, or upon the happening of any event or condition, (a) mature or are mandatorily redeemable (other than solely as a result of a change of control or asset sale, so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior indefeasible repayment in full in cash of the Term Loan Advance and all other Obligations that are accrued and payable and the termination or expiration of Bank’s obligation to lend and the termination of this Agreement) pursuant to a sinking fund obligation or otherwise, or are redeemable at the option of the holder thereof (other than solely as a result of a change of control or asset sale, so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to

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the prior indefeasible repayment in full in cash of the Term Loan Advance and all other Obligations that are accrued and payable and the termination or expiration of Bank's obligation to lend and the termination of this Agreement), in whole or in part, or otherwise has any distributions or other payments which are mandatory or otherwise required at any time (other than distributions or payments in Equity Interests that do not constitute Disqualified Equity Interests), in each case prior to the date [***] days after the Term Loan Maturity Date, or (b) is convertible into or exchangeable (unless at the sole option of the issuer thereof for (x) debt securities or (y) any Equity Interest referred to in clause (a) above; *provided, however*, that, if such Equity Interests are issued to any plan for the benefit of employees of Borrower or its Subsidiaries or by any such plan to such employees, such Equity Interests shall not constitute Disqualified Equity Interests solely because they may be required to be repurchased by Borrower or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations.

"Division" means, in reference to any Person which is an entity, the division of such Person into two (2) or more separate Persons, with the dividing Person either continuing or terminating its existence as part of such division, including, without limitation, as contemplated under Section 18-217 of the Delaware Limited Liability Company Act for limited liability companies formed under Delaware law, or any analogous action taken pursuant to any other applicable law with respect to any corporation, limited liability company, partnership or other entity.

"Dollars," "dollars" or use of the sign "\$" means only lawful money of the United States and not any other currency, regardless of whether that currency uses the "\$" sign to denote its currency or may be readily converted into lawful money of the United States.

"Dollar Equivalent" is, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in a Foreign Currency, the equivalent amount therefor in Dollars as determined by Bank at such time on the basis of the then-prevailing rate of exchange in San Francisco, California, for sales of the Foreign Currency for transfer to the country issuing such Foreign Currency.

"Domestic Subsidiary" is any direct or indirect Subsidiary formed or organized under the laws of the United States, any state or territory thereof, or the District of Columbia.

"Effective Date" is defined in the preamble hereof.

"Equipment" is all **"equipment"** as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

"Equity Interest" means, with respect to any Person, any and all shares, interests, participations or other equivalents, including membership interests (however designated, and whether voting or nonvoting), representing equity ownership or participation of such Person, including, if such Person is a partnership, partnership interests (whether general or limited) and any other interest or participation that confers on another Person the right to receive a share of the profits and losses of, or distributions of property of, such Person.

"ERISA" is the Employee Retirement Income Security Act of 1974, and its regulations.

"Event of Default" is defined in Section 8.

"Exchange Act" is the Securities Exchange Act of 1934, as amended.

"Excluded Foreign Subsidiary" means, in respect of any Loan Party, any Subsidiary of such Loan Party, at any date of determination, that is a "controlled foreign corporation" as defined in Section 957 of the Internal Revenue Code, or (b) that is a Subsidiary of a "controlled foreign corporation" as defined in Section 957 of the Internal Revenue Code.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to Bank (including any assignee or successor) or required to be withheld or deducted from a payment to Bank (including any assignee or successor), (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch

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profits Taxes, in each case, (i) imposed as a result of Bank (including any assignee or successor) being organized under the laws of, or having its principal office or its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) U.S. federal withholding Taxes imposed on amounts payable to or for the account of Bank (including any assignee or successor) with respect to an applicable interest in any Loan Document pursuant to a law in effect on the date on which (i) Bank (including any assignee or successor) acquires such interest in any Loan Document or (ii) Bank (including any assignee or successor) changes its lending office, except in each case to the extent that, pursuant to Section 2.6, amounts with respect to such Taxes were payable either to Bank's (or such assignee's or successor's) assignor immediately before Bank (or such assignee or successor) became a party hereto or to Bank (including any assignee or successor) immediately before it changed its lending office, (c) Taxes attributable to Bank's (or such assignee's or successor's) failure to comply with Section 2.6(e), and (d) any withholding Taxes imposed under FATCA.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Internal Revenue Code.

"Final Payment" is a payment (in addition to and not a substitution for the regular monthly payments of principal plus accrued interest) equal to Two Million Twenty-Five Thousand Dollars (\$2,025,000) due on the earliest to occur of (a) the Term Loan Maturity Date, or (b) the acceleration of the Term Loan Advance, or (c) the prepayment of the Term Loan Advance in full pursuant to Section 2.2(d) or 2.2(e).

"Financial Statement Repository" is each of (a) the folder under Bank's cloud storage account or such other means of collecting information approved and designated by Bank after providing notice thereof to Borrower from time to time and (b) Bank's online banking platform as described in Section 6.12.

"Foreign Currency" means lawful money of a country other than the United States.

"Foreign Subsidiary" means any direct or indirect Subsidiary of the Borrower that is not a Domestic Subsidiary.

"Funding Date" is any date on which a Credit Extension is made to or for the account of Borrower which shall be a Business Day.

"FX Contract" is any foreign exchange contract by and between Borrower and Bank under which Borrower commits to purchase from or sell to Bank a specific amount of Foreign Currency on a specified date.

"GAAP" is generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"General Intangibles" is all "general intangibles" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation, all Intellectual Property, claims, income and other tax refunds, security and other deposits, payment intangibles, contract rights, options to purchase or sell real or personal property, rights in all litigation presently or hereafter pending (whether in contract, tort or otherwise), insurance policies (including without limitation key man, property damage, and business interruption insurance), payments of insurance and rights to payment of any kind.

"Governmental Approval" is any consent, authorization, approval, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority.

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“Governmental Authority” is any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

“Guarantor” is any Person providing a Guaranty in favor of Bank.

“Guaranty” is any guarantee of all or any part of the Obligations, as the same may from time to time be amended, restated, modified or otherwise supplemented.

“Indebtedness” is (a) indebtedness for borrowed money or the deferred price of property or services, such as reimbursement and other obligations for surety bonds and letters of credit, (b) obligations evidenced by notes, bonds, debentures or similar instruments, (c) Capital Lease Obligations, and (d) Contingent Obligations.

“Indemnified Person” is defined in Section 12.3.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of Borrower under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Insolvency Proceeding” is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

“Intellectual Property” means, with respect to any Person, all of such Person’s right, title, and interest in and to the following:

- (a) its Copyrights, Trademarks and Patents;
- (b) any and all trade secrets and trade secret rights, including, without limitation, any rights to unpatented inventions, know-how and operating manuals;
- (c) any and all source code;
- (d) any and all design rights which may be available to such Person;
- (e) any and all claims for damages by way of past, present and future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the Intellectual Property rights identified above; and
- (f) all amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Inventory” is all **“inventory”** as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of Borrower’s custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

“Investment” is any beneficial ownership interest in any Person (including stock, partnership interest or other securities), and any loan, advance or capital contribution to any Person.

“IPO” is without limitation, in connection with the Borrower’s initial, underwritten public offering and sale of its Equity Interests pursuant to an effective registration statement under the Securities Act of 1933, as amended.

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“Key Person” is each of Borrower’s (a) Chief Executive Officer, who is Leslie Trigg as of the Effective Date, and (b) Chief Financial Officer, who is Rebecca Chambers as of the Effective Date.

“Lien” is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

“Loan Documents” are, collectively, this Agreement and any schedules, exhibits, certificates, notices, and any other documents related to this Agreement, the Cash Pledge Agreement, any Bank Services Agreement, any subordination agreement, any note, or notes or guaranties executed by Borrower or any Guarantor, and any other present or future agreement by Borrower and/or any Guarantor with or for the benefit of Bank, all as amended, restated, or otherwise modified.

“Loan Party” means the Borrower and any Secured Guarantor.

“Material Adverse Change” is (a) a material impairment in the perfection or priority of Bank’s Lien in the Collateral or in the value of such Collateral; (b) a material adverse change in the business, operations, or condition (financial or otherwise) of Borrower; or (c) a material impairment of the prospect of repayment of any portion of the Obligations.

“Material Adverse Effect” is a material adverse effect on the businesses or operations of Borrower.

“Mexico Business Activities” means Borrower’s engagement of TACNA Services, Inc. as a shelter service provider for the manufacturing of consoles in Mexico and the business activities related thereto, including the operation of a manufacturing facility in Mexico and the operations of Baja Fur S.A. de C.V. related thereto.

“Obligations” are Borrower’s obligations to pay when due any debts, principal, interest, fees, Bank Expenses, the Prepayment Fee, the Final Payment, and other amounts Borrower owes Bank now or later, whether under this Agreement and the other Loan Documents, including, without limitation, all obligations relating to Bank Services and interest accruing after Insolvency Proceedings begin and debts, liabilities, or obligations of Borrower assigned to Bank, and to perform Borrower’s duties under the Loan Documents.

“Operating Documents” are, for any Person, such Person’s formation documents, as certified by the Secretary of State (or equivalent agency) of such Person’s jurisdiction of organization on a date that is no earlier than [***] days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

“Other Connection Taxes” means, with respect to Bank (including any assignee or successor), Taxes imposed as a result of a present or former connection between Bank (including any assignee or successor) and the jurisdiction imposing such Tax (other than connections arising from Bank (including any assignee or successor) having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Credit Extension or Loan Document).

“Other Taxes” means all present or future stamp, court, documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

“Patents” means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

“Payment/Advance Form” is that certain form in the form attached hereto as Exhibit C.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

“Payment Date” is the first (1st) calendar day of each month.

“Perceptive” means Perceptive Credit Holdings, LP, a Delaware limited partnership.

“Perfection Certificate” is defined in Section 5.1.

“Permitted Acquisition” means any Acquisition(s) in which: [***].

“Permitted Indebtedness” is:

- (a) Borrower’s Indebtedness to Bank under this Agreement and the other Loan Documents;
- (b) Indebtedness existing on the Effective Date which is shown on the Perfection Certificate;
- (c) Subordinated Debt;
- (d) unsecured Indebtedness to trade creditors incurred in the ordinary course of business;
- (e) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;
- (f) Indebtedness secured by Liens permitted under clauses (a) and (c) of the definition of “Permitted Liens” hereunder;
- (g) Indebtedness of Borrower to any Subsidiary and Contingent Obligations of any Subsidiary with respect to obligations of Borrower (provided that the primary obligations are not prohibited hereby), and Indebtedness of any Subsidiary to Borrower in an aggregate principal amount not to exceed [***] Dollars (\$[***]) or any other Subsidiary and Contingent Obligations of any Subsidiary with respect to obligations of any other Subsidiary (provided that the primary obligations are not prohibited hereby);
- (h) other unsecured Indebtedness not otherwise permitted by Section 7.4 not exceeding [***] Dollars (\$[***]) in the aggregate outstanding at any time;
- (i) deposits or advances received from Borrower’s customers in the ordinary course of business;
- (j) Indebtedness up to an aggregate principal amount of [***] Dollars (\$[***]) at any time outstanding with respect to letters of credit issued solely to support any lease of real property entered into in the ordinary course of business;
- (k) unsecured Indebtedness incurred in connection with corporate credit cards not issued by Bank or its Affiliates in an aggregate principal amount not to exceed [***] Dollars (\$[***]) at any time outstanding;
- (l) unsecured Indebtedness of any Person that becomes a Subsidiary after the date hereof; provided that (i) such Indebtedness (i) exists at the time such Person becomes a Subsidiary and is not created in contemplation of or in connection with such Person becoming a Subsidiary, and (ii) the aggregate principal amount of Indebtedness permitted by this clause (l) for all such new Subsidiaries shall not exceed [***] Dollars (\$[***]) at any time outstanding;
- (m) Indebtedness up to an aggregate principal amount not to exceed [***] Dollars (\$[***]) at any time outstanding with respect to letters of credit issued solely to support obligations of the Borrower or any of its Subsidiaries to any contract manufacturer of the products of the Borrower or its Subsidiaries;
- (n) Indebtedness (other than for borrowed money) that may be deemed to exist pursuant to any guarantees, warranty or contractual service obligations, performance, surety, statutory, appeal, bid, prepayment

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

guarantee, payment (other than payment of Indebtedness) or completion of performance guarantees or similar obligations incurred in the ordinary course of business, including in connection with the Mexico Business Activities in the ordinary course of Borrower's business; and

(o) extensions, refinancings, modifications, amendments and restatements of any items of Permitted Indebtedness (a) through (n) above, provided that the principal amount thereof is not increased or the terms thereof are not modified to impose more burdensome terms upon Borrower or its Subsidiary, as the case may be.

"Permitted Investments" are:

(a) Investments (including, without limitation, Subsidiaries) existing on the Effective Date which are shown on the Perfection Certificate;

(b) (i) Investments consisting of Cash Equivalents, and (ii) any Investments permitted by Borrower's investment policy, as amended from time to time, provided that such investment policy (and any such amendment thereto) has been approved in writing by Bank;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of Borrower;

(d) Investments accepted in connection with Transfers permitted by Section 7.1;

(e) Investments consisting of the creation of a Subsidiary for the purpose of consummating a merger transaction permitted by Section 7.3 of this Agreement, which is otherwise a Permitted Investment;

(f) Investments (i) by Borrower in Subsidiaries not to exceed [***] Dollars (\$[***]) in the aggregate at any time and (ii) by Subsidiaries in other Subsidiaries or in Borrower;

(g) Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the ordinary course of business, not to exceed [***] Dollars (\$[***]) in the aggregate at any time, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of Borrower or its Subsidiaries pursuant to employee stock purchase plans or agreements approved by the Board;

(h) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business;

(i) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business; provided that this paragraph (i) shall not apply to Investments of Borrower in any Subsidiary;

(j) Permitted Acquisitions (including the formation and capitalization of Subsidiaries solely in connection with any Permitted Acquisition);

(k) other Investments not otherwise permitted by Section 7.7 not exceeding [***] Dollars (\$[***]) in the aggregate outstanding at any time;

(l) Investments consisting of security deposits with utilities and other like Persons made in the ordinary course of business;

(m) Investments permitted under Section 7.3;

(n) non-cash investments in joint ventures or strategic alliances in the ordinary course of Borrower's business consisting of the non-exclusive licensing of technology, the development of technology or the providing of technical support;

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(o) leasing arrangements and extended payment terms provided to Borrower's customers in the ordinary course of business so long as the aggregate principal amount of such Investments does not to exceed [***] Dollars (\$[***]) in the aggregate for all such arrangements and payment terms at any time outstanding; and

(p) Investments pursuant to Mexico Business Activities in the ordinary course of Borrower's business.

"Permitted Liens" are:

(a) Liens existing on the Effective Date which are shown on the Perfection Certificate or arising under this Agreement or the other Loan Documents;

(b) Liens for taxes, fees, assessments or other government charges or levies, either (i) not due and payable or (ii) being contested in good faith and for which Borrower maintains adequate reserves on Borrower's Books, provided that no notice of any such Lien has been filed or recorded under the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted thereunder;

(c) purchase money Liens or Capital Leases (i) on Equipment and/or fixed assets (as applicable) (including related software) acquired or held by Borrower incurred for financing the acquisition of the Equipment and/or fixed assets (as applicable) (including related software) securing no more than [***] Dollars (\$[***]) in the aggregate amount outstanding at any time, or (ii) existing on Equipment and/or fixed assets (as applicable) (including related software) when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment and/or fixed assets (as applicable) (including related software);

(d) Liens of carriers, warehousemen, suppliers, or other Persons that are possessory in nature arising in the ordinary course of business so long as such Liens attach only to Inventory, securing liabilities in the aggregate amount not to exceed [***] Dollars (\$[***]) and which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto;

(e) Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by ERISA);

(f) Liens incurred in the extension, renewal or refinancing of the Indebtedness secured by Liens described in (a) through (c), but any extension, renewal or replacement Lien must be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness may not increase;

(g) Liens arising from attachments or judgments, orders, or decrees in circumstances not constituting an Event of Default under Sections 8.4 and 8.7;

(h) Liens arising from precautionary Uniform Commercial Code financing statements (or equivalent filings or registrations in foreign jurisdictions) filed on operating losses covering the leased property to the extent such operating leases are permitted by this Agreement;

(i) servitudes, easements, rights of way, restrictions and other similar encumbrances on real property imposed by any Requirement of Law and encumbrances consisting of zoning or building restrictions, easements, licenses, restrictions on the use of property or minor imperfections in title thereto which, in the aggregate, are not material, and which do not in any case materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business;

(j) bankers' liens, rights of setoff and similar Liens incurred on deposits held in Deposit Accounts made in the ordinary course of business;

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(k) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds (other than bonds related to judgments or litigation), performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(l) leases or subleases of real property granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), and leases, subleases, non-exclusive licenses or sublicenses of personal property (other than Intellectual Property) granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), if the leases, subleases, licenses and sublicenses do not prohibit granting Bank a security interest therein;

(m) Liens (i) in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business or (ii) on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances or letters of credit issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;

(n) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by the Borrower or any of its Subsidiaries in the ordinary course of business permitted by this Agreement;

(o) Liens solely on any cash earnest money deposits made by the Borrower or any of its Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder so long as (i) the underlying proposed transaction that is subject of such letter of intent or purchase agreement would, upon completion, constitute a Permitted Acquisition, and (ii) any such Lien shall be limited solely to the cash deposit and no other assets or properties of the Borrower or any of its Subsidiaries;

(p) Liens existing on assets or property at the time of its acquisition or existing on the property of any Person at the time such Person becomes a Subsidiary of the Borrower, in each case after the date hereof, and including the replacement, modification, extension or renewal of any such Lien to the extent originally permitted by this clause upon or in the same assets or property in connection with the replacement, modification, extension or renewal of the Indebtedness secured thereby; provided that (i) the acquisition of such assets or property or the Person that becomes a Subsidiary of the Borrower shall qualify as a Permitted Acquisition, (ii) such Lien was not created in contemplation of such acquisition or such Person becoming a Subsidiary, (iii) such Lien does not extend to or cover any other assets or property (other than (1) the proceeds or products of the originally secured assets or properties, (2) after-acquired property that is affixed or incorporated into the property covered by such Lien, (3) any other Permitted Lien and (4) after-acquired property subject to a Lien securing Indebtedness and other obligations incurred prior to such time), and (iv) any Indebtedness secured by any such Lien is permitted under Section 7.4;

(q) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto; and

(r) cash collateral to secure Indebtedness permitted under clauses (k) and (m) of Permitted Indebtedness.

"Person" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"Prepayment Fee" shall be an additional fee, payable to Bank, with respect to the Term Loan Advance, in an amount equal to (i) if the prepayment is made on or before the first anniversary of the Effective Date, three percent (3.0%) of the outstanding principal balance being prepaid, (ii) if the prepayment is made after the first anniversary of the Effective Date but on or before the second anniversary of the Effective Date, two percent (2.0%) of the outstanding principal balance being prepaid, or (iii) if the prepayment is made after the second anniversary of the Effective Date but prior to the Term Loan Maturity Date, one percent (1.0%) of the outstanding principal balance being prepaid.

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“Prime Rate” is the rate of interest per annum from time to time published in the money rates section of The Wall Street Journal or any successor publication thereto as the “prime rate” then in effect; provided that, in the event such rate of interest is less than zero, such rate shall be deemed to be zero for purposes of this Agreement; and provided further that if such rate of interest, as set forth from time to time in the money rates section of The Wall Street Journal, becomes unavailable for any reason as determined by Bank, the “Prime Rate” shall mean the rate of interest per annum announced by Bank as its prime rate in effect at its principal office in the State of California (such Bank announced Prime Rate not being intended to be the lowest rate of interest charged by Bank in connection with extensions of credit to debtors); provided that, in the event such rate of interest is less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Qualified Equity Interest” means, with respect to any Person, any Equity Interest of such Person that is not a Disqualified Equity Interest.

“Registered Organization” is any “registered organization” as defined in the Code with such additions to such term as may hereafter be made.

“Requirement of Law” is as to any Person, the organizational or governing documents of such Person, and any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Responsible Officer” is any of the Chief Executive Officer, President, Chief Financial Officer and Controller of Borrower.

“Restricted Cash Balance” means the aggregate amount of unrestricted and unencumbered cash and Cash Equivalents held by Borrower solely in the Restricted Cash Collateral Account. (For purposes of clarity, (i) any of Borrower’s amounts held in a Collateral Account other than the Restricted Cash Collateral Account shall not count towards the determination of the Restricted Cash Balance, and (ii) if an Unrestricted Cash Balance is transferred to the Restricted Cash Collateral Account, such Unrestricted Cash Balance becomes a Restricted Cash Balance at all times after such transfer.)

“Restricted Cash Collateral Account” is that certain restricted or “blocked” segregated collateral money market account of Borrower maintained with Bank, having an account number ending in [***] and as more fully described in the Cash Pledge Agreement, which secures the payment and performance in full of all of the Obligations.

“Restricted License” is any material license or other agreement with respect to which Borrower is the licensee (a) that prohibits or otherwise restricts Borrower from granting a security interest in Borrower’s interest in such license or agreement or any other property, or (b) for which a default under or termination of could interfere with Bank’s right to sell any Collateral.

“SEC” shall mean the Securities and Exchange Commission, any successor thereto, and any analogous Governmental Authority.

“Secured Guarantor” is any Guarantor who has (a) executed and delivered to Bank a Guaranty in form and substance reasonably satisfactory to Bank pursuant to which such Guarantor has granted Bank a first priority perfected lien (subject to Permitted Liens) in the types of assets substantially similar to the Collateral to secure the Obligations; (b) delivered to Bank such appropriate control agreement or similar agreements providing control of any Collateral in form and substance reasonably satisfactory to Bank if and to the extent required under this Agreement; and (c) provided to Bank all other documentation in form and substance satisfactory to Bank in its reasonable discretion which in its opinion is appropriate with respect to the execution and delivery of the applicable documentation referred to above and which Bank has reasonably requested.

“Securities Account” is any “securities account” as defined in the Code with such additions to such term as may hereafter be made.

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“**Subordinated Debt**” is indebtedness incurred by Borrower subordinated to all of Borrower’s Obligations to Bank (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Bank entered into between Bank and the other creditor), on terms reasonably acceptable to Bank.

“**Subsidiary**” is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Borrower.

“**Taxes**” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“**Term Loan Advance**” is defined in Section 2.2 of this Agreement.

“**Term Loan Amortization Date**” is, for the Term Loan Advance, June 1, 2023.

“**Term Loan Maturity Date**” is November 1, 2025.

“**Trademarks**” means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

“**Transfer**” is defined in Section 7.1.

“**Unrestricted Cash Balance**” means the aggregate amount of unrestricted and unencumbered cash and Cash Equivalents held by Borrower in Collateral Accounts maintained with Bank or its Affiliates; provided that any amount held in the Restricted Cash Collateral Account shall not count towards the determination of the Unrestricted Cash Balance.

[Signature page follows.]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

BORROWER:

OUTSET MEDICAL, INC.

By: /s/ John Brottem

Name: John Brottem

Title: General Counsel

BANK:

SILICON VALLEY BANK

By: /s/ Mark Davis

Name: Mark Davis

Title: Vice President

[Signature Page to Loan and Security Agreement]

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MANUFACTURING SERVICES AGREEMENT

This AGREEMENT is entered into by **Paramit Corporation**, a California corporation (referred to in this agreement as “Paramit”), and the following party: **Outset Medical, Inc.** (referred to in this agreement as “Customer”).

Customer represents that it is a:

☒ Corporation ☐ Limited Liability Company ☐ Other:

Formed under the laws of:

☐ California ☒ Delaware ☐ Other:

1. RECITALS AND DEFINITIONS:

(a) From time to time, Paramit will quote a price to Customer for goods or services that Customer wants manufactured or performed. Such quote is not a contractual offer or a contract, and such quote does not obligate Paramit to enter into any contract with Customer. When Customer wishes to engage Paramit to manufacture the goods or perform services based on Paramit’s quote, Customer will issue a written purchase order to Paramit using Customer’s standard purchase order form.

(b) “Particular Purchase Order Terms” means the following terms in Customer’s purchase order, as applicable: the identification of the goods to be manufactured or services to be performed, Customer’s Specifications or scope of work, the price per item of such goods or compensation, the quantity of goods that Paramit is to manufacture or deliverables that Paramit is to provide, the date or dates of shipment or timelines, and the “ship to” address. In the case of a purchase order that includes NREs, the term “Particular Purchase Order Terms” will include the following terms in the Customer’s purchase order: the identification of the NREs, completion dates for the NRE services or deliverables and the charge for the NREs.

(c) The issuance of a purchase order by Customer is an offer to enter into a contract between Customer and Paramit for the manufacture and sale of goods or performance of services on the terms of this agreement and the Particular Purchase Order Terms. Paramit may accept Customer’s purchase order only by: a written notice of acceptance signed by the program manager assigned to Customer by Paramit within [***] days of its receipt of such purchase order. If Paramit accepts Customer’s purchase order, the contract between Customer and Paramit for the manufacture of goods consists of the terms of this agreement as supplemented by the Particular Purchase Order Terms contained in that purchase order. Agreed pricing is deemed to be fixed and determined as of the date of the purchase order. Any adjustments to pricing due to engineering changes and or material costs will be amortized over future shipments of product provided Customer issues updated purchase orders in a timely manner to eliminate further price delta. No retro-active adjustments will be made to Products already shipped and invoiced. The terms and conditions of Customer’s purchase order other than the Particular Purchase Order Terms are not part of any contract between Paramit and Customer. The price or compensation and associated charges set forth in a purchase order that matches corresponding Paramit quote will be deemed to be full compensation for the products or services and any associated NREs set forth therein, including without limitation all time, manufacturing equipment, personnel, facilities and overhead charges for the specific quantity and revision of the products or services stated on Paramit quote. The foregoing statement does not apply, if Customer issues Purchase Order for a different quantity, not matching Paramit quote or changes resulting from engineering changes.



MANUFACTURING SERVICES AGREEMENT

(d) If more than one product is to be manufactured by Paramit for Customer, there is a separate contract (and applicable purchase order) between Paramit and Customer for each such product. The terms of each contract consist of the terms of this agreement as supplemented by the Particular Purchase Order Terms for that product set forth in the applicable purchase order accepted by Paramit. For example, if Customer issues a purchase order for product A and another one for product B and Paramit accepts each purchase order, there are two separate contracts: one for product A on the terms of this agreement as supplemented by the Particular Purchase Order Terms set forth in a purchase order accepted by Paramit for product A, and one for product B on the terms of this agreement as supplemented by the Particular Purchase Order Terms set forth in a purchase order accepted by Paramit for product B. If Customer issues a revised purchase order for a product, or if Customer issues a purchase order for NRE's associated with a product, and Paramit accepts the purchase order, that purchase order is an amendment to the contract for that product to the extent of the Particular Purchase Order Terms contained in that purchase order.

(e) The term "products" means the goods identified in a purchase order from Customer that has been accepted by Paramit.

(f) The term "Customer's Specifications" means Customer's specifications that are in effect at the time of Paramit's commencement of manufacture of a product and that have been accepted by Paramit, and if Customer provides specifications to Paramit for packaging the product and Paramit agrees to provide packaging in accordance with such specifications, "Customer's Specifications" includes such packaging specifications, in each case in accordance with applicable laws and regulations.

(g) The term "inventory" refers to work in process (if any) and to finished goods (if any) but not to materials.

(h) The term "Manufacturing Process" means with respect to a product, the process for the manufacture, assembly, and testing of such product. For clarity, the Manufacturing Process will include the Quality Assurance System for such product.

(i) The term "materials" refers to the raw materials, sub-components, components, and parts listed on Customer's bill of materials. By way of example, materials include resistors, capacitors, coils, integrated circuits, BGA's, FPGA's, power supplies, printed circuit boards, sheet metal, plastics, cases, fasteners, labels, cabling, connectors, grommets, and Customer-specified packaging.

(j) The term "NREs" means non-recurring expenses solely related to a product or service to be supplied or performed hereunder, and includes tooling, stencils, test fixtures, and test programs.

(k) The term "services" means the activities to be performed as identified in a purchase order from Customer that has been accepted by Paramit.

(l) As used in this agreement, the word "include" and its variants are used to illustrate and not to limit. Thus, the word "including" means "including (but not limited to)."



MANUFACTURING SERVICES AGREEMENT

2. BASIC AGREEMENT.

(a) Paramit agrees to manufacture, assemble, test (if provided by Customer) and sell, or perform, and Customer agrees to buy and or pay for, the products or services, as applicable, on the terms set forth in this agreement and the Particular Purchase Order Terms for such products or services. Paramit understands that time is of the essence with respect to Paramit's performance of its obligations hereunder and accordingly, Paramit will use commercially reasonable efforts to diligently monitor its performance against its obligations hereunder.

(b) Subject to the limitations set forth in this agreement, Paramit warrants to Customer that: (i) products will be manufactured in accordance with Customer's Specifications; (ii) products will be manufactured in accordance with IPC-A-610, Acceptability of Electronic Assemblies, Class 3 standards in effect at the time of manufacture unless otherwise specified in Customer's Specifications; (iii) services will be performed in accordance with Customer's Specifications; and (iv) services will be performed in a professional and workmanlike manner, with due care and in accordance with standards and best practices prevailing in the industry.

(c) This agreement does not obligate Customer to issue any purchase orders to Paramit. Paramit is not required to accept any purchase order from Customer. This agreement applies only to the extent Customer issues purchase orders that Paramit accepts.

(d) Paramit may not subcontract all or any part of the manufacture, assembly, testing of the products or performance of the services to any of its affiliates or third parties, excluding buy items which are not considered sub-contracting.

(e) Quarterly Business Review. During the term of this Agreement, at least once per calendar quarter, at least one representative of Paramit and Customer will meet either in person [or by telephone or video conference] to review the current status of work being performed under this Agreement, such review to include but not necessarily limited to: (1) the status of all open purchase orders; (2) shipments; (3) inventory levels, including material; (4) stock; (5) work in progress (WIP); (6) reserves; (7) Paramit quality metrics; (8) key performance indicators (KPIs) (typical to Outset KPIs) that are communicated to Paramit; (9) material review board (MRB) issues; (10) customer service issues; and (11) any other issues or topics to be raised by a party (12) cost savings. The quarterly business review meetings are meant to serve as a forum for communication by the parties, and to identify and resolve any issues. The representatives at the quarterly review meetings do not have the authority to amend or modify this Agreement, except as provided in this Agreement.

(f) Software License. Subject to the terms and conditions of this agreement, Customer hereby grants Paramit, during the term of this agreement, a limited, non-exclusive, non-sublicensable, non-transferable license to use any software within the Customer Property provided by Customer ("Software") solely in fulfilling Paramit's obligations hereunder. Except as expressly provided under this section, Paramit will have no right to and will not allow others to: (i) copy the Software or to reverse engineer, disassemble, decompile or otherwise attempt to derive, discover or reconstruct any source code, underlying ideas, techniques or algorithms from the Software, except that the foregoing prohibitions will not apply to the extent that such activities may not be prohibited under the applicable law; (ii) remove, alter, cover or obfuscate any copyright notices or other proprietary rights notices placed or embedded on or in the Software; (iii) alter, modify, adapt or create derivative works of the Software; or (iv) sell, sublicense, rent, loan, lease, distribute or otherwise dispose of the Software as a stand-alone product. Notwithstanding anything to the



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contrary contained herein, title to all Software will remain with Customer or its licensors. Except as expressly set forth herein, no other right or license is hereby granted by Customer, whether by implication, estoppel or operation of law.

3. PACKAGING AND SHIPMENT.

(a) Packaging and Shipment. All products or other deliverables hereunder will be packaged per accepted Customer Specification, properly labeled and shipped in the manner and to the destination specified by Customer in the purchase orders issued hereunder (including any Customer facilities, "Destination"). Paramit will deliver the products and any other deliverables hereunder [***]. Each such delivery must include the applicable certificate of conformance, in the form specified by Customer, describing all current requirements of the Customer's Specifications and results of tests performed certifying that the product to be shipped has been manufactured, assembled, tested, controlled and released according to the Customer's Specifications ("CoC") and a packing list that references Customer's applicable purchase order and contains the delivery date, quantity and part numbers of the products or other deliverables shipped. Paramit will properly package and handle all products and other deliverables per Customer packaging Specification, in conformance with good commercial practice, Customer's instructions and other applicable industry standards, laws and regulations.

(b) Delay. If Paramit reasonably believes it will not likely meet the Delivery Date, Paramit will immediately notify Customer of such event.

4. PRODUCT SPECIFICATIONS; CHANGES

Paramit will not make any material changes to the Manufacturing Process, Customer's Specifications, or any other production process, or the controlled process parameters or sources, types or grade classifications of materials used, with respect to any product ("Engineering Change"), without first obtaining written approval from Customer. Paramit will notify Customer of any problem which may adversely affect, or has already adversely affected, any product functionality, performance, manufacture, assembly or test, within business day after becoming aware of any such problem, and will submit to Customer any engineering data documenting such problem. In the event Customer believes an Engineering Change is required, Customer will provide Paramit all applicable documentation, Customer's Specifications and the requested effective date of such Engineering Change, as provided in section 17.

5. QUALITY AND PRODUCT ACCEPTANCE.

(a) Quality Assurance. In accordance with signed Quality Agreement, Paramit will develop and maintain an on-going quality assurance and process control requirements and procedures to ensure that the products supplied hereunder meet the applicable Customer's Specifications and quality standards, and provide relevant documentation to Customer for its review and approval. Paramit will track such performance using the accepted metrics provided by Customer from time to time, and upon request, Paramit will provide Customer its quality assurance trends and pareto data, reliability testing procedures and test results. During the term of this agreement and upon reasonable notice, Customer may audit such quality assurance program and Paramit's manufacturing processes at Paramit's facilities, at Customer's expense. Due to Paramit's confidentiality obligations, Customer's personnel shall be escorted and confined to designated areas. In addition, Customer may, from time to time and upon reasonable notice, request modifications to such quality assurance and process control requirements.



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(b) Rejection; Corrective Action. During the acceptance period for a product, Customer may inspect and test the product with the same identical test that is provided to Paramit for manufacture of product and may reject any product found not to conform to Customer's Specifications or to be defective in materials or workmanship. The acceptance period for a product is a period of [***] days, beginning with receipt of the product by Customer. Products not rejected during the acceptance period are accepted; however, should failure(s) occur after acceptance but during the warranty period, product will be covered with warranty remedies outlined in this Agreement.

(c) Procedure. To reject a product, Customer must give to Paramit written notice during the acceptance period in accordance with Exhibit A, REPAIR / UPGRADE TERMS AND CONDITIONS. The notice must specify the nonconformity or defect. Customer shall obtain a return material authorization (RMA) number from Paramit, properly pack the product for shipping, display the RMA number on the shipping container, and ship the nonconforming or defective product to Paramit, which Customer may do freight collect. Paramit will promptly repair or replace rejected product, at Paramit's option, and will deliver the repaired or replaced product freight pre-paid. If Paramit is unable to make the repair or replacement within a commercially reasonable period of time, Paramit will refund the price paid for such product or cancel the obligation to pay for such product.

(d) The provisions of this paragraph apply to the repaired or replaced product (for which there will be a like acceptance period and a like procedure for defects). Thus, if a product is rejected because of a defect and Paramit provides a replacement product, the acceptance period for the replacement product will start with Customer's receipt of the replacement product.

(e) If Customer rejects product and returns it to Paramit under this section, but the product conforms to Customer's Specifications and there is no defect, Customer will bear all the risk and expense associated with the return, including shipping expense both ways, plus Paramit's customary charges for testing.

6. REPAIR AND REPLACEMENT AFTER ACCEPTANCE.

(a) Subject to the limitations set forth in this agreement, Paramit warrants to Customer that the products will be new and unused, and manufactured in accordance with the applicable Customer's Specifications and Quality Assurance System and will be free from defects in workmanship.

(b) If any product has a defect in workmanship that manifests itself after Paramit's shipment of the product and before the first anniversary of the date of such shipment, Paramit will repair or replace the product as defined in Exhibit A, and Paramit will pay for the shipping to return the product to Paramit and to re-send the repaired or replaced product to Customer in accordance with the terms and conditions set forth under section 7

(c) If Paramit is unable to repair or replace such product within [***], Paramit will refund the price paid for such product. Paramit's obligation to repair or replace the product (or to refund the price) is conditioned on Customer's making a claim in writing to Paramit no later than [***]. Paramit has no obligation with respect to a defect in workmanship that manifests itself after [***]. The obligations set forth in this paragraph are Paramit's sole and exclusive obligations with respect to a defect in workmanship.



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(d) Defects in materials will be covered by their respective manufacturers' warranties. Customer will pay for shipping the product to Paramit and back to Customer. If Paramit is unable to repair or replace such product within [***], Paramit will refund the price paid for such product. Paramit's obligation to repair or replace (or to refund the price) is conditioned on Customer's making a claim in writing to Paramit no later than [***] after the defect in materials first manifests itself or [***] after the date of shipment, whichever comes first. Paramit has no obligation with respect to a defect in materials that manifest itself after the expiration of the component manufacturer warranty period. The foregoing warranty does not apply to materials supplied to Paramit by or at the direction of Customer. The obligations set forth in this paragraph are Paramit's sole and exclusive obligations with respect to a defect in materials. Upon request, Paramit will assign to Customer rights under warranties made by suppliers of materials that are used in the product.

(e) Customer may, at its option and in accordance with signed Quality Agreement, issue a written Corrective Action Request (CAR) to Paramit

(f) Any item under warranty is covered in accordance with this section 6; Customer shall not reverse or short pay invoices for returned items, as this will create accounting issues.

(g) Customer will notify Paramit in advance of returning any products that may have been contaminated with hazardous materials. Customer will decontaminate all internal & external sections of products destined to return to Paramit, including tubes, waste tanks and other similar hazardous material pathways and remove all fluid and solid substances, as well as disposable parts from the device prior to return to Paramit. Customer will provide product identification information such as device serial number at the time of requesting RMA number.

- (1) Customer shall not return any instruments to Paramit that may be contaminated with viable biological agents, harmful quantities of hazardous chemicals, or radioactive materials. Customer understands and agrees that decontamination is critical to issues of health and safety. Customer represents and warrants to Paramit to perform and complete all decontamination requirements prior to returning any such product to Paramit.
- (2) Customer hereby assumes all responsibility and liability for, and shall defend and indemnify Paramit against injury or damage incurred by Paramit and its employees, contractors, and/or agents that result directly or indirectly from the Customer's breach of this representation and warranty.
- (3) Customer accepts that Paramit has no obligation to repair, service, or transport any product if it is determined that the product is contaminated.
- (4) Customer shall comply with all applicable laws and regulations when returning any product to Paramit under this Agreement.



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7. ADDITIONAL WARRANTY MATTERS.

(a) Subject to the limitations set forth in this agreement, Paramit warrants to Customer that:

(1) Title to each product will be good and transfer of title to Customer will be rightful. The foregoing warranty does not apply to materials supplied to Paramit by, or at the direction of, the Customer.

(2) Each product will be delivered free from any security interest or other encumbrance created by Paramit. The foregoing warranty does not apply to any security interest in favor of Paramit to secure an obligation of Customer to Paramit.

(3) Paramit will not infringe, misappropriate or otherwise violate any patent, copyright, trade secret, trade- mark, mask-work, or other intellectual property right of a third party in manufacturing, assembling or testing the products or performing the services hereunder. The foregoing warranty does not apply to any claim that is based, in whole or in part, on actions taken by Paramit that were required and necessary to comply with the applicable Customer's Specifications.

(4) Paramit has the full power to enter into this agreement, to carry out its obligations under this agreement.

(5) Paramit's compliance with the terms and conditions of this agreement will not violate any federal, state or local laws, regulations or ordinances or any third party agreements.

(b) Any warranty by Paramit against defects (whether set forth in this section, another section, or implied by law) and any obligation by Paramit to repair or replace product (or to refund the purchase price) does not apply to the following:

(1) Defects resulting from actions taken by Paramit that were required and necessary to comply with the applicable Customer's Specifications.

(2) Defects resulting from use of Customer-provided test equipment or Customer-provided test software.

(3) Any product that has been misused, damaged, or altered after shipment or that is damaged in shipping, unless delivered by Paramit truck. Misuse includes improperly handling static-sensitive electronic devices or an attempt by Customer or a third party to repair the product.

(4) Materials consigned or supplied by, or purchased from unauthorized brokers at the direction of Customer.

(c) Paramit has no responsibility if Customer's specifications fail to comply with any governmental regulation or industrial specification, or if the product manufactured to Customer's specifications fails to meet the requirements of Customer's customer or the end user.

(d) THE WARRANTIES MADE BY PARAMIT IN THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE WARRANTIES OF PARAMIT. PARAMIT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.



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8. CUSTOMER'S OPTION TO CANCEL OR MODIFY ORDER.

(a) On the terms set forth in this section and by giving Paramit more than [***] days' written notice, Customer may cancel a purchase order for product or reduce the number of units of product in a purchase order in accordance with section 12. Customer will be liable for resulting excess materials and inventory.

(b) A reduction in the number of units of product in a purchase order is a modification of the purchase order. Customer may modify a purchase order other than by reducing the number of units of product only if Paramit accepts the modification. An engineering change order issued by Customer and accepted by Paramit is a modification of the purchase order for the product.

(c) If Paramit receives notice of cancellation or modification of a purchase order before Paramit orders any materials or incurs any expense for NRE's, Customer may cancel or modify its purchase order without liability or charge.

(d) If Customer cancels or modifies a purchase order after Paramit orders any materials or incurs any expense for NRE's, Paramit will use commercially reasonable efforts to reduce Customer's liability, where possible by canceling or modifying orders. Subject to Paramit's compliance with the foregoing, if Paramit cannot cancel, avoid or otherwise recover any expense for materials or NREs:

(1) Some or all the materials on hand or on order may thereby become Excess Materials. Customer will purchase all Excess Materials as set forth in section 9 of this agreement.

(2) Inventory of product on hand (including work in process) may become excess inventory. Customer will purchase all excess inventory in accordance with section 10 of this agreement.

(3) Customer will pay Paramit for that portion of the expense of the NRE's that has been incurred at the time Paramit receives notice of cancellation or modification.

(4) In the case of a complete cancellation of an order or in the case of a reduction in the number of units of product, in each case, after Paramit incurs any expense for NREs, Customer will pay Paramit a cancellation fee equal to [***]% of the price set forth in the purchase order for the units of the product that have been cancelled. Pursuant to section 11, the cancellation fee may be reduced or waived if the purchase order is a Blanket PO.

(e) If Customer cancels or modifies a purchase order and there is work in process, Customer should specify in the notice of cancellation or modification whether Paramit should complete work in process or stop work. If Customer fails to so specify, Paramit may complete work in process or stop work as Paramit sees fit. Customer shall pay Paramit Product price stated on the PO, less steps that were not performed at the time of cancellation. For removal of doubt, if product price is \$1000 and top level labor / test cost is \$200, which were not yet performed at the time of cancellation, payment due to Paramit for such unit will be \$800 per unit.

(f) Customer has no liability to Paramit for cancelling or modifying a purchase order beyond what is set forth in this Agreement.

9. LIABILITY FOR EXCESS MATERIALS.

(a) Customer acknowledges that the cost of materials ordered or purchased by Paramit based on minimum order quantity and lead time in accordance with Customer's purchase orders, but not



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used or consumed in the manufacture of product, is to be borne by Customer. Customer acknowledges that such cost has not been included in Paramit's quote to Customer and is not reflected in the price of the product.

(b) Once a month, Paramit will review Customer's purchase orders and the materials on hand and on order that Paramit has allocated to manufacturing the product. If Paramit determines that it will not use or consume such materials for product that will be shipped within [***] days of Paramit's review, those materials that Paramit determines that it will not so use or consume are referred to in this agreement as "Excess Materials." Paramit's determination of excess materials made in good faith is conclusive and binding on Customer. Customer will purchase excess materials from Paramit on request.

(c) Customer acknowledges that Paramit may order or purchase in good faith, based on Customer's purchase orders, more materials to manufacture the product than will be used or consumed in the manufacture of the product, which can result in excess materials that Customer must purchase. For example, Paramit may have ordered more materials than are required to manufacture the product because of:

(1) Minimum order quantity or the package size for the materials (e.g., a package contains 12 parts and an order for 100 products requires 9 packages of parts).

(2) Parts come on reels or tapes (which are entirely non-returnable once the reel or tape has been broken).

(3) Safety stock required by Customer.

(4) Customer's engineering change order, order reduction, or order cancellation may make materials obsolete, which will immediately result in such materials becoming excess materials.

(d) The term "Materials Cost" means the amount paid or payable (including freight, insurance, and sales or use tax) by Paramit to its suppliers for materials used or to be used for the product. Materials ordered pursuant to orders that are non-cancelable are part of excess materials. The term "Materials Cost" also includes restocking fees, freight, cancellation fees, and other charges by third parties associated with Paramit's returning materials or cancelling orders for materials as well as any third-party fees or charges associated with disposing of materials that Paramit disposes on behalf of Customer.

(e) When Customer is obligated to purchase excess materials, Customer will pay Paramit an amount equal to the materials cost for such excess materials plus an amount equal to [***]% of such materials cost ("Excess Materials Purchase Price").

(f) Paramit will use commercially reasonable efforts to mitigate Customer's liability for excess materials to the extent allowed by suppliers or vendors but any imposed limitations on such mitigations will not reduce Customer's liability for excess materials that have resulted from quantity reductions or cancellation. Where feasible, Paramit will:

(1) Reallocate materials that are part of excess materials to other Paramit jobs that, in Paramit's sole discretion, could use such materials. In that event, Customer will have no liability to Paramit for the materials so reallocated. Customer acknowledges that materials that are custom-made for Customer will not be reallocated to other Paramit jobs and will constitute excess materials.



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(2) Return materials that are part of excess materials to Paramit's suppliers to the extent permitted by the suppliers.

(3) Cancel orders for materials that are part of excess materials to the extent that orders are cancelable. Customer acknowledges that orders for materials that are custom for Customer are non-cancelable and such orders will be part of excess materials. Customer acknowledges that orders for materials that are not custom for Customer may none the less be non-cancelable and in that case such orders will be part of excess materials.

(g) Within [***] days of Paramit's requesting Customer to purchase the excess materials and notifying Customer of the nature of the excess materials and the excess materials purchase price, Customer will issue its purchase order to purchase the excess materials for the excess materials purchase price. Payment terms are net [***].

(h) After the Customer has paid the excess materials purchase price, then, if Customer so requests, Paramit will deliver the excess materials to Customer at Customer's expense. If Customer does not wish to take delivery of the excess materials, or if Customer fails to pay in a timely manner the excess materials purchase price, Paramit will store the excess materials for a period not to exceed [***] days from the date payment of the excess materials purchase price was due. All risk of loss to excess materials, whether shipped or stored by Paramit, will be borne by Customer. If Paramit notifies Customer to pick up excess materials being stored by Paramit and Customer fails to do so within [***] days of such notification, Paramit is permitted to destroy or otherwise dispose of the excess materials, but any such destruction or disposition shall have no effect on Customer's liability for the excess materials purchase price or entitle Customer to any refund. Customer will pay Paramit a storage fee equal to [***]% of the excess materials purchase price for each month (or part thereof) that Paramit stores the excess materials after the date payment of the excess materials purchase price was due.

10. LIABILITY FOR EXCESS INVENTORY.

(a) Customer acknowledges that Paramit's pricing of the product is based on shipping product promptly after manufacture and being paid in a timely manner.

(b) Once a month, Paramit will review Customer's purchase orders and the product inventory (both finished goods and work in process) that Paramit has on hand. If Paramit determines that Paramit has product inventory on hand that Paramit will not ship within [***] days of Paramit's review, that portion of the product inventory on hand that Paramit determines that it will not so ship is referred to in this agreement as "Excess Inventory." Customer acknowledges that Customer's modification or cancellation of its purchase order may result in part or all the product inventory on hand not being shipped within [***] days of such modification or cancellation and thereby becoming excess inventory that Customer must purchase. Paramit's determination of excess inventory made in good faith is conclusive and binding on Customer. Customer will purchase excess inventory from Paramit on request.

(c) The term "excess inventory purchase price" means, with respect to excess inventory product that is finished goods, the price for the product set forth in the purchase order. The term "excess inventory purchase price" means, with respect to excess inventory product that is work in process, the price for the product set forth in the purchase order less the value of uncompleted work. The value of uncompleted work is the value of the test labor and assembly labor that have not been expended on the work in process. Paramit's determination made in good faith of the value of uncompleted work is conclusive and binding on Customer.



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(d) Within [***] days of Paramit’s requesting Customer to purchase the excess inventory and notifying Customer of the nature of the excess inventory and the excess inventory purchase price, Customer will issue its purchase order to purchase the excess inventory from Paramit for the excess inventory purchase price. Payment terms are net [***].

(e) After Customer has paid the excess inventory purchase price, then, if Customer so requests, Paramit will deliver the excess inventory to Customer at Customer’s expense. If Customer does not wish to take delivery of the excess inventory, or if Customer fails to pay timely the excess inventory purchase price, Paramit will store the excess inventory for a period not to exceed [***] days from the date the excess inventory purchase price was due. All risk of loss to excess inventory, whether shipped or stored by Paramit, will be borne by Customer. If Paramit notifies Customer to pick up excess inventory being stored by Paramit and Customer fails to do so within [***] days of such notification, Paramit is permitted to destroy or otherwise dispose of the excess inventory, but any such destruction or disposition shall have no effect on Customer’s liability for the excess inventory purchase price or entitle Customer to any refund. Customer will pay Paramit a storage fee equal to [***]% of the excess inventory purchase price for each month (or part thereof) that Paramit stores the excess inventory after the date the excess inventory purchase price was due.

11. BLANKET P.O.

Blanket PO means a purchase order that has rolling [***] months demand of product(s) and spare parts (if applicable). Such demand will indicate monthly quantities of required products to be shipped to Customer. As the first month demand expires, Customer will add new demand to the [***] month of rolling demand window and update Blanket PO accordingly. Customer will issue “Blanket PO” to Paramit. Paramit will provide Blanket PO demand to suppliers to minimize risk factors but will procure materials per lead time and minimum order quantity (MOQ).

12. ORDER FLEXIBILITY

(a) Paramit welcomes increases in orders and or requests for earlier deliveries. Paramit will make reasonable efforts to accommodate such changes. Paramit will promptly investigate lead times, component availability, and possible expediting fees imposed by vendors (or other third parties) and will advise Customer of feasible delivery dates and increased costs, if any. The parties will negotiate an agreement for the increased number of units of product or accelerated delivery dates based on then prevailing market conditions, including lead times, component availability, and expediting fees. In negotiating such an agreement, Paramit will not seek to increase the price of the product except to pass through to Customer increases in materials costs, including any expediting fees and overtime charges for after hours or weekend work requests.

(b) Customer may defer delivery of product as follows but will accept material liability for parts that are purchased but cannot be cancelled or rescheduled:

Number of days prior to delivery date scheduled in the PO	% of quantities allowed to push out	Days allowed to push out
0-60	[***]	[***]
61-90	[***]	[***]
91-120	[***]	[***]
121+	[***]	[***]



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If delivery of units of product is deferred as permitted in this subsection, no further deferral of delivery of those units of product is permitted, but Customer may defer delivery of other units of product whose delivery has not been previously deferred.

(c) If, after Paramit orders any materials or incurs any expense for NRE's, Customer reduces the number of units of product being purchased pursuant to a Blanket PO (or cancels the Blanket PO), the cancellation fee will be as set forth below (instead of the amount set forth in section 6 of this agreement):

Number of days prior to delivery date scheduled in the Blanket PO	Cancellation fee
0-60	***
61-90	***
91-120	***
121+	***

The cancellation fee is equal to the percentage set in the foregoing table multiplied by the price set forth in the purchase order for the units of the product that have been cancelled multiplied by the number of units that have been cancelled. The calculation of the cancellation fee is based on the original delivery date set forth in the Blanket PO and is not affected by the Customer's deferral of delivery. The cancellation fee does not apply if the order is being cancelled or reduced by reason of being superseded by a new purchase order accepted by Paramit that does not result in excess materials or excess inventory. In addition to the cancellation fee, Customer is liable and will pay Paramit for any excess materials and excess inventory resulting from quantity reduction or cancellation; except for the cancellation fee, the Customer's liability for excess materials and excess inventory is calculated as set forth in sections 8, 9, and 10 of this agreement.

(d) Paramit acknowledges Customer's Product design or testing may require incorporating additional changes during the manufacturing process that will cause unanticipated delays and push out the original agreed ship dates. If Customer makes any such changes to Product design or testing that delay the original ship dates in any purchase order, then Customer shall pay to Paramit a progress payment for ***% of Product price for the affected quantities, as described in table below:



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Description	Percentage
Quoted Product Price	***
*Material Cost	***
*CFT time and or plus labor (partial)	***
Total Progress Payment	***
Balance of labor and profit to be invoiced upon shipment	***

* Ratio of Material Cost to CFT time / partial labor may vary among different Products; i.e. 70% Material Cost and 20% CFT / labor.

Customer will pay progress payment invoices: (i) net [***], if invoicing will be done within the PO due date or (ii) in [***] days, if invoicing will be done past the original net [***] payment due date. Once all the necessary product changes are completed and Customer is ready to receive the Product, Paramit will recoup the remaining [***]% of Product pricing upon shipment of the Product.

13. CONFIDENTIAL INFORMATION.

If Customer provides proprietary information to Paramit and marks such information as confidential or otherwise designates in writing that the information is to be treated confidentially as further defined herein, Paramit will treat the information with the same care as it treats its own proprietary information of a similar nature, will not use such proprietary information except to exercise its rights hereunder or perform its obligations hereunder, and will use reasonable efforts not to disclose such proprietary information to any third party. Paramit will take commercially reasonable precautions to prevent unauthorized disclosure, including, when Paramit has agreed in another writing to do so, requiring written nondisclosure agreements of its employees and limiting access to the information to those employees with a need to know the information. Without limiting the foregoing, Paramit will use at least the same degree of care which it uses to prevent the disclosure of its own confidential information of like importance (but in no event, less than a reasonable care), to prevent the disclosure of Customer's proprietary information. Paramit will promptly notify Customer of any actual or suspected misuse or unauthorized disclosure of its proprietary information. This section does not apply: [***]. Paramit is permitted to comply with legal process that requires Paramit to disclose proprietary information. Paramit shall [***].

(a) Similarly, Customer shall not use, except to exercise its rights hereunder or perform its obligations hereunder, and will take commercially reasonable precautions to prevent disclosure to any third party of, any proprietary information provided to Customer and designated in writing to be treated confidentially as further defined herein pertaining to Paramit's intellectual property existing as of the effective date of this agreement, as well as any future intellectual Property during the terms of this Agreement and proprietary information, which is defined as any proprietary information, knowledge and know how that is conceived, created, written, put to practice, designed and developed by Paramit and, constructed through hardware and software, including data collection, extraction, manipulation, compilation, presentation and reporting tools; know how such as automated, computerized, audio-visual instruction, assembly, verification and validation develop in connection with manufacturing, such as "vPoke" and "Spotlight in accordance with the terms and conditions of this section as applied to Customer as the receiving party, mutatis mutandis, so that each reference to "Paramit" in this section shall be deemed a reference to "Customer" and so that each reference to "Customer" in this section shall be deemed a reference to "Paramit".



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For purposes of this section, “proprietary information” means any information which is in written, graphic, machine readable or other tangible form and is marked “Confidential”, “Proprietary” or in some other manner to indicate its confidential nature. Proprietary information may also include oral information; provided that such information is designated as confidential at the time of disclosure and is reduced to writing within a reasonable time after its oral disclosure, and such writing is marked in a manner to indicate its confidential nature. Without limiting the foregoing, proprietary information of Customer includes the terms of this agreement and information and materials concerning the products, such as Customer’s Specifications, Intellectual Property and Customer’s business, plans, customers, software and technology

14. INSURANCE.

Paramit agrees to maintain in effect the following types of insurance while manufacturing, assembling and testing the product and while in possession of product inventory and while Paramit otherwise has responsibility for risk of loss of any products, Consigned Parts or Customer Property:

- (a) Commercial general liability insurance with policy limits of \$[****] for each occurrence and \$[****] in the aggregate.
- (b) Automobile liability with policy limits of \$[****] for combined single limit.
- (c) Workers’ compensation insurance as required by law. Paramit will provide evidence of insurance on request.

15. PAYMENT TERMS.

(a) Payment terms are net [****]. The price of the product is [****] (net of sales and use taxes, if any). All prices are in U.S. Dollars. Paramit will submit invoices to Customer upon shipment of the product. Each invoice will, at a minimum, refer to Customer’s purchase order number, part number, unit price, and total price. If Customer does not object to an invoice within [****] days from the date of the invoice, it is deemed correct. Customer will pay Paramit in full no later than [****] days from the date of Paramit’s invoice to Customer. If any sales or use tax applies to the sale or other disposition of product or materials or inventory, Customer will pay the tax; provided, however, if Paramit has the legal obligation to collect any such taxes, then such amount will be itemized and added to Customer’s invoice and will be paid by Customer, unless Customer provides Paramit with a valid tax exemption certificate authorized by the appropriate taxing authority. Customer acknowledges that sales tax may be incurred by scrapping materials or inventory.

(b) If Customer does not wish to take delivery of product, and if Paramit agrees, in its sole discretion, to bill and hold, Paramit will transfer the product to an area on Paramit’s premises that is segregated from Paramit’s manufacturing inventory. Upon such transfer, Customer will be liable to pay for the product as though it were delivered to Customer. Paramit will store the product for a period not to exceed [****] days from the date the product would otherwise have been shipped. All risk of loss to such product will be borne by Customer. Customer will sign an acknowledgment in a form requested by Paramit that title to the product passes to Customer, risk of loss to the product passes to Customer, and Customer is liable for the purchase price notwithstanding that delivery has not been made to Customer’s location.



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(c) If Customer fails to pay an invoice within [***] days after payment is first due, Paramit may suspend work on the product for which payment is overdue. If Customer fails to pay an invoice within [***] days after payment is first due, Paramit may suspend work on all purchase orders submitted and Customer shall be in breach of this agreement. Any sum owing to Paramit by Customer will bear interest at the rate of [***]% per month, compounded monthly, from the date due until paid. A breach of this agreement by Customer is a breach by Customer of each other agreement with Paramit.

(d) In the event of Customer's breach, Paramit is entitled to all remedies allowed by this agreement or by law. Among other things, Paramit may cancel all further obligations to Customer to manufacture or sell the product or to provide services.

(e) To secure payment of all sums owing to Paramit under this agreement, Customer grants Paramit a security interest in all goods held by Paramit for Customer under this agreement. In such case, Paramit will halt performance of any Services and or stop further product shipments until all sum owing to Paramit are fully paid.

16. BOOKS RECORDS AND AUDIT

Paramit will keep complete Product records in accordance with the signed Quality Agreement.

17. ENGINEERING CHANGE ORDER (ECO) MANAGEMENT

To eliminate potential ambiguity, facilitating clear and effective ECO management, Paramit and Customer agree to the following steps:

- (1) Customer provides complete engineering ECO package to Paramit.
- (2) Paramit will review materials on hand, inventory, WIP, FGI, orders with suppliers, shipment schedules and provide impact analysis, which will also include any required WIP rework charges, if any. Paramit will complete such analysis within [***] days after receipt of Customer's ECO package. Such analysis will include: (a) the earliest date on which such proposed change may be implemented; (b) the cost and effect of such proposed change to on-hand materials, on-order materials and work in process; (c) the impact of such proposed change upon existing product pricing and shipment schedules; and (d) all other issues related to such engineering change.
- (3) Customer accepts outcome of ECO impact analysis in writing, prior to ECO implementation.
- (4) Upon receipt of written approval from Customer, Paramit will proceed with ECO implementation.
- (5) Customer will provide updated product purchase order(s), reflecting new revision within [***] days.
- (6) Customer will issue PO for obsoleted components and required rework (if any) within [***] of ECO impact analysis acceptance.



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18. THIRD-PARTY PURCHASE ORDERS.

Customer may wish to designate a third party to purchase the product and to have such third party purchase the product directly from Paramit. Paramit will not accept a purchase order for product from a third party unless Customer makes a written request and by doing so, Customer accepts financial responsibility for the third party's obligations to Paramit.

19. INTELLECTUAL PROPERTY and GRANT OF MANUFACTURING RIGHTS.

(a) Background IP. It is acknowledged and understood that the pre-existing inventions, discoveries and technologies of Paramit and Customer as of the effective date of this agreement are their separate property and are not affected by this Agreement.

(b) New IP. The Parties agree that all inventions (whether or not patentable) that are specific to the Customer's product or the services performed for Customer or that were made with Customer's Confidential Information (collectively, the "Customer IP") shall be the sole and exclusive property of Customer. Paramit hereby assigns, and agrees to assign, to Customer Paramit's entire right, title and interest in and to the Customer IP. Paramit agrees to cooperate fully with Customer in the process of securing and enforcing Customer's rights to the Customer IP at Customer's request, and Customer shall compensate Paramit for Paramit's reasonable expenses incurred as a result thereof. Customer acknowledges that Customer IP does not include any intellectual property rights (a) that are of general applicability to manufacturing products other than Customer's products or that (b) were conceived, generated, made, or reduced to practice by Paramit without any use of any Confidential Information of Customer. For removal of doubt, all IP owned by Paramit in any manufacturing processes will continue to be owned only by Paramit. No such IP will be transferred to, owned by, or licensed to Customer. Paramit shall retain ownership of its Background IP, regardless of whether or not such Background IP is used to manufacture Customer Products.

(c) The grant of rights in this section only applies to the manufacture, use, and sale of product for which

(1) The Customer has submitted a purchase order that has been accepted by Paramit or

(2) A third party has submitted a purchase order that has been accepted by Paramit at Customer's written request.

(d) If the product, or any part thereof, is protected by patent owned and controlled by Customer, Customer grants Paramit a non-exclusive, non-transferable, non-sublicenseable right to make, use, and sell any product protected by such a patent only to the extent necessary for Paramit to perform its obligations under this agreement on behalf of Customer. Except with respect to Software (which is addressed under section 2(e), if the product, or any part thereof, is protected by copyright, Customer grants Paramit a non-exclusive, non-transferable, non-sublicenseable right to reproduce the copyrighted work, to prepare derivative copies based on the copyrighted work, to distribute copies of the copyrighted work, and to perform or display the copyrighted work only to the extent necessary for Paramit to perform its obligations under this agreement on behalf of Customer. If the product or any part thereof, is protected by trademark, trade secret, or other intellectual property rights, Customer grants Paramit a non-exclusive, non-transferable, non-sublicenseable right to make, use, and sell product that uses such intellectual property rights only to the extent necessary for Paramit to perform its obligations under this Agreement on behalf of Customer. The grant of manufacturing rights will also extend to parts or components of the product that Paramit should order through sub-tier vendors, such as FAB, cable assemblies, sheet metals, plastics and other required custom parts.



MANUFACTURING SERVICES AGREEMENT

(e) Customer represents and warrants that Customer has the right, power, and authority to grant such rights to Paramit. Paramit acknowledges that Customer hereby reserves all rights except those expressly granted herein, and that no right or license will arise by implication, estoppel or otherwise by operation of law. Paramit shall not reverse engineer, or decompile any software provided by Customer unless expressly authorized to do so in writing by Customer.

20. LIMITATION ON LIABILITY.

In no event, whether as a result of breach of contract, breach of warranty, tort (including active or passive negligence), strict liability, product liability, or otherwise, will either party be liable to the other party for any [***] In no event shall Paramit's liability to the Customer, its successors or assigns under this agreement exceed [***]. The statute of limitations for an action by Customer for breach of warranty or for other claim with respect to product is [***] years from the date of shipment of the product (i.e., an action must be filed before the [***] anniversary of the date of shipment).

21. COMPLIANCE WITH LAWS AND REGULATIONS

(a) Compliance with Laws and Regulations. Paramit shall comply with all laws and regulations applicable to the manufacturing of products and/or the materials in jurisdictions in which (a) Paramit manufactures such products and/or the materials; (b) Responsibility. Subject to section 21(a), to the extent covered by Customer Specifications, Paramit shall be responsible for providing regulatory agencies and standards organizations with proof of compliance to the requirements in section 21(a) for each product and, as applicable, for materials associated with such product. Paramit shall mark the products and, as applicable per Customer Specifications, the materials with regulatory, safety and standards organizations marks which signify compliance with the requirements of those organizations. If applicable, upon request by Customer, Paramit shall provide Customer with a copy of each report issued by the foregoing agencies and organizations related to compliance testing and approvals for products and materials. Customer will obtain the prior approval of the relevant agencies or organizations prior to implementing any change that may affect the compliance status of any product previously approved by such agency or organization, including 510K, RoHs, REACH and similar agency approvals. Customer shall provide any and all assistance requested by Paramit for compliance relevant to such agencies and organizations. In addition to the foregoing, Paramit agrees to notify Customer in writing of any change it proposes to make to any product that affects its performance, quality or reliability.

22. TERM AND TERMINATION

(a) Term. Unless terminated earlier as provided herein, this agreement shall have a term of 3 year commencing from the effective date of this agreement ("Initial Term"). This agreement shall be automatically renewed for additional successive 1 year periods (each a "Renewal Term"), unless written notice of non-renewal is received by the other party no later than [***] days prior to the expiration of the then current term. The Initial Term and all Renewal Terms shall be collectively referred to as "Term."

(b) Termination for Convenience. Customer may terminate this agreement or any project order accepted by Paramit hereunder upon [***] days' written notice to Paramit.



MANUFACTURING SERVICES AGREEMENT

(c) Termination for Cause. Either party may terminate this agreement or any project order accepted by Paramit hereunder if the other party breaches any material provision of this agreement or the Particular Purchase Order Terms, as the case may be, and fails to cure such breach within [***] days after receiving written notice from the non-breaching party describing such breach.

(d) Survival of Rights and Obligations. Upon termination or expiration of this agreement, (i) sections shall survive such termination or expiration; and (ii) all purchase order(s) accepted by Paramit prior to the expiration or termination of this agreement shall be fulfilled, subject to the terms of this agreement.

(e) Return of Proprietary Information Upon Termination. Upon termination or expiration of this agreement, each party shall promptly return all documents and other tangible objects containing or representing proprietary information of the other party, and all copies thereof which are in the possession of the other party (except only to the extent reasonably necessary to exercise such party's rights under this agreement that survive after expiration or termination). If requested by the other party, each party shall provide the other party with written certification (by an authorized officer of such party) of compliance with the foregoing obligations.

23. INDEMNIFICATION.

(a) Customer Indemnity. Customer agrees to defend and indemnify Paramit and its employees against any liability (including attorney's fees, interest, and penalties), and to hold Paramit and its employees harmless against any loss or expense (including attorney's fees, interest, and penalties), arising out of a claim of a third party that is based on Paramit's compliance with Customer's Specifications. The foregoing indemnification obligation applies to, among other things, any claim that the product infringes a patent, copyright, trade secret, trademark, maskwork, or other intellectual property right of a third party, any claim that the manufacture, shipment, or use of the product violates any law, including a statute or regulation, and any claim that the product is unsafe or unreasonably dangerous or negligently caused personal injury or property damage

(b) Paramit Indemnity. Paramit agrees to defend and indemnify Customer and its officers, directors, employees, contractors, agents, resellers, distributors or customers against any liability (including attorney's fees, interest, and penalties), and to hold Customer and its officers, directors, employees, contractors, agents, resellers, distributors or customers harmless against any loss or expense (including attorney's fees, interest, and penalties), arising out of a claim of a third party based on (i) failure of the products to meet Customer's Specifications; (ii) the gross negligence or intentionally wrongful acts; or (iii) any breach by Paramit of its representations, warranties or covenants under this agreement.

(c) Procedure. Any person claiming indemnification under this section 23 (each an "Indemnatee") shall notify the Party providing such indemnity ("Indemnitor") in writing of any alleged claim, damage, liability, or other action (individually or collectively, "Liability") in respect of which the Indemnatee intends to claim indemnification hereunder. The Indemnitor shall have the sole right to control the conduct of any action, defense, or other proceeding, including settlement, in respect of indemnification sought hereunder for any Liability; provided that the Indemnitor will not make any admission of fault or attempt to settle any claim in respect of a Liability without the Indemnatee's prior written consent, which consent will not to be unreasonably withheld or delayed. The



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Indemnitee shall cooperate fully with the Indemnitor and its legal representatives in the investigation and conduct of any action, defense, settlement, or other proceeding covered by this section 23, at the Indemnitor's expense, and the Indemnitee will have the right to participate, at its own expense, with counsel of its own choosing in the defense or settlement thereof.

24. FORCE MAJEURE.

A party to this agreement is excused from liability for non-performance or for delay in performance if such non-performance or delay is caused by a force beyond the reasonable control of the party and if such party is unable to overcome the effect of the force on non-performance or delay by the exercise of due diligence at reasonable cost. Such a force includes [***]. The foregoing applies whether the force affects a party to this agreement or a third party (such as a supplier or freight carrier). Financial inability of a party to perform, no matter what the cause of such inability, is not excused by this paragraph. A party claiming excuse under this paragraph shall promptly notify the other party of the force causing non-performance or delay and the probable duration.

25. MISCELLANEOUS.

(a) This agreement, including any exhibits to this agreement that are identified on the signature page to this agreement, along with the particular purchase order terms set forth in a purchase order accepted by Paramit, constitutes the final and complete expression of the agreement of the parties with respect to its subject matter. There are no promises, restrictions, representations, warranties, arrangements, or understandings other than those expressly set forth in this agreement. This agreement supersedes all terms on any purchase order related to the product concurrently or hereafter accepted by Paramit (including those for NRE's or for purchase of excess materials or excess inventory) except the particular purchase order terms. This agreement supersedes any prior negotiations, understandings, quotations, or agreements, whether written or oral, between the parties with respect to its subject matter and may not be contradicted by evidence of any prior or contemporaneous statements or agreements.

(b) This agreement may be amended only by a writing signed by the parties to this agreement.

(c) There are no conditions to the effectiveness of this agreement that are not expressed on the face of this agreement.

(d) The parties acknowledge that they have independently negotiated the provisions of this agreement, that they have relied upon their own counsel as to matters of law, and that neither party has relied on the other party with regard to such matters. This agreement shall be construed as a whole, according to its fair meaning, and without consideration as to which party drafted this agreement or any part of it. California Civil Code §1654 shall not be applied to construe this agreement, and in the event of a dispute, no provision of this agreement shall be construed in favor of or against any party by reason of such party's contribution to the drafting of this agreement.

(e) Unless this agreement expressly provides otherwise, a reference in this agreement to "days" is a reference to calendar days and a reference in this agreement to a number of days is a reference to that number of consecutive calendar days. A "business day" is any day that is not a Saturday, Sunday, or other optional bank holiday listed in California Civil Code §7.1 except Good Friday. If the time for any act to be performed under this agreement falls on a day that is not a business day, the time for performing such act is extended to 5:00 P.M. of the first day following such time that is a business day.



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(f) This agreement shall be governed by, and construed in accordance with, California law applicable to transactions taking place entirely within California and affecting solely California residents whether or not any part of this agreement is to be performed outside California and whether or not any party to this agreement is not a California resident.

(g) The parties may execute this agreement by signing one copy of this agreement or by signing duplicate copies of this agreement, and in the latter case, all of the signed copies will collectively constitute one and the same agreement, and each signed copy will be deemed an original. The parties may execute this agreement by one or more parties signing one counterpart of this agreement and one or more parties signing one or more other counterparts of this agreement, and the signed counterparts will collectively constitute one and the same agreement, and each signed counterpart will be deemed an original. Delivery by a party of the signature page to a counterpart of this agreement that has been signed by the party is the same as the party's delivery of a signed counterpart of this agreement. In proving this agreement when it has been executed in counterparts, a party must prove only that the party to be charged has signed a counterpart of the agreement. Delivery by facsimile transmission or by electronic transmission of an image of a signed counterpart of this agreement or an image of a signed signature page to this agreement is the same as delivery by hand of an identical document bearing an original ink signature.

(h) The captions of the sections and other headings contained in this agreement are for convenient reference only, and the words contained in such captions or headings do not control or affect the meaning of the provisions that follow.

(i) A waiver of any term or condition of this agreement in one or more instances shall not be construed as a general waiver by the party waiving the condition, who shall be free to insist on future compliance with such term or condition. A waiver of any provision of this agreement must be in writing and signed by the party to be charged with the waiver.

(j) Nothing in this agreement constitutes a partnership or joint venture between the parties hereto or constitutes any party the agent or employee of the other party for any purpose whatsoever. Neither party has authority to contract in the name of the other or otherwise to act to bind the other for any purpose.

(k) Except as this agreement may expressly provide otherwise, there are no third party beneficiaries of this agreement. The parties to this agreement may freely modify or rescind this agreement by an agreement signed by both parties without consent from any other person and without regard to the effect on any other party.

(l) In the event of any litigation by the parties to this agreement concerning this agreement or transactions under this agreement, the prevailing party shall be awarded all costs of litigation, including attorney's fees and charges for the preparation and trial of the action and for any appeals, expert witness fees, trial and appellate court costs, and deposition and trial transcript expense.

(m) Cost of materials and components are based on quote(s) provided to Customer and after acceptance via issuing PO for product(s), such materials costs will be entered into Paramit



MANUFACTURING SERVICES AGREEMENT

system as “standard cost”. Subsequently, if any new part is added to the Bill of Material (BOM), Paramit will have to quote it by employing provided quantity usage at the time. Similarly, Paramit will purchase materials from Customer based on established “standard cost” and not necessarily the cost Customer might have paid for at higher volume than purchase orders placed with Paramit.

(n) Paramit may purchase Customer owned Materials / Excess Materials, solely based on demand consumption rate of issued POs to Paramit and will pay Customer accordingly. Paramit solely, at its discretion may choose to transfer Customer’s usable, non-obsolete Materials / Excess Materials to a consigned warehouse, designated to Customer at Paramit; the consigned warehouse is netable against Materials Requirement Planning (MRP) and will prompt Paramit to use such Materials / Excess Materials for any new demand. Paramit system will record transaction usage; Purchase Orders will be issued to Customer monthly.

(o) Customer to place spare orders at the same time as ordering products to prevent Price Purchase Variance (PPV) and shipment delays due to lead time issues. In the absence of a spares forecasting process, both parties agree to develop such process. Paramit shall not be expected to sell Components that are designated for the manufacture of the products; as such requests may adversely affect product delivery dates and prevent Paramit from realizing planned revenue.

(p) Cost Reductions. If Paramit efforts lead to cost reductions, [***]. For significant cost savings projects, Paramit will submit to the Customer a proposal which outlines the anticipated material cost reduction in advance of pursuing the cost reduction project. The proposal should include at least the following elements: (A) parts to be impacted; (B) timeline for implementation; (C) expected cost reduction value; and (D) cost, if any, to implement the cost reduction (e.g., NRE expenses, tooling, etc.). If Paramit, implements such a cost reduction proposal, the savings will be calculated starting on the date of such implementation. For all other cost savings projects, Paramit shall report any cost reduction proposals to Customer on a calendar quarterly basis, and if Paramit achieves any cost reduction in a given calendar quarter, then the cost savings shall be implemented in the subsequent calendar quarters, and shall be reflected in future purchase orders after depletion of any materials purchased at a higher cost or inventory buy down by the Customer. If cost savings result from Customer efforts, such as BOM or design changes Customer will be entitled to the resulting savings, after a) depletion of inventory purchased at higher price or b) Customer has paid Paramit for such cost difference.

(q) To the extent permitted by applicable law, neither party or their agents shall directly or indirectly accommodate, solicit, or approach the other party’s personnel for recruitment, unless he/she had no longer been working for the party for [***]. Nothing herein will be construed to prohibit Customer and its affiliates from placing advertisements for employment or hire that are aimed at the public at large.



MANUFACTURING SERVICES AGREEMENT

Paramit HR Acknowledgement		Customer HR Acknowledgement	
Name and Title:	Rick Kent CFO	Name and Title:	John Mack, CFO
Signature and Date	/s/ Rick Kent 4/15/16	Signature and Date	/s/ John Mack, 04/15/2016

(r) Customer shall identify any hazardous materials on their BOMs or inform Paramit of such items, so that Paramit can take necessary measures to ensure the safety of personnel that will come in contact with such materials. Hazardous materials are materials that are radioactive, flammable, explosive, corrosive, oxidizing, asphyxiating, bio-hazardous, toxic, pathogenic, reagent, or allergenic as it pertains to state and local regulations, referencing CFR49 172.101 and CFR49 171.8.

(s) This agreement may not be transferred or assigned by either party without the prior written consent of the other party. Notwithstanding the foregoing, both parties may, without other party’s prior written consent, assign or transfer this agreement to a successor of all or substantially all of both parties’ assets, stock or business to which this agreement relates (whether by sale, acquisition, merger, change of control, operation of law or otherwise). Subject to the foregoing, this agreement shall be binding on, inure to the benefit of, and be enforceable by the parties and their respective heirs, successors and valid assigns. Any attempted assignment or transfer in violation of this section will be null and void.



MANUFACTURING SERVICES AGREEMENT

IN WITNESS WHEREOF, the parties have signed and delivered the foregoing manufacturing service agreement between Paramit and Customer.

Paramit Corporation
(company name)

Rick Kent
(print name of signatory)

CFO
(title of signatory)

/s/ Rick Kent
(signature)

04/15/2016
(date)

Outset Medical, Inc.
(company name)

Jeff Mack
(print name of signatory)

CFO
(title of signatory)

/s/ Jeff Mack
(signature)

04/15/2016
(date)

Exhibits: A -REPAIR / UPGRADE TERMS AND CONDITIONS

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

AMENDMENT TO CONTRACT MANUFACTURER AGREEMENT

This Amendment to Manufacturing Services Agreement (this "Amendment") is effective as of January 26, 2018 by and between Paramit Corporation. ("Paramit"), and Outset Medical, Inc. (referred to in this agreement as "Customer"). All capitalized terms not specifically defined in this Amendment shall have the same meanings ascribed to such terms in the Manufacturing Services Agreement (as defined below).

Recitals

WHEREAS, Paramit and Customer entered into that certain Manufacturing Services Agreement ("MSA") with an effective date of April 15, 2016.

WHEREAS, Paramit and Customer desire to amend the MSA as set forth below. NOW THEREFORE, the parties agree as follows:

Agreement

1. The following provision is hereby added to the MSA as Section 2 (g):
 (g). Supply Exclusivity. Customer agrees to a [***] manufacturing and supply exclusivity with Paramit, [***]. During the specified time, Paramit shall manufacture all Customer's Commercial demand, which means all demand, except Customer internal needs to build systems for R&D reliability, cost reduction efforts and building demo units for Marketing purposes for the next generation Tablo Product, currently known as Tablo X and all its variations. As part of the regular business reviews, both parties will discuss and define future business extension. Supply exclusivity would be limited to Tablo X and its configuration(s). Customer may seek alternate internal/ external supply options for other Product(s) that are not based on Tablo X platform with variations.
2. Section 25.(p) of the MSA is deleted in its entirety and replaced with the following:
 (P). Cost Reductions. If Paramit efforts lead to cost reductions, [***]. If cost savings result from Customer efforts, such as SOM or design changes, [***]. For significant cost savings projects, Paramit will submit to the Customer a proposal which outlines the anticipated material cost reduction in advance of pursuing the cost reduction project. The proposal should include at least the following elements: (A) parts to be impacted; (B) timeline for implementation; (C) expected cost reduction value; and (D) cost, if any, to implement the cost reduction (e.g., NRE expenses, tooling, etc.). If Paramit, implements such a cost reduction proposal, the savings will be calculated starting on the date of such implementation. For all other cost savings projects, Paramit shall report any cost reduction proposals to Customer on a calendar quarterly basis, and if Paramit achieves any cost reduction in a given calendar quarter, then the cost savings shall be implemented in the subsequent calendar quarters, and shall be reflected in future purchase orders after depletion of any materials purchased at a higher cost or inventory buy down by the Customer.
3. The following provision is hereby added to the MSA:
 Value Engineering. If based on Customer requests or Paramit's initiatives, Paramit spends time and resources to perform value engineering, reducing cost of the Product, Paramit shall recuperate such investments by shipping products with the prior higher price until all amounts due to Paramit are recovered. Then, the resulting savings will be passed to Customer in accordance with Cost Reduction clause defined in item 2 of this Amendment. For removal of doubt, if Paramit's value engineering efforts costs \$250,000, resulting in \$2,500 cost reduction per Product, Paramit will continue to ship 100 units at the higher price of pre value engineering efforts to recuperate its investments of \$250,000 (100 units X \$2,500 savings per unit). This methodology will apply to value engineering efforts, provided such cost shall not exceed \$[***] and recuperation period does not exceed [***] months.

4. Section 6.(b) of the Manufacturer Agreement is deleted in its entirety and replaced with the following:
 (b). Repair And Replacement After Acceptance. If any product has a defect in workmanship that manifests itself up to fifteen months after Paramit’s shipment of the product Paramit will repair or replace the product as defined in Exhibit A, and Paramit will pay for the shipping to return the product to Paramit and to re-send the repaired or replaced product to Customer in accordance with the terms and conditions set forth under section 7.
5. Section 4 Product Specification. Remove “material” from the first sentence to read as follows:
 Paramit will not make any changes to the Manufacturing Process, Customer’s Specifications, or any other production process, or the controlled process parameters or sources, types or grade classifications of materials used, with respect to any product (“Engineering Change”), without first obtaining written approval from Customer.
 Add [***] days to the following sentence:
 Paramit will notify Customer of any problem which may adversely affect, or has already adversely affected, any product functionality, performance, manufacture, assembly or test, within [***] days after becoming aware of any such problem, and will submit to Customer any engineering data documenting such problem.
6. In the last sentence of Section 5 (c), delete [***] and replace it with “in accordance with Exhibit A”.
7. In Section 6 (c) delete [***] and replace it with “in accordance with Exhibit A”.
 (c). If Paramit is unable to repair or replace such product in accordance with Exhibit A, Paramit will refund the price paid for such product.
8. Section 9 (g) In the first sentence, delete “Within [***] days” and add “Within [***] days”;
 (g). Within [***] days of Paramit’s requesting Customer to purchase the excess materials and notifying Customer of the nature of the excess materials and the excess materials purchase price, Customer will issue its purchase order to purchase the excess materials for the excess materials purchase price. Payment terms are net [***].
9. Section 12 (a) of the Manufacturer Agreement is deleted in its entirety and replaced with the following:
 (a). Paramit welcomes increases in orders and or requests for earlier deliveries. Paramit will make reasonable efforts to accommodate such changes. Paramit will promptly investigate lead times, component availability, and possible expediting fees Imposed by vendors (or other third parties) and will advise Customer of feasible delivery dates and increased costs, if any. The parties will negotiate an agreement for the increased number of units of product or accelerated delivery dates based on then prevailing market conditions, including lead times, component availability, and expediting fees. Contingent upon materials lead time and availability, as well as test throughput, Paramit can increase production of the Product as follows: 15-30 days prior to shipment, increase up to [***]% over forecast, 30-60 days up to [***]% over forecast, greater than 60 days [***]% increase over the forecast. In negotiating such an agreement, Paramit will not seek to increase the price of the product except to pass through to Customer increases in materials costs, including any expediting fees and overtime charges for after hours or weekend work requests.
10. The following provision is hereby added to the Manufacturer Agreement as Section 12 (b) as 12 (b) (i):
 (i). if purchase order is issued to Paramit for Tablo X Product and during the subsequent [***] months Outset Medical is required to prepay for the materials cost, then the flexibility window can be modified as follows:

<i>Number of day prior to delivery date scheduled in the PO</i>	<i>% of quantities allowed to push out</i>	<i>Days allowed to push out</i>
0-30	[***]	[***]
31-60	[***]	[***]
61-90	[***]	[***]
90+	[***]	[***]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

Once material prepay is deemed not necessary by Paramit, then the default flexibility window in the Manufacturing Agreement will be In effect.

<i>Number of day prior to delivery date scheduled in the PO</i>	<i>% of quantities allowed to push out</i>	<i>Days allowed to push out</i>
0-60	***	***
60-90	***	***
91-120	***	***
121+	***	***

11. Section 16 of the Manufacturer Agreement is deleted in its entirety and replaced with the following:

Books Records and Audits. Paramit will keep complete Product records in accordance with the signed Quality Agreement. After signing exclusivity clause, upon request, Customer will receive cost of material (Costed BOM) and labor for the relevant Products and sub-assemblies.
12. All terms and provisions of the Manufacturer Agreement, as amended hereby, shall remain in full force and effect. In the event of any conflict or inconsistency between the terms of the Manufacturer Agreement and the terms of this Amendment, this Amendment shall take precedence. The terms and conditions of this Amendment are hereby incorporated into and made a part of the Manufacturer Agreement.
13. This Amendment may be executed in counterparts, a complete set of which shall constitute one original.

[Signature Page Follows]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the day and year first written above.

<u>Paramit Corporation</u>			<u>Customer</u>
Name:		Name:	
	Richard Kent		Martin Vazquez
Title:		Title:	
	C.F.O.		C.O.O.
Date:		Date:	
	2/21/2018		2/21/2018
Signature:		Signature:	
	/s/ Richard Kent		/s/ Martin Vazquez

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

MANUFACTURING SERVICES AGREEMENT

THIS MANUFACTURING SERVICES AGREEMENT (“**Agreement**”) is entered into this 15th day of January 2020, by and between **TACNA Services, Inc.**, a California Corporation, hereafter referred to as “**TACNA**” and Outset Medical, Inc. a Delaware Corporation, hereafter referred to as “**Client**”.

Whereas, the Client desires to manufacture various products in Mexico and TACNA is experienced in managing certain aspects of such operations in Mexico, the parties to this Agreement agree as follows:

A. SERVICES TO BE PROVIDED BY TACNA

1. Engagement. TACNA will provide certain support services in connection with Client’s manufacturing activities in Mexico (the “**Services**”). The basic model under which the Services are performed is a pass through cost model under which costs incurred In Mexico are approved by the Client in TACNA’s online portal or through other written approvals. All direct costs reasonably incurred in providing Services to Client shall be passed through based on weekly cash requests, which shall include invoice level detail, Client will directly fund weekly both a U.S. Dollar and Mexican Peso denominated bank account In Mexico. These Mexican bank accounts shall be used exclusively to fund the Client’s Mexico based operating costs and from these accounts, most of Client’s Mexico based operating costs shall be paid. Cost not directly paid through the above referenced client assigned bank accounts, including but not limited to U.S. based pass through costs or fees for Services would be directly billed to Client by either the provider or TACNA. TACNA shall provide a shared Mexican corporation under which the assembly or manufacture of the Client’s products can take place in the Republic of Mexico.
2. Hiring Employees. As requested by Client, TACNA, through its Mexican affiliate company, shall hire employees as requested and approved by Client in writing, which at a future date may be documented through a recruiting module of the TACNA’s online portal (email acceptable).
3. Accounting and Payroll Services. TACNA shall perform all internal statutory accounting and payroll services for the Client’s assigned personnel as approved in the TACNA online portal. All company paid taxes, both income and payroll as they apply to Client assigned personnel and all outside professional services related to such taxes, shall be charged on a cost pass through basis. All banking charges shall be passed through.
4. Import - Export Services. TACNA shall prepare all necessary documentation based on Client provided supporting documentation and coordinate the shipment of the Client’s equipment, raw material and finished goods to and from the assigned Client facility in the Republic of Mexico. The temporarily imported equipment, raw materials and finished goods shall remain property of the Client, even though imported to Mexico. Any brokerage fees, custom duties, fines, and/or merchandise processing fees shall be charged to the Client on a cost pass through basis. Any fines resulting from an error by TACNA shall be at TACNA’s cost,
5. Governmental Relations and Taxes. TACNA will provide interface with both the Mexican and U.S. governmental agencies necessary for the production or manufacture of the Client products in Mexico and the transportation of said products through the international borders; *provided that*,

TACNA may not make any commitment, incur any liability, or enter into an agreement on behalf of Client, without Client's express prior written permission. All governmental charges of any kind, taxes, value added taxes, fees or permits directly incurred in connection with the performance of the Services shall be charged to the Client on a cost pass through basis. In the event Client is included in one of TACNA's combined entities, income taxes shall be calculated for the Client based on its cost and expenses in Mexico relative to the costs and expenses of the entire entity, with some necessary allocations of cost. Value added taxes directly incurred in connection with the performance of the Services are passed through to Client as incurred related to its costs and some such value added taxes are refundable under certain conditions. Such Client value added tax refunds shall be transferred to Client assigned bank accounts in Mexico when received from the tax authorities, which refunds can take as much as long as eight to nine months to be received. If operating in a separate entity, income taxes and value taxes are billed or refunded on a stand-alone pass through basis. TACNA and Client represent and warrant that each of them will comply with all applicable laws, statutes and regulations in connection with the performance of the Services, including the U.S. Foreign Corrupt Practices Act (15 U.S.C. §§78dd-1, et. seq.), as amended, the Organization for Economic Co-operation and Development (OECD) Convention on combating bribery of foreign public officials in international business transactions, and any other applicable anti-corruption laws.

6. Accounting and Legal. Standard internal statutory bookkeeping, payroll processing, and payables processing will be TACNA's responsibility. Fees for outside professional services in connection with regulatory filings such as monthly or annual tax filings shall be charged to client on a pass through basis (if solely applicable to the Services) or proportionately allocated basis, as applicable. TACNA retains the services of an outside attorney for labor matters and such costs will be allocated on a relative headcount basis for matters that apply to all of the entities for which TACNA is providing services. If more extensive legal services are required in an area, such will be billed on a pass through basis; *provided, that*, Client shall have the right to pre-approve any attorney/law-firm, including their applicable billing rates, such approval not to be unreasonably withheld. Labor union dues are also charged on a pass through cost basis.

7. Permits. TACNA shall obtain all necessary permits and licenses as required by Mexico to allow the assembly of Client product in Mexico. Any direct permit fees or fees for outside experts necessary to obtain permits for Client shall be charged to Client on a cost pass through basis.

8. Human Resources. All Human Resources functions including maintenance of employee files and reports will be a TACNA responsibility. Should outside legal representation be required in employee or other matters, such will be billed on a cost pass through basis; *provided, that*, Client shall have the right to pre-approve any attorney/law-firm, including their applicable billing rates, such approval not to be unreasonably withheld.

9. Emergency Supervision. TACNA will assist Client with respect to emergency or other matters requiring immediate attention on an as needed basis.

10. Transportation. TACNA will arrange for all Import & export trucking services, either utilizing TACNA vehicles or an outside trucking company. Client shall be charged for said freight on a pass through basis should an outside service be utilized, or on an agreed amount, should TACNA's trucks be used.

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11. Transition Assistance. The initial startup period of pre planning and initial permitting etc., is time Intensive and requires higher levels of assistance from TACNA's most experienced people. Accordingly, a transition or startup fee of \$[***] is charged to defray a portion of the cost involved. Such fee will become an obligation of Client upon signing of this Agreement. Should Client decide to become independent of TACNA and remain in Mexico after the term of this Agreement, Client shall have the right to substitute the employer to its own entity for employees working directly in and paid In the Client assigned division and shall further have the right to transfer the lease directly to its entity, subject to landlord approval. TACNA shall provide reasonable and professional coordination and support for such transition processes.

12. Warranties. Each party represents, warrants and covenants to the other party Client: (i) it has all rights, licenses, permits and authority necessary to enter into and perform its obligations hereunder, and (ii) will comply with all applicable laws, rules and regulations in connection with its performance hereunder, including any applicable anti-bribery laws. Each party will indemnify, defend and hold harmless the other party from and against any damages, judgments, liabilities, losses, penalties, settlements; costs and expenses, arising from or related to any actions, claims or suit brought by any third party, including any governmental agency, arising from such party's breach of the foregoing representation, warranty or covenant. Further, TACNA, represents, warrants and covenants that (i) all personnel performing services hereunder have appropriate training, skills and experience necessary to perform their relevant obligations; and (ii) it will perform all services contemplated herein in a professional and workmanlike manner.

13. Insurance. Should any insurance be required by the landlord of the leased facility, said insurance cost shall be passed on to Client at cost; *provided, that*, Client shall have the right to preapprove the applicable policies and insurer(s). Should Client wish to insure its equipment and materials in Mexico, TACNA shall provide an insurance quotation to Client at Client's request. Should Client accept the TACNA quotation, Client shall be charged on a cost pass through basis for said insurance. Client has the right to acid this insurance to their existing U.S. carrier or broker and should they elect to do so, TACNA shall provide all necessary information to Client's carrier. TACNA and its applicable Mexican affiliates shall be named as an additional insured on any policies obtained.

TACNA shall provide an Insurance policy of \$[***] U.S. Dollars on the total load of all freight carried by TACNA trucks while transporting Client goods to and from Mexico. If additional insurance is required on said cargo, Client must notify TACNA and TACNA will increase said cargo insurance to meet Client's needs. Said Increase in insurance coverage shall be charged to Client on a cost pass through basis. Cargo insurance is in effect on TACNA owned trucks only and should it be required to subcontract freight to another carrier, TACNA will not be responsible for the Contractor's cargo insurance, however such carriers would normally carry cargo insurance.

14. Proprietary Information. All information concerning Client or the Services being performed by TACNA or its Mexican affiliates for Client to which TACNA shall have access, shall remain the exclusive property of the Client and shall be deemed the confidential information of Client. TACNA agrees to maintain confidentiality of such information and agrees not to disclose such information to any third party without the permission of Client, other than to the extent necessary to perform its duties on behalf of Client, and where commercially practical, pursuant to a confidentiality or other non-disclosure agreement. TACNA may not use any confidential information of Client for any purpose other than the performance of its duties hereunder,

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15. Term of Agreement. The term of this Agreement is evergreen, and shall commence as of the date of the date of signing and continue for an initial minimum period of three years beginning from that date on which at least [***] employees are hired and working in Client operation. After [***] of the effective term, either party may terminate this agreement upon [***] written notice of the intent to terminate. Either party may terminate this Agreement in the event the other party materially breaches any term herein, and does not cure such breach within [***] days. All post termination costs shall be billed in accordance with Section B.

16. Fees and Payment Terms. TACNA shall charge Client for services weekly based on the fee schedule shown in **Annex “A”**. All costs and fees direct billed by TACNA shall be paid on a net seven day terms basis. These terms are intended to allow transit time for paperwork only. Fees will be adjusted annually at the beginning of the calendar year for the annual change In the CPI San Diego District or its equivalent.

17. Non-Solicit. TACNA expends tremendous resources to train and provide qualified administrative employees to service its clients. Client shall not solicit or induce any of TACNA's or its Mexican affiliate's administrative employees whose primary role is serving TACNA's clients in TACNA's shelter service business or is a manager or supervisor in one of TACNA's proprietary product operations, either during the term of this Agreement or for [***] months thereafter, to leave their employment with TACNA or its Mexican affiliate. Such employees are on TACNA's affiliate's payroll and not the Client's divisional payroll. Client shall pay an administrative) employee displacement fee equal to [***]. Nothing herein shall prohibit Client from engaging in general recruitment strategies not directed to TACNA's or its Mexican affiliate's employees, such as participating in job fairs and posting of job openings on the Internet. However, the administrative displacement fee would continue to be applicable to any such defined employee hired by Client, whatever the source of recruiting.

18. EH&S Permit Maintenance. Significant incremental work is necessary to monitor and maintain compliance with Environmental, Health and Safety requirements. This involves annual outside testing and sampling by outside consultants, such costs are billed to Client on a cost pass through basis. Such costs are budgeted annually and billed on a pass through basis,

19. Limitation of Liability. Excluding any material breach of confidentiality for which a judgment has been rendered, the maximum liability TACNA shall have under this Agreement shall be limited to [***].

B. COSTS AND FEES TO BE PAID BY CLIENT

As general background, costs incurred in Mexico are documented in TACNA's online portal and such expenses are electronically approved by the Client in the portal in support of the weekly cash request.

1. Personnel. Client shall be charged weekly for all Client employees' hired in accordance with this Agreement salaries, taxes, retirement, vacations, food bonus, attendance bonus or other costs on a cost pass through basis, based on payroll documentation and backup data, which shall be provided to the Client on a weekly basis.

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2. Facility Lease. Client shall pay for space according to the rate of the underlying lease that has been preapproved by Client in writing, including applicable value added taxes. Client shall also be a guarantor on such lease.
3. Supplies and Other Purchased Items. Client shall be charged for requested supplies and other purchased items reasonably purchased in direct connection with the performance of the Services on a cost pass through basis.
4. Utilities and Telephone. Client shall be charged for all utilities, Internet and phone charges directly incurred in connection with the performance of the Services on a cost pass through basis.
5. Security. Cost for reasonable security, if required, shall be billed on a cost pass through basis.
6. Production Equipment and Maintenance. Client will be responsible for and maintain all its own assembly & production equipment. TACNA, however, will provide lists of suppliers for miscellaneous supply items at the request of Client and assist client in sourcing needed suppliers.
7. Vacation, Holidays, Christmas Bonus (Aguinaldo) and Profit Sharing. The laws of Mexico provide that employees receive holidays, vacations, Christmas bonus (Aguinaldo) and a statutory profit sharing. Vacations and Christmas bonuses are based the employees' term of employment and statutory profit sharing is normally based on costs incurred in Mexico and is part of the income tax calculation. Client shall be charged for these employee benefits on a cost pass through basis,
8. Warehouse. TACNA will make available its US warehouse space for the Client's import and export products on a short-term transitory basis of normally less than one day for cross clocking. This is available on a space available basis only. TACNA warehouse personnel will also assist in the Client's freight forwarding from the TACNA warehouse on a space available basis. All external freight forwarding charges are the Client's responsibility.
9. Agreement Wind Up Cost. Should Client decide to terminate this Agreement, TACNA will reasonably attempt to place Client assigned employees with other TACNA clients. Should this not be possible, Client will be responsible for all severance cost per Mexican law on a cost pass through basis. Any lease termination costs would be those of the Client. Client will be responsible for any costs relating to the cancellation of any agreements entered into by TACNA on behalf of Client incurred in the wind up and any other costs properly incurred under this Agreement. See A.11.
10. Program Approval and Permits. All internal personnel cost to obtain the necessary permits with the Mexican and United States governments are included in TACNA's hourly rate. Any direct permit fees or fees for outside experts shall be charged to Client at cost.
11. Duties and Merchandise Processing Fees. Should said charges be incurred, TACNA will charge Client for these costs on a pass through basis.

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12. Facility Upgrades. TACNA will arrange for and assist in supervising any facility upgrades that may be required or requested by the Client in writing. Client will be charged for the cost of said leasehold improvements and/or upgrades on a cost pass through basis. TACNA will provide Client an estimate of the cost of said improvements and work will not commence until approved by Client in writing, with e-mail being an acceptable approval.

Excluding breaches of confidentiality, in no event will either party be liable to the other for any indirect, incidental or consequential damages.

20. The terms and conditions contained herein shall be construed in accordance with and all disputes hereunder shall be governed by the laws of the State of California. In the event there is litigation surrounding this Agreement, such matters shall have a venue of San Diego, California.

21. The invalidity in whole or in part, of any term or condition herein shall not affect the validity or enforceability of any other term or provision.

22. This Agreement contains all the understandings and agreements between the parties. Neither party may assign this Agreement, in whole or in part, to any third party; except that, either party may assign this Agreement to any affiliate or to a third party acquirer or successor in connection with a merger, consolidation or sale of all or substantially all of its assets or business that relate to this Agreement. Any modification or waiver of this Agreement must be expressly made in writing, mutually agreed to and executed by both parties. This Agreement replaces any prior agreements between the parties related to the subject matter hereto. As such, prior agreements are void.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

TACNA SERVICES, INC.

CLIENT

By: /s/ Ross K. Baldwin
Ross K. Baldwin
President

By: /s/ Martin Vazquez
Martin Vazquez: Outset Medical, Inc.
Chief Operating Officer

Dated: 2/4/20

Dated: 01-15-2020

/s/ Martin Vazquez
Feb/3/2020

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AUTHORIZED RESELLER AGREEMENT

THIS AUTHORIZED RESELLER AGREEMENT (“**Agreement**”) is made this 14th day of October, 2019 (the “**Effective Date**”) by and between Outset Medical (“**Outset**”), and SDV Office Systems, LLC dba SDV Medical (“**Reseller**”). Outset and Reseller are referred to herein individually as a “**Party**” or collectively as the “**Parties**.”

WHEREAS, Outset is in the business of manufacturing and/or distributing hemodialysis therapy products;

WHEREAS, Reseller is a Service-Disabled Veteran Owned Small Business (“SDVOSB”) in the business of promoting and selling medical and surgical supplies and equipment; and

WHEREAS, Outset desires to engage Reseller as its exclusive reseller to market, promote and sell the Products (hereinafter defined) in the Territory (hereinafter defined) pursuant to the terms of this Agreement.

TERMS AND CONDITIONS

1. DEFINITIONS. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meaning set forth below.

“**Affiliate**” means with respect to either party, any Person that, directly or indirectly, is controlled by, controls or is under common control with that party. For purposes of this Agreement, “**control**” means, with respect to any Person, the direct or indirect ownership of more than fifty percent (50%) of the voting or income interest in that Person or the possession otherwise, directly or indirectly, of the power to direct the management or policies of that Person.

“**Collateral**” means Outset marketing and sales materials for the Products and Services that are provided to Reseller by Outset for distribution to potential Customers.

“**Confidential Information**” means: (i) any and all non-public information of Outset and its suppliers, including, without limitation, any information relating to pre-clinical and clinical data, specifications, training and any other know-how related to the design, implementation, performance, manufacture or pricing of the Products as well as Documentation; (ii) the terms of this Agreement (including pricing and discounts); (iii) other information that is marked as “Confidential” or some other label indicating its confidential nature or, if disclosed orally, is identified as confidential at the time of its disclosure; or (iv) information disclosed by Outset that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure.

“**Customer**” means any federal, state or local government agencies or entities located in the Territory authorized to purchase Products through various contract solutions utilized by an SDVOSB reseller, including, but not limited to as an “Open Market” contract, under any U.S. Department of Veterans Affairs Federal Supply Schedule Contract awarded to Reseller under Federal Supply Schedule 65 II A, Medical Equipment and Supplies (“FSS Contract”), a General Services Administration Contract for medical supplies (“GSA Contract”), or a Defense Logistics Agency —Troop Support (DLA-TS) Electronic Catalog (SCAT) for medical products.

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“Customer Support” means the support provided by Outset to Customers while the Products are under warranty or following expiration of the warranty period if it is ordered as a Service.

“Documentation” means Outset’s standard published documentation normally supplied with or made available to its Customers to aid in the use, support and/or operation of the Products in any form, media or language provided.

“Equipment” means those additional products set forth in **EXHIBIT A** which may be purchased and distributed for use with the System.

“Labeling” means the written, printed or graphic matter for Products including those on the Product container and any posters, tags, pamphlets, circulars, booklets, brochures, instruction books, direction sheets, fillers, and advertising materials, as further defined in the United States Code of Federal Regulations, 21 C.F.R. Part 801 (Labeling).

“Marks” means Outset’s logos, trademarks, trade names, slogans, designs and other identifying symbols that are or have been used in connection with the Products by Outset anywhere in the world.

“Person” means any individual as well as any corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, limited liability partnership, unincorporated organization, government (or any agency or political subdivision thereof) or other type of legal entity or organization.

“Product(s)” means a product or product line set forth on Exhibit A attached hereto and incorporated herein, including: (i) the System, (ii) Equipment, and (iii) Software (all as identified in **EXHIBIT A**), and (iv) Spare Parts, together with all Documentation and any updates and/or upgrades provided hereunder, excluding Third Party Products. Any additions or deletions of Products from Exhibit A shall not be effective unless evidenced by an amendment signed by both Parties, except that deletion of any discontinued Products shall be effective [***] days after written notice to Reseller.

“Product Clearances” means the approvals, authorizations, licenses or clearances by the appropriate Regulatory Authority(ies) required for importation, promotion, marketing, sale, pricing, use and reimbursement of the Product(s) in that Territory.

“Regulatory Authority” means any national, supra-national, regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity, including, without limitation, the United States Food and Drug Administration, or any of their successors.

“Service(s)” means Customer Support, training services and installation services which may be ordered by Customers from Outset.

“Software” means (i) software Products listed in **EXHIBIT A**; (ii) software that is incorporated into a Product; and (iii) any updates and upgrades thereto which may be provided by Outset.

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"Spare Parts" means Outset replacement parts or additional Outset parts for the System or Equipment.

"Specifications" means Outset's published specifications for the Product(s) at the time of delivery or as updated pursuant to Customer Support.

"System" means the Outset® Tablo™ Hemodialysis System as described in the applicable Specification.

"Term" means the period commencing on the Effective Date and continuing for three (3) years thereafter, subject to renewal or early termination pursuant to this Agreement.

"Territory" means any authorized U.S. Federal Government Facility as specified in Exhibit A.

"Third Party Products" means products manufactured or licensed by third parties which are licensed or sold pursuant to separate terms and are identified in the Quote as Third Party Products.

2. APPOINTMENT AND OBLIGATIONS

2.1. Appointment. Outset does hereby appoint Reseller, and Reseller does hereby accept such appointment, as Outset's exclusive authorized SDVOSB reseller of the Products for sale to Customers in the Territory. Reseller agrees not to market, sell or distribute Products to any person or entity other than Customers in the Territory and will refer promptly to Outset all inquiries and leads for any of Outset's Products from customers located outside of the Territory. During the term, Reseller shall be permitted to describe itself to the general public, including prospective Customers of the Products, as Outset's exclusive SDVOSB reseller with the right to market, promote, and resell the Products to Customers within the Territory. Notwithstanding anything herein to the contrary, Outset will continue to have the right to sell to the Customers in the Territory either directly or indirectly.

2.2. Promotion. During the Term, Reseller agrees to use commercially reasonable efforts to promote and increase the distribution and sale of the Products to Customers in the Territory. Reseller shall refer to Outset any orders that the Reseller receives from any prospective Customer for whom Reseller does not proceed with an SDVOSB contract form.

2.3. Reseller Personnel. Reseller must maintain technical and sales personnel who have the expertise, knowledge and skills necessary to:
(i) inform potential Customers about the features and capabilities of the Products and any Competitive Products (as defined in Section 2.4); and
(ii) allow Reseller to comply with its obligations under this Agreement.

2.4. Competitive Products. During the Term, Reseller must not directly or indirectly market, advertise, manufacture, sell or distribute any products competitive with or similar to Outset's Products in the Territory ("**Competitive Products**"), or have a financial interest in any company that markets, advertises, manufactures, sells or distributes any Competitive Products, without Outset's prior written permission; provided, however, that Reseller may own publicly traded shares of any company.

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2.5. Cooperation. During the Term, Reseller must advise Outset promptly of any infringement of Outset's rights to any of its trademarks, patents, copyrights, or trade secrets which may come to the attention of Reseller, and cooperate and assist Outset in connection with any recall, corrective action, or any other action taken by Outset relating to the Products.

2.6. Business Conduct. Reseller must conduct business under this Agreement with the highest level of ethical conduct to protect the Products' reputation and Outset's reputation for integrity, professionalism and fairness; it must not: (i) make false or misleading representations or advertisements with regard to Outset or the Products; (ii) offer warranties or guarantees to Customers or potential Customers that differ from the Specifications, features or capabilities of the Products as contained in this Agreement, the Documentation or the Collateral; (iii) purport to commit Outset to obligations not contained in this Agreement, or (iv) otherwise act or fail to act in a manner that harms Outset or its Products' goodwill. In addition, Reseller must at all times comply with its obligations regarding global anti-corruption as further described in Section 6.4.

2.7. Reseller Status. Reseller must manage and be fully responsible for compliance with all rules or restrictions associated with Reseller's status as a veteran-owned small business and a service-disabled veteran-owned small business as it relates to being a reseller of Outset's Products, including those required by the Small Business Administration and the Department of Veterans Affairs, Office of Small and Disadvantaged Utilization Center for Verification and Evaluation.

2.8. Reports. Reseller must maintain records showing the volume of sales and pricing of Products in the Territory including all discounts, rebates and reductions related to such sales, Reseller's efforts to promote the Products, and any other statistical records as may reasonably be requested by Outset from time to time and as required or requested by any regulatory authority to certify the nature and extent of costs incurred by Customers in purchasing Products until the expiration of [***] years after the sale of any Products pursuant to this Agreement.

3. ORDER PROCESS AND PRICING

3.1. Forecasts. Reseller must provide a non-binding, rolling twelve-month forecast of its anticipated Product needs ("**Forecast**") [***] based upon Reseller's and Outset ASM active opportunities. The Forecast must include a detailed update on the status of the prospective Customers identified by Reseller in the Territory, including, but not limited to, [***]. The Forecast shall be delivered to Outset's Government Sales Manager for the Territory, as well as the Vice President of Sales at Outset.

3.2. Pricing and Quotes. Outset will sell Products to Reseller at the pricing specified in Exhibit A, as may be negotiated and revised by Outset and Reseller from time to time as specified herein ("**Prices**"). Reseller will prepare price quotations for each prospective Customer, which shall be provided to prospective Customers ("**Quote**"). Unless a different currency is specified in **EXHIBIT A**, all Prices will be in U.S. dollars. Prices are exclusive of all taxes, duties, tariffs, shipping costs and installation costs. The Quote will incorporate any discounts offered to Reseller by Outset, and no further discounts will be applied. Reseller must set its own prices for resale to its Customers, subject to the amounts due to Outset as provided herein.

3.3. Price Changes. Outset has the right to increase its Prices on [***] days prior written notice to Reseller, provided, that Outset will honor any Prices for Quote already issued prior to notice. Any Price increases will apply to all requests for Quotes received [***] days after Outset's notice and Reseller's confirmation that the appropriate U.S. Government national contracting entities have accepted the request for modification and loaded approved pricing to its contract(s).

3.4. Special Pricing Quotes ("SPQ"). From time-to-time, at Outset's sole discretion, Outset may grant a SPQ to meet pricing from competitive products on particular bids or for other competitive reasons. SPQs cannot be used in conjunction with any other promotional pricing or rebates. Reseller agrees that the Customer named in the specific SPQ is the only one to which Reseller will sell the Products. Outset requires certain supporting documentation to substantiate and verify the granting of a SPQ. If Reseller fails to comply with these requirements, then Reseller must reimburse Outset for a sum equal to the difference between Outset's standard Prices and the prices granted in the SPQ for all Products and Services purchased with the benefit of the SPQ. This sum shall be paid to Outset within [***] days from receipt of written notification from Outset. Reseller understands that it will be deemed a material breach of this Agreement if any of the supporting documents are inaccurate, not genuine or otherwise not submitted in good faith.

3.5. Orders. Upon receipt of purchase orders from Customers, Reseller will place written purchase orders for Products and/or Services to Outset. Spare Parts may be ordered by issuing a written purchase order to Outset. Outset shall use reasonable efforts to accept or reject all orders within [***] days. Outset will accept an order by signing and returning an order acknowledgement to the Reseller, at which point the order will become binding on the parties (an "**Order**"). If an Order for a System does not include a scheduled delivery date, it may be accepted to accommodate Customer requirements, provided that Reseller acknowledges that Outset will not begin production of a System until Reseller provides a set delivery date. Notwithstanding that Outset will sell Products to Reseller for resale to Customers, Outset will ship Products directly to Customers and not to Reseller.

3.6. Delivery; Risk of Loss. All shipments of Products are to be [***]. Risk of loss or damage to the Products shall be [***]. Shipment of Products will be by Outset's chosen freighter with all freight and handling charges prepaid and added to invoice. Special delivery and accelerated shipping options are available at Customer's expense. All accelerated shipment options are subject to delays and complications associated with air transportation, including but not limited to weather delays, mechanical breakdowns, and human error. All sales are final and without any right of return.

4. PAYMENT

4.1. Credit. Outset may determine credit limits and payment terms by analysing Reseller's current and historical financial information, bank references, trade references, payment practices, business plan, etc. Reseller must provide current financial information to Outset on [***] basis, or more frequently if requested by Outset. In its sole discretion, Outset may withdraw previously provided credit terms by giving a written notice to Reseller; the withdrawal will be effective immediately. In the event an adequate credit limit cannot be granted, is withdrawn, or during the period before Outset approves Reseller's credit, deliveries may still be available if Reseller negotiates alternative payment terms, such as paying cash in advance, providing an irrevocable letter of credit or similar credit alternatives.

4.2. Payment. Payment to Outset shall be due [***] days after date of invoice at the address indicated on such invoice. All invoices are payable in accordance with the payment terms and methods specified in Exhibit A. Reseller may dispute amounts shown on an invoice in good faith, provided it does so within [***] days after its receipt of such invoice

5. OWNERSHIP AND LICENSES

5.1. Trademark License. Subject to Reseller's compliance with the terms and conditions of this Agreement, Outset hereby grants to Reseller a non-exclusive, non-transferable license to use the Marks in connection with the promotion, marketing, advertising, sale and support of Products in the Territory during the Term. Reseller must comply with Outset's policies or guidelines regarding advertising and trademark usage as established from time to time with respect to its use of the Marks. Reseller must indicate both: (i) that Outset is the owner of Outset's Marks when it uses them; and (ii) that Reseller is using the Marks with permission from and on behalf of Outset. Reseller acquires no rights in the Marks by its use. Prior to any distribution or other release of materials to third parties that will contain Marks, Reseller must submit them to Outset for approval, with the sole exception of unmodified Collateral. If Reseller were to acquire any goodwill in any of the Marks, that goodwill will automatically vest in Outset, and Reseller must execute any documents and take any steps necessary to establish vesting in Outset. Reseller must not contest the validity of any of the Marks or of Outset's exclusive ownership of the Marks at any time. Reseller must not adopt, use, or register any of the Marks or any word or mark confusingly similar to the Marks in any jurisdiction regardless of form, whether as a corporate name, trademark, service mark, domain name or other indication of origin. Reseller must provide all reasonable assistance, including execution of documents as requested by Outset, to protect Outset's trademark rights in the Territory. In the event of expiration or termination of this Agreement, Reseller must discontinue all use of the Marks immediately. Outset has the sole and exclusive right to bring legal action in the Territory for infringement with respect to the Marks, and if Outset chooses to bring legal action, Reseller must assist Outset in its legal claims. Reseller must notify Outset if it knows or suspects infringement of the Marks. Any violation of this Section 5.1 (Trademark License) shall be deemed a material breach of this Agreement.

5.2. Proprietary Rights. Outset or its suppliers or licensors own all right, title, and interest (including, without limitation, all intellectual property rights) in and to the intellectual property in all Products, Documentation, Collateral, Marks and any materials provided to Reseller hereunder. Reseller acknowledges that it is granted only those limited license rights as specified in Sections 5.1 (Trademark License) and 5.4 (Software License) and the right to distribute the Products to Customers as specified in this Agreement. Outset retains all rights that are not expressly and explicitly granted by Outset to Reseller. Reseller acknowledges that the Products, Documentation, Collateral and Marks are protected by copyright laws and other laws pertaining to intellectual property rights in the United States and other countries and embody valuable Confidential Information of Outset and its suppliers, the development of which required the expenditure of considerable time and money. Reseller must not: (i) decompile, reverse engineer, disassemble, or otherwise attempt to derive the source code of the Products or attempt to disable any security devices or codes incorporated into or distributed with the Products; (ii) copy, modify,

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translate or create derivative works of the Products, Documentation or Collateral (except as expressly specified in this Agreement); or (iii) rent, lease, loan, distribute, assign or transfer the Software, Documentation or Collateral, unless expressly permitted in writing by Outset. Reseller must not permit of or enable any third party, including any Customer to take actions prohibited by this Section 5.2 (Proprietary Rights).

5.3. Proprietary Marks. Reseller must not alter, remove or obscure any copyright notices, trademark notices or other proprietary or confidentiality notices that are: (i) placed or embedded by Outset or its suppliers or licensors in the Products, Documentation or Collateral; (ii) displayed when the Products are run; or (iii) applied to the Products, Documentation, Collateral or any other materials provided under this Agreement or their Labeling.

6. REGULATORY MATTERS; LEGAL COMPLIANCE; INSURANCE

6.1. Compliance with Law. Reseller must comply with all federal, state, and local laws and regulations applicable to its business of marketing and selling the Products in the Territory, including without limitation the Food, Drug and Cosmetic Act, as amended, the federal and any states' anti-kickback Laws, and all of the rules and regulations promulgated under such laws, and maintain all necessary licenses and permits for its business.

6.2. Importation. Reseller shall obtain all licenses and permits and satisfy all formalities as may be required to export Products from the Outset shipping point and to import the Products in the Territory, including, but not limited to, any permits that may be required by any governmental agency relating to customs, technical standards or specifications, or health or medical safety regulations.

6.3. Compliance with GACL. Reseller acknowledges that Outset must comply with applicable global anti-corruption laws (collectively, "GACL"), including, without limitation, the Foreign Corrupt Practices Act ("FCPA"). Reseller agrees to conduct training for its employees and subcontractors regarding the GACL, and to conduct all of its activities under this Agreement in compliance with the GACL. Reseller acknowledges that any activities of Reseller that violate the GACL constitute a material breach of this Agreement by Reseller. Reseller shall maintain written books and records under International Financial Reporting Standards that accurately identify the person or entities that receive payments from Reseller both for this Agreement and for general marketing expenditures. Reseller shall allow Outset to review those accounting entries on request. Reseller may use subcontractors in connection with fulfilling its obligations under this Agreement only with Outset's prior written consent. If, after obtaining Outset's prior written consent, Reseller uses any subcontractors in connection with fulfilling its obligations under this Agreement, it shall ensure that such subcontractors comply with the GACL. Reseller shall certify to its compliance with the requirements of Sections 6.4 and 6.5 annually or as otherwise requested by Outset by fully completing, signing and delivering to Outset such annual compliance certifications in the forms provided by Outset, a copy of which as of the Effective Date is attached as **EXHIBIT B**.

6.4. Trade Compliance. Reseller must not export or re-export the Property, or any items that use the Products without obtaining the appropriate licenses in advance. Reseller agrees that the Products and related technology subject to this Agreement are subject to import and export control laws and regulations of the United States, the European Union and other countries

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including the U.S. embargo and sanctions regulations and prohibitions on export for certain end uses or to certain users (“**Trade Compliance Laws**”). Reseller must comply with all United States Trade Compliance Laws and ensure that the Products and related technology are not sold, transferred or diverted: (i) to any U.S. or E.U. sanctioned or embargoed country, unless authorized by U.S. export license or regulation; (ii) to any Person listed in the U.S. Department of Commerce Denied Persons List or Entity List, the U.S. Department of Treasury’s Specially Designated Nationals List, the U.S. Department of State’s Debarred Parties listing, or any E.U. or local country listing of sanctioned persons; (iii) to any nuclear weapons, nuclear power, nuclear research, chemical/biological weapons, or missile/rocket technology end-user or end-use; or (iv) in violation of any other US Trade Compliance Laws or government orders. Reseller agrees and acknowledges that it is responsible for knowing, understanding and keeping updated on changes to the U.S. Export Administration Regulations and other applicable laws and regulations. Reseller must understand, monitor and comply with changes to all Trade Compliance Laws that apply to its performance under this Agreement. Reseller must notify Outset immediately if it suspects or learns about a sale, transfer, or diversion of any Product or Outset materials in violation of this Section 6.5 (Trade Compliance). Reseller must indemnify and hold Outset harmless from any claims, liability or expenses arising from Reseller’s alleged failure to comply with this Section 6.5. The obligations of this Section 6.5 shall survive any termination or expiration of this Agreement.

6.5. Insurance. Reseller must obtain and maintain all insurance required: (i) under federal, state or local laws that apply to its performance under this Agreement; and (ii) that corresponds to general, products liability and workers’ compensation on an occurrence basis that is (a) reasonably required for the normal and customary business of a medical device distributor; (b) sufficient to provide coverage for any claim which may reasonably arise out of the actions or inactions of Reseller related to this Agreement or the business relationship between the parties; and (c) has at least an aggregate annual coverage amount of not less than U.S. [***]. Reseller must keep this insurance in effect both during the Term and afterward during the time period that Reseller owes any obligations to its Customers under any Order. Reseller must provide certificates of this required insurance to Outset at least [***] days prior to shipment of any Products by Outset to Reseller (or its Customer) and at any time thereafter. These certificates must expressly state that no cancellations or modifications to the insurance can take effect unless Outset has received prior written notice of them at least [***] days in advance. Reseller’s insurance coverages must not be construed to limit Reseller’s liability to Outset, Customers or any third party. Reseller must itself provide Outset with written notice at least [***] days prior to the cancellation, non-renewal or material change in its insurance. Outset has the right to terminate this Agreement if Reseller’s insurance coverage required in this Section 6.6 (Insurance) is reduced or is no longer in effect during the Term for any reason, by providing Reseller with a written termination notice; the Agreement will then terminate [***] days after the notice becomes effective under Section 14.5 (Notices) below.

7. OUTSET’S OBLIGATIONS

7.1. Product Changes. Outset has the sole discretion, to: (i) introduce changes to the Products; (ii) discontinue the manufacture of any Products; (iii) discontinue the development of any new product, whether or not that product had been announced publicly; or (iv) commence the manufacture and sale of new products or features which make existing Products wholly or partially

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obsolete or less marketable to Customers (whether or not Reseller had been granted distribution rights in the new products or features). Outset shall notify Reseller of any changes to Products that affect their form, fit or function or which would invalidate Product Clearances, and provide Reseller with updated Documentation relating to the changes prior to providing changed Products to Reseller. If Outset discontinues the manufacture of any Product, Outset shall notify Reseller promptly and shall fill all Orders for discontinued Products placed before Outset's notice.

7.2. Field Actions. Outset shall have primary responsibility to affect any recall, withdrawal or field correction (a "**Field Action**") with respect to any Product. In connection with a Field Action, Reseller shall promptly respond to Outset's requests for information or other assistance, including assistance in communication with Reseller's customers, and in otherwise affecting such Field Action. Outset shall bear all reasonable costs and expenses incurred by Reseller at Outset's request in connection with any Field Action.

7.3. Customer Complaints. Outset shall be responsible for addressing customer complaints regarding the Products. Reseller agrees to report immediately to Outset (i) any Customer complaint on or requirements for Products in the Territory, (ii) any recurring complaint regarding Products, and (iii) all incidents that result in personal injury or death involving Products in any manner whatsoever in strict accordance with the procedures set forth in Exhibit C attached hereto. Reseller shall assist Outset in investigating and rectifying all such complaints and requirements in the Territory. Reseller shall maintain records of such complaints for at least two years after receipt and shall make such records available to Outset for inspection and copying at any time during Reseller's normal business hours. For any event identified under (iii) above, Outset shall be solely responsible for reporting such event to the government authority in the Territory in accordance with applicable regulations.

8. CONFIDENTIALITY

8.1. Confidentiality. During its performance under this Agreement, Outset will disclose Confidential Information to Reseller. Reseller must maintain the Confidential Information in confidence and not use it except for the limited purposes of performing Reseller's obligations under this Agreement. All Confidential Information, including copies made by Reseller, will remain the property of Outset. Nothing in this Agreement shall be construed as granting or conferring any rights by license or otherwise in the Confidential Information except as expressly stated in this Agreement.

8.2. Exclusions. Confidential Information excludes information when written records establish that it: [***]. Nothing in this Agreement prevents Reseller from disclosing Confidential Information to a government authority to the extent it is compelled to do so by any lawful process, such as a court order, formal request to disclose or subpoena, and provided that Reseller [***].

9. REPRESENTATIONS AND WARRANTIES

9.1. Authorization; Enforceability. Outset and Reseller each represent and warrant that: (i) it is duly organized, validly existing and in good standing under the laws of its organizing jurisdiction; (ii) it has all requisite power and authority to enter into this Agreement; (iii) it is duly authorized to execute and deliver this Agreement and to perform its obligations and complete the transactions under it; and (iv) this Agreement is valid, binding and enforceable.

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9.2. Not Debarred. Outset and Reseller each represent and warrant that, as of the Effective Date of this Agreement, it has not (a) been listed by any federal or state agency as excluded, debarred, suspended or otherwise ineligible to participate in federal and/or state programs; or (b) been convicted of any crime relating to any federal and/or state program.

9.3. Reseller Status. Reseller represents and warrants that as of the Effective Date of this Agreement, it satisfies the criteria to hold SDVOSB status as defined by applicable federal law, shall provide documentation of such status to Outset, and shall retain such status without interruption during the term of this Agreement.

9.4. Product Warranty. Outset represents and warrants that the Products, when shipped, shall meet Outset's standard specifications then in effect and shall be free from material defects in material and workmanship for a period of [***] from the date of delivery (the "Warranty Period"). This warranty for the applicable Product will be null and void if (i) Reseller, Customer or any person who is not certified by Outset to perform such service attempts to modify, repair or service the Product itself (other than performing the maintenance described in the operator and technician manuals), or (ii) the Product is used in a manner not provided for in the documentation provided by Outset for the Product. If any Product is found to be defective due to defective materials and/or workmanship during the Warranty Period, Outset will, at its option, repair or replace the defective parts without charge. EXCEPT FOR INDEMNIFICATION OBLIGATIONS PROVIDED IN SECTION 10 BELOW, THE EXPRESS WARRANTY ABOVE IS THE SOLE REMEDY FOR ANY BREACH OF ANY WARRANTY WITH RESPECT TO THE PRODUCT AND IS IN LIEU OF ANY AND ALL OTHER REMEDIES.

THE WARRANTIES AND REMEDIES SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, TERMS OR CONDITIONS, WHETHER EXPRESSLY STATED OR IMPLIED, AND WHETHER THEY ARE BASED ON THE FACTS OR BY OPERATION OF LAW, INCLUDING STATUTORY LAWS, THE COMMON LAW OR OTHERWISE. THE PARTIES EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES, TERMS AND CONDITIONS INCLUDING, BUT NOT LIMITED TO, THOSE RELATED TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, CORRESPONDENCE WITH DESCRIPTION, AND NON-INFRINGEMENT.

10. INDEMNITY

10.1. Intellectual Property Indemnification. Outset shall defend, indemnify and hold Reseller and its officers, directors, employees and agents ("Reseller Indemnified Parties") harmless from any third party claims, suits, demands, losses, damages and expenses (including reasonable attorneys' fees) ("Losses") to the extent they arise from an allegation that the Products as delivered: (i) misappropriate any trade secret of a third party; or (ii) infringe any copyright, trademark or patent enforceable within the United States or the Territory ("Claim"). Outset is not obligated to indemnify Reseller Indemnified Parties if and to the extent that the alleged misappropriation or infringement is caused by: (a) use of a Product in a manner not authorized by Outset as set forth in the Documentation or other written instructions from Outset; (b) modification

of the Products unless performed by Outset; (iii) use of the Products in combination with any products or materials not provided by Outset; (iv) compliance by Outset with Reseller's or Customers' designs, specifications or instructions; (v) failure to install and use updates issued by Outset; where such infringement would not have occurred but for such use, modification, combination, failure to update or compliance. If the Products or any part of them are, or in the opinion of Outset may become, the subject of any Claim, or if it is judicially determined that the Products or any part of them infringes or misappropriates any such intellectual property or proprietary right, or if the distribution or use of the Products or any part of them is, as a result, enjoined or Outset wishes to minimize its liability hereunder, then Outset at its option, may: (i) procure for Reseller and its Customers the right to distribute or use, as applicable, such Products as provided herein; or (ii) replace the Products with non-infringing, functionally equivalent products; or (iii) suitably modify the Products so they become non-infringing. In the event that Outset is unable to do (i), (ii) or (iii) above using its commercially reasonable efforts, then Outset may accept return of the Products and provide a credit equal to the fees paid by Reseller for such Product amortized over [***] period using the straight-line method for the benefit of the Customer. The provisions of this Section 10.1 (Indemnification by Outset) states Reseller's sole and exclusive remedy with respect to misappropriation or infringement of any third party's rights by the Products.

10.2. Product Liability. Outset shall indemnify and hold Reseller harmless against any Losses to the extent arising from any claims, suits, proceedings, or demands alleging such Losses were incurred due to a Product defect that caused damages or injuries to persons or property (excluding matters for which Reseller is responsible under Section 10.3 below). Outset shall maintain product liability insurance in such amounts as ordinary good business practice for its type of business would require. In no event shall Outset be liable for any Losses hereunder after any modifications or changes are made to any Product other than by Outset or pursuant to Outset's written instructions or in accordance with the Documentation.

10.3. Indemnity by Reseller. Reseller must indemnify, defend and hold harmless Outset and its Affiliates and their officers, directors, employees and agents ("**Outset Indemnified Parties**") against all Losses to the extent arising (i) out of the negligence, intentional wrongful acts, omissions where there is a duty to act, or misrepresentations of Reseller or any person for whose actions Reseller is responsible or (ii) out of Reseller's performance under this Agreement, except to the extent such claims are caused by the intentional conduct or gross negligence of Outset. Reseller is solely responsible for any claims, warranties or representations made by Reseller or its employees or agents which differ from the warranty provided by Outset in the limited warranty specified herein for each Product sold or licensed hereunder, or which differ from written documentation provided by Outset.

10.4. Procedure. To receive the benefit of indemnification under this Section 10, the party seeking indemnification must promptly notify the indemnifying party ("**Indemnifying Party**") in writing of the claim or suit and provide reasonable cooperation (at the Indemnifying Party's expense) and tender to the Indemnifying Party (and its insurer) full authority to defend or settle the claim or suit; provided that if the Indemnifying Party is not given prompt written notice of such claim or suit and such delay in notice is not prejudicial to Indemnifying Party's ability to defend such claim or suit, Indemnifying Party shall not be relieved from its indemnification obligations pursuant to this section. Neither party has any obligation to indemnify the other party

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in connection with any settlement made without the Indemnifying Party's prior written consent. The indemnified party ("**Indemnified Party**") has the right to participate at its own expense in the claim or suit and in selecting its own counsel in the proceeding. The Indemnified Party shall cooperate with Indemnifying Party (and its insurer), as reasonably requested, at Indemnifying Party's sole cost and expense.

11. LIMITATION OF LIABILITY

11.1. Limitation on Damages. IN NO EVENT SHALL OUTSET OR ITS SUPPLIERS BE LIABLE TO RESELLER, CUSTOMER OR ANY THIRD PARTY FOR [***], IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT [***].

11.2. Liability Cap. THE AGGREGATE LIABILITY OF OUTSET AND ITS SUPPLIERS ARISING OUT OF THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED UNDER IT ARE LIMITED TO THE AGGREGATE AMOUNT PAID TO OUTSET BY RESELLER DURING THE [***] PERIOD PRECEDING THE DATE THE CLAIM FOR LIABILITY AROSE. THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT: (i) THE LIMITATIONS OF LIABILITY SPECIFIED IN THIS SECTION 11 (LIMITATION OF LIABILITY) OR ANY OTHER SECTION OF THIS AGREEMENT ARE AN ESSENTIAL BASIS OF THEIR BARGAIN THAT CORRECTLY ALLOCATES THE RISKS BETWEEN THEM; AND (ii) THEY RELIED ON THESE LIMITATIONS OF LIABILITY IN SETTING THE PRICING AND OTHER TERMS SET FORTH IN THIS AGREEMENT. LIABILITY TO THIRD PARTIES FOR BODILY INJURY, INCLUDING DEATH, SHALL BE DETERMINED ACCORDING TO APPLICABLE LAW.

12. TERM AND TERMINATION

12.1. This Agreement shall continue during the Term, provided the Term may be extended or terminated early according to the following provisions:

(a) Subsequent to the Effective Date, either Party shall have the right at any time to terminate this Agreement without cause by giving [***] written notice to the other Party.

(b) Unless either Party is then in default of its obligations under this Agreement, then upon the expiration of the Term, this Agreement shall automatically renew for successive [***] renewal terms unless one Party provides notice to the other of its intent not to renew at least [***] days prior to the end of the Term.

12.2. Without prejudice to any remedy which either Party may have against the other for non-performance of the Agreement, either Party shall have the right to immediately terminate this Agreement by delivering written notice thereof to the other Party, in the event of any of the following:

(a) The other Party ceases to do business or otherwise substantially reduces its business operations as it relates to the Products or fails to maintain the insurance required of it pursuant to this Agreement;

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(b) The other Party fails to promptly secure or renew any license, registration, permit, authorization or approval for the conduct of its business in the manner contemplated by this Agreement or if any such license, registration, permit, authorization or approval is revoked or suspended and not reinstated within [***] days;

(c) The other Party materially breaches any material provision of this Agreement and fails to cure such breach within [***] days of written notice describing the breach;

(d) Any governmental agency prohibits the manufacturing, importing, promoting, selling, or distribution of the Products in the Territory;
or

(e) If the other Party becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other Party and not dismissed within [***] days.

12.3. Upon the termination of this Agreement for any reason, Reseller shall cease the marketing and sale of the Products. Notwithstanding any provision of this Agreement to the contrary, the terms of this Agreement will continue to govern the rights and obligations of the parties with respect to all open Orders as of the termination date until Outset shall have fulfilled all such Orders and Reseller shall have paid all invoices with respect thereto, and Reseller shall pay all outstanding accounts or amounts in accordance with any other relevant provisions of this Agreement regardless of termination, and this provision and payment obligation shall survive termination of the Agreement.

12.4. Acceptance of any purchase order from, or the sale of any Products to, Reseller after the termination of this Agreement shall not be construed as a renewal or extension thereof nor as a waiver of termination by either Party; furthermore, in the absence of a new written agreement signed by authorized representatives for the Parties, all such transactions shall be governed by provisions identical to the applicable provisions of this Agreement.

12.5. The provisions of Sections 1, 2.8, 4, 5.2, 5.3, 6, 8, 9, 10.2, 10.3, 10.4, 11, 12, 13 and 14 as well as the relevant provisions of all Exhibits shall survive any expiration or termination of this Agreement.

12.6. Neither party shall be liable to the other for any damages, expenditures, loss of profits or prospective profits or goodwill on account of the termination or expiration of this Agreement pursuant to its terms.

13. COMPLIANCE WITH FEDERAL LAWS.

13.1. Reseller agrees to comply fully with the Federal Acquisition Regulations and supplements, Title 48, Code of Federal Regulations, and any other applicable laws, regulations and orders, including, without limitation, those relating to country of origin and any other disclosure requirements.

13.2. Reseller agrees to adhere to the requirements set forth in Executive Orders 11246 and 11375. Reseller agrees to comply with all state and federal Equal Employment Opportunity, Immigration, and Affirmative Action requirements including 42 U.S.C. 2000 (e) et seq., The Civil Rights Act of 1964, The Civil Rights Act of 1991, 503 and 504 of the Rehabilitation Act of 1973, 204 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, the Americans with Disability Act and the Immigration Reform Act of 1985 and any amendments and applicable regulations pertaining thereto. Any provision required to be included in a contract of this type by any applicable and valid federal, state or local law, ordinance, rule or regulation shall be deemed to be incorporated herein, and Reseller agrees to comply with all applicable laws and regulations in connection with its performance and obligations under this Agreement.

13.3. The Parties acknowledge and agree that Reseller's ability to sell the Products pursuant to Section 2 above may require Reseller to submit Outset's commercial sales practice (CSP) data (as defined below) for one or more Products together with Reseller's solicitations for FSS Contract, GSA Contracts, VA Strategic Acquisition Center Contract, or Defense Logistics Agency Contracts, or upon request by an authorized government contracting officer, and the Parties further acknowledge and agree that Reseller will have a continuing obligation to update Outset's CSP data previously submitted in connection with such contracts. Accordingly, upon written request by Reseller from time to time during the term of this Agreement, Outset shall provide to Reseller all accurate and timely CSP data about each Product so requested within fifteen (15) business days. As used in this subparagraph "CSP data" means that data for each Product described by Clause CSP-1 and Clause 552-.212-70 of CP-FSS-1-C, Standing Solicitation No. RFP-797-FSS-00-0025-R9 (Refreshed 09/2013), as amended, and Figure 15.4-2 referenced therein.

13.4. The Parties acknowledge and agree that Reseller's ability to sell the Products to certain Customers pursuant to Section 2 above requires certification that the Products, including their raw materials or components parts, are sourced only from "designated countries," as such term is defined under the Trade Agreements Act of 1979 (i.e., a World Trade Organization Government Procurement Agreement Country, a Free Trade Agreement Country, a Least Developed Country, or a Caribbean Basin Country). Accordingly, upon request by Reseller from time to time during the term of this Agreement, Outset shall provide to Reseller all accurate and timely country of origin information about each Product so requested, include the raw materials and components thereof, within [***] days.

13.5. In the event Reseller is audited by any government authority, where one or more audit findings relates to data or information provided or required to be provided to Reseller pursuant to this Section 13, Reseller, its employees, agents and representatives, shall have the right to obtain all reasonable assistance and access to such records as are maintained by Outset as may be necessary to determine the accuracy and completeness of such data or information.

13.6. The Parties agree that Reseller's reliance on any data or information provided to Reseller pursuant to this Section 13 shall be deemed reasonable reliance.

13.7. If, as a result of a change in law or otherwise, this Agreement is reasonably determined by legal counsel of a Party to violate, or present an unacceptable risk of violating, any federal, state, or local laws, rules, or regulations, the Parties agree to negotiate in good faith

revisions to any provision which is in, or which presents an unreasonable risk of, violation. If the Parties are unable to agree to modified terms as required to bring the entire Agreement into compliance or into an acceptable level of risk within [***] days, then either Party may terminate this Agreement immediately upon written notice to the other Party.

14. GENERAL PROVISIONS.

14.1. Governing Law. This Agreement shall be governed and construed in accordance with the laws of State of California, United States of America, excluding its conflict of laws rules. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to the transactions contemplated by this Agreement. Any legal action, suit, or proceeding brought by either party related to or arising out of this Agreement must be brought in a state or federal court in San Francisco, California, which is the sole and exclusive venue for any such action, suit or proceeding; provided, however, a party may remove any action, suit, or proceeding originally filed in a California state court to a federal court in San Francisco, California. Each party hereby accepts and submits to the exclusive jurisdiction of each of the aforesaid courts with respect to any action, suit, or proceeding brought by it or against it by the other party. Each party waives any objection to the venue for any such action, suit or proceeding being in such courts. THE PARTIES WAIVE ANY TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

14.2. Amendment and Waiver. Any amendment or modification of this Agreement must be made in writing and signed by duly authorized representatives of each party. No provision of or right under this Agreement shall be deemed to have been waived by any act or acquiescence on the part of either party, its agents or employees, but only by an instrument in writing signed by an authorized officer of each party. No waiver by either party of any breach of this Agreement by the other party shall be effective as to any other breach, whether of the same or any other term or condition and whether occurring before or after the date of the waiver.

14.3. Independent Contractors. Each party represents that it is acting on its own behalf as an independent contractor and is not acting as an agent for or on behalf of any third party. This Agreement and the relations hereby established by and between Reseller and Outset do not constitute a partnership, joint venture, franchise, agency or contract of employment. Reseller is not granted, and shall not exercise, the right or authority to assume or create any obligation or responsibility on behalf of or in the name of Outset or its Affiliates.

14.4. Assignment. Reseller may not assign or transfer, by law or otherwise, any of its rights or obligations under this Agreement without the prior written consent of Outset. Any purported assignment in violation of this Section 14.4 (Assignment) will be null and void. Outset may assign this Agreement, without Reseller' consent, to an Affiliate or to a successor or acquirer, as the case may be, in connection with a merger or acquisition, or the sale of all or substantially all of Outset's assets or the sale of that portion of Outset's business to which this Agreement relates. This Agreement shall bind and inure to the benefit of the parties hereto and their permitted successors and assigns.

14.5. Notices. All communications required or permitted under this Agreement will be in writing and delivered in person, effective immediately, by overnight delivery service, effective

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[***] days after deposit with the carrier, or by registered or certified mail, postage prepaid with return receipt requested, effective [***] days after deposit with the carrier. All communications will be sent to the addresses set forth below or to such other address as may be specified by either party in writing to the other party in accordance with this Section 14.5 (Notices).

To Outset:

Outset Technologies, Inc.
Attention: Vice President, Sales
1830 Bering Drive
San Jose, CA 95112
USA
Copy to: General Counsel

To Reseller:

SDV Medical
Attention: President
26 Macallan Lane
Asheville, NC 28805
USA

14.6. Severability. In the event any provision of this Agreement shall be held to be invalid, illegal or unenforceable (together “**Invalid Provision**”) in any respect for any reason, that invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement. The parties agree that they will negotiate in good faith or will permit an arbitrator to replace any Invalid Provision with an alternative valid provision that is as similar as possible in substance to the Invalid Provision.

14.7. Captions. Captions of the sections and subsections of this Agreement are for reference purposes only, do not constitute terms or conditions of this Agreement and shall not limit or affect the meaning or construction of the terms and conditions of this Agreement.

14.8. Word Meanings. Words such as *herein*, *hereinafter*, *hereof* and *hereunder* refer to this Agreement as a whole and not merely to a section or paragraph in which these types of words appear, unless the context otherwise requires. The singular shall include the plural, and each masculine, feminine and neuter reference shall include and refer also to the others, unless the context otherwise requires.

14.9. Entire Agreement. The terms and provisions contained in this Agreement (including the Exhibits) constitute the entire understanding of the parties and supersedes all previous proposals, oral or written, and all negotiations, conversations or discussions had between the parties related to the matter hereof. This Agreement is made in the English language and the English version of this Agreement shall control. In the event that any translation of this Agreement is made into another language, the non-English version shall be for informational purposes only. In the event of any conflict or inconsistency between the terms and conditions of this Agreement and any terms or conditions set forth in any purchase order, purchase agreement, service agreement or other document relating to the transactions contemplated by this Agreement, the terms and conditions set forth in this Agreement shall prevail. Reseller hereby waives and agrees never to assert any right it may have to have this Agreement written in the language of its place of residence.

14.10. Rules of Construction. The parties agree that they have participated equally in the formation of this Agreement and that the language and terms of this Agreement shall not be construed against either party by reason of the extent to which such party or its professional advisors participated in the preparation of this Agreement. Each party agrees that it had the opportunity to review this Agreement with its legal counsel prior to executing it.

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14.11. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14.12. Force Majeure. “*Force Majeure Events*” are significant events or circumstances that are not caused by or within the control of a party, but which delay or prevent that party’s ability to comply with its obligations under this Agreement; they do not include events that a party can avoid or prevent by exercising reasonable diligence. *Force Majeure Events* include but are not limited to the following: [***]. In order to assert that its delay or inability to perform its obligations is caused by a Force Majeure Event, then that party (“*Disadvantaged Party*”) must give prompt written notice to the other party which details the relevant circumstances. If the identified Force Majeure Event is legitimate, then both parties will then be excused from performing their contract obligations until the Force Majeure Event no longer interferes with the Disadvantaged Party’s ability to meet its obligations, provided, however that both parties must continue to comply with their payment obligations. If Force Majeure conditions continue for more than [***] consecutive days or an aggregate of [***] days in any [***] period, then either party may terminate this Agreement in accordance with Section 12.2.1 (Termination for Cause).

14.13. Further Assurances. Each party covenants and agrees that, subsequent to the execution and delivery of this Agreement and without any additional consideration, it will execute and deliver any further legal instruments and perform any acts that are or may become reasonably necessary to effectuate the purposes and intent of this Agreement.

Signed:

Outset Medical:

SDV Medical:

By: /s/ Jamie Lewis

By: /s/ Daniel P. Whisnant

Name: Jamie Lewis

Name: Daniel P. Whisnant

Title: SVP, Sales and Customer Experience

Title: President

LIST OF EXHIBITS

Exhibit A: PRODUCTS; PRICING, MINIMUM AMOUNTS, TERRITORY, EXCLUSIVITY

Exhibit B: GACL CERTIFICATIONS

Exhibit C: UNITED STATES FOOD AND DRUG ADMINISTRATION (FDA) REGULATORY REQUIREMENTS

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AMENDMENT 1 To the
Authorized Reseller Agreement

This amendment 1 ("Amendment") to the Authorized Reseller Agreement is entered into on **date** by and between Outset Medical, Inc., hereinafter "Outset Medical" and SDV Office Systems, LLC, dba SDV Medical, hereinafter "Reseller", collectively together the "Parties".

WHEREAS, Outset Medical and Reseller executed a Authorized Reseller Agreement October 14, 2019, ("Agreement").

WHEREAS, Outset Medical and Reseller desire to amend the terms of the Agreement.

NOW THEREFORE, in consideration of the Parties agreeing to amend the obligations of the existing Agreement, the Parties agree to amend the Agreement as follows.

1. On Exhibit A the following is added/amended:

<i>XT Console Upgrade</i>	<i>PN-TBD</i>	<i>[***]</i>
<i>Tablo Hemodialysis System</i>	<i>PN 1003001</i>	<i>[***]</i>
<i>Treatment Package</i>	<i>PN 1000480</i>	<i>[***]</i>
<i>Remove Program Support Agreement</i>		

The Reseller's territory includes all U.S. Federal Government facilities including, but not limited to, the Department of Veterans Affairs, Department of Defense, and Indian Health Services. The facilities located in the continental United States, including Alaska, Hawaii, & Puerto Rico as well as those Department of Defense facilities located outside the continental United States.

REMOVE MAP and designation of only responsible for VISNs 1-10.

2. Section 3.6 is hereby deleted in its entirety and replaced with the following:

*3.6 Delivery; Risk of Loss. All shipments of Products are to be [***]. Risk of loss or damage to the Products shall be Reseller's [***]. Shipment of Products will be by Outset's chosen freighter with all freight and handling charges prepaid and added to invoice. Special delivery and accelerated shipping options are available at Reseller's expense. All accelerated shipment options are subject to delays and complications associated with air transportation, including but not limited to weather delays, mechanical breakdowns, and human error. All sales are final and without any right of return.*
3. No Other Changes. Except as other expressly provided for in this Amendment, all the terms and conditions of the Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on the 26th day of March 2020.

ACCEPTED BY RESELLER:

BY OUTSET MEDICAL, INC.:

SDV Office Systems, LLC

(RESELLER)

/s/ Daniel P Whisnant

(SIGNATURE OF AUTHORIZED PERSON)

/s/ Jamie Lewis

(SIGNATURE OF AUTHORIZED PERSON)



1830 Bering Drive
San Jose, CA 95112

T / 669.231.8200
F / 669.231.8201

outsetmedical.com



Daniel P Whisnant

(TYPED OR PRINTED NAME)

President

(TITLE)

Jamie Lewis

(TYPED OR PRINTED NAME)

SVP, Sales and Customer Experience

(TITLE)



*Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.



AMENDMENT 2
To the
Authorized Reseller Agreement

This amendment 2 ("Amendment") to the Authorized Reseller Agreement is entered into on May 6, 2020 by and between Outset Medical, Inc., hereinafter "Outset Medical" and SDV Office System, LLC, dba SDV Medical, hereinafter "Reseller", collectively together the "Parties".

WHEREAS, Outset Medical and Reseller executed an Authorized Reseller Agreement October 14, 2019, ("Agreement").

WHEREAS, Outset Medical and Reseller desire to amend the terms of the Agreement.

NOW THEREFORE, in consideration of the Parties agreeing to amend the obligations of the existing Agreement, the Parties agree to amend the Agreement as follows.

1. On Exhibit A the following is added/amended:

Treatment Package w/ Fluids PN 1000480 [***]

Treatment Package w/out Fluids [***]

Reseller will clearly annotate on submitted purchase orders to Outset Medical the selected Treatment Package to be shipped.

2. No Other Changes. Except as other expressly provided for in this Amendment, all the terms and conditions of the Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on the 6th day of May 2020.

ACCEPTED BY RESELLER:

SDV Medical

(Reseller)

/s/ Dan Whisnant

(SIGNATURE OF AUTHORIZED PERSON)

Dan Whisnant

(TYPED OR PRINTED NAME)

President

(TITLE)

BY OUTSET MEDICAL, INC.:

/s/ Jamie Lewis

(SIGNATURE OF AUTHORIZED PERSON)

Jamie Lewis

(TYPED OR PRINTED NAME)

SVP, Sales and Customer Experience

(TITLE)



1830 Bering Drive
San Jose, CA 95112

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*Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.

PURCHASING AGREEMENT

Products

Vendor: Outset Medical, Inc.

Products: TABLO HEMODIALYSIS

Effective Date: May 1, 2020

Agreement Number: [***]

PURCHASING AGREEMENT

This Purchasing Agreement is entered into by HCA Management Services, L.P., a Delaware limited partnership, having its principal place of business at 1100 Dr. Martin L. King Jr. Blvd., Suite 1100, Nashville, TN 37203 (“HMS”), and Outset Medical, Inc., a Delaware Corporation, with a place of business at 1830 Bering Drive, San Jose, CA 95112, (“Vendor”), for the primary purpose of establishing the terms and conditions pursuant to which Facilities (as hereinafter defined) may purchase certain products and services from Vendor.

WHEREAS, Vendor desires to offer certain of its products and/or services to Facilities.

NOW, THEREFORE, HMS and Vendor hereby agree that Vendor shall provide products and/or services to Facilities in accordance with this Agreement.

1 Incorporation; Definitions. The above premises are incorporated into this Agreement as if set forth verbatim herein below. Capitalized terms not defined elsewhere in this Agreement shall have the following meanings:

- 1.1 “Affiliates” as applied to any particular entity, means those entities, businesses, facilities, and enterprises that are controlled by, controlling, or under common control with a stated entity, whether by ownership or contract; provided, however, that no shareholder of HCA Healthcare, Inc., shall be deemed to be an “Affiliate”.
- 1.2 “Agreement” means this purchasing agreement, including all exhibits and other attachments appended hereto, as amended from time to time.
- 1.3 “Cause” means [***].
- 1.4 “COID” means the unique identification number assigned to each Facility.
- 1.5 “Confidential Information” means information related to the business of a Party, a Facility and their Affiliates, clients and patients that may be obtained as the result of performance under this Agreement. Confidential Information shall include, but is not limited to, [***]. Subject to the HIPAA Requirements (as defined in Section 11.3) and any applicable law or regulation, Confidential Information shall not include: [***].
- 1.6 “Disclosing Party” means the Party, Facility or its Affiliate that provides or discloses Confidential Information to the other Party, Facility or its Affiliate under this Agreement.
- 1.7 “Distributor(s)” means any product distributor designated in accordance with Exhibit B.
- 1.8 “Dual Source Award” means an agreement by HMS not to contract on behalf of all of the Facilities with more than one alternative supplier from which Facilities can purchase products and services comparable to those listed in Exhibit A during the Term.

- 1.9 “EDI” means Electronic Data Interchange.
- 1.10 “Effective Date” means the date this Agreement commences, which is designated in Exhibit B.
- 1.11 “EFT” means Electronic Funds Transfer.
- 1.12 “Equipment” means a Product: (i) with a life span in excess of one (1) year; (ii) contains or is made of non-expendable material; and (iii) is not a consumable or software. Equipment includes any and all component parts thereof.
- 1.13 “Expiration Date” means the date this Agreement expires, which is designated in Exhibit B.
- 1.14 “Facility (ies)” means those Affiliates of HMS that own or operate healthcare facilities and/or providers including, but not limited to, acute care facilities, hospitals, ambulatory surgery centers, imaging centers, alternate site entities, physician practices, rehabilitation facilities, psychiatric centers, clinics or any other kind of healthcare providers, listed on Exhibit C hereof, as amended by HMS with notice to Vendor from time to time. “Facility” shall also include any Affiliates of HMS which provide distribution and/or warehousing services for other Facilities.
- 1.15 “FDA” means the United States Food and Drug Administration
- 1.16 “Fill Rate” means the average of the individual fill rates for all orders of a Product by stock keeping unit (or “SKU”) by all Purchasers during any calendar month, calculated by dividing the total units delivered undamaged within the delivery requirements of Section 7.0 of this Agreement and/or Exhibit B by the total units ordered for such Product during such calendar month.
- 1.17 “GLN” means the Global Location Number assigned to each Purchaser by GS1.
- 1.18 “Multi-Source Award” means Vendor is designated as an approved source of Products and/or Services with no limitation on HMS contracting with alternative suppliers from which Facilities can purchase products and services comparable to those listed in Exhibit A during the Term.
- 1.19 “MWBE” or “Minority and Woman Owned Business Enterprise” means a business that is: (i) a minority owned business, as certified by the National Minority Supplier Development Council (NMSDC) or any local affiliate thereof; (ii) a woman owned business, as certified by the Women’s Business Enterprise National Council (WBENC); or (iii) a service disabled veteran owned business, as certified by the Association for Service Disabled Veterans (ASDV).
- 1.20 “New Technology Product” means a product that, as compared to existing products, offers significant technological advancements and: (i) will significantly improve clinical outcomes or patient care; or (ii) will significantly streamline clinical and/or operational work processes.

- 1.21 “Optional Source Award” means Vendor is designated as an approved source of the Products and/or Services, with no limitation on HMS or Facilities contracting with alternative suppliers for purchases of products and services comparable to those listed in Exhibit A during the Term, or on Facilities purchasing such comparable products and services from alternative suppliers on a non-contract basis.
- 1.22 “OSHA” means the Occupational Safety and Health Administration.
- 1.23 “Party” and “Parties” means Vendor and/or HMS, as the context requires.
- 1.24 “Products” means those goods listed in Exhibit A to this Agreement and under any Purchaser-Specific Agreements permitted hereunder, and any instruments or other items provided by Vendor Personnel in connection with the use of the goods listed in Exhibit A.
- 1.25 “Purchaser” means any Facility obtaining Products and/or Services from Vendor.
- 1.26 “Rebate” means any amount paid by Vendor to HMS for allocation to Purchasers, based on purchases of Products and/or Services by Purchasers under this Agreement during a specified time period. The Rebate shall be determined as stated in Section 3.1 and any applicable Exhibit.
- 1.27 “Recall” shall have the definition set forth in Section 9.7.
- 1.28 “Receiving Party” means the Party, Facility or its Affiliate that receives Confidential Information from the other Party, Facility or its Affiliate under this Agreement.
- 1.29 “Services” means those services listed in Exhibit A to this Agreement and under any Purchaser-Specific Agreements permitted hereunder, as well as any services provided by Vendor Personnel in connection with any Purchaser’s purchase and/or use of Products, including conversion to and support for the Products, as well as training and education related to the Products.
- 1.30 “Sole Source Award” means an agreement by HMS not to contract on behalf of all Facilities with any alternative supplier from which Facilities can purchase products and services comparable to those listed in Exhibit A during the Term.
- 1.31 “Subcontractor” means representatives, agents or other third party entities engaged or used by Vendor in the performance of Vendor’s obligations under this Agreement.
- 1.32 “Term” means the period during which this Agreement is in effect, commencing on the Effective Date and ending on the Expiration Date, unless terminated early or extended as permitted by this Agreement.

1.33 “Vendor Personnel” means any Vendor employees or Subcontractors responsible for performing Services under this Agreement.

2 General Purchasing Provisions

2.1 Award Basis. The award basis for this Agreement is designated in Exhibit B.

2.2 Eligible and Ineligible Purchasers. Commencing on the Effective Date, all Facilities listed on Exhibit C shall be eligible to obtain Products and/or Services from Vendor under this Agreement. Upon the receipt of any updated list of eligible Purchasers (Exhibit C), Vendor agrees to update its list of Facilities within [***] days after checking the eligible Purchasers list to accurately reflect the name, address, COID, GLN, and any other assigned identification code for each Facility. Vendor agrees to permit any new Facilities added to Exhibit C with access to Products and/or Services and pricing under this Agreement by the end of such [***] day period. HMS shall have the right at any time to request from Vendor a copy of Vendor’s list of Facilities for HMS’s review, and Vendor shall correct any inaccuracies in such list of Facilities discovered by such review. If a Purchaser ceases to be a Facility of HMS during the Term, Vendor agrees not to thereafter allow such Facility to purchase Products and/or Services under this Agreement. Any Purchaser-Specific Agreement entered into by Vendor and a Facility in connection with this Agreement, regardless of the terms therein, shall automatically terminate upon such Facility no longer being an eligible Purchaser under this Agreement. Purchasers obtaining Products and/or Services from Vendor under this Agreement shall be considered third party beneficiaries under this Agreement.

2.3 Purchaser Obligations. Vendor agrees that HMS shall have no responsibility or obligation for payments owed by Purchasers or for any other obligations of Purchasers under this Agreement.

2.4 Orders. This Agreement shall apply to each order of Products and Services by a Purchaser, regardless of how communicated or whether reference is made to this Agreement.

2.5 Termination of Existing Arrangements. Any Facility or Purchaser may, at any time and without penalty or liability, terminate any existing contract or other arrangement with Vendor in order to purchase under this Agreement notwithstanding any provision to the contrary in any such existing contract or arrangement.

2.6 Local Deals. Except as expressly permitted by HMS in the form of an exhibit to this Agreement, Vendor covenants that it will not enter into or negotiate a separate agreement with any Purchaser for the same Products and/or Services offered under this Agreement without HMS’s prior written consent and authorization (“Purchaser-Specific Agreement”). In any case, a Purchaser-Specific Agreement must have pricing terms no less favorable than those of this Agreement, and all Purchaser-Specific Agreements will be subject to and governed by the terms of this

Agreement, including Section 15.3 (Conflicts). Upon request, Vendor shall provide HMS with information regarding Purchaser-Specific Agreements, including lists of Purchasers that have executed Purchaser-Specific Agreements and summaries and copies of same.

2.7 Intentionally Left Blank.

2.8 Capital Investments. Vendor assumes the full and complete risk of any capital investment it makes to enable or to enhance its capabilities to perform under this Agreement.

2.9 Direct and/or Distributor Purchases. As set forth in Exhibit B, Products and/or Services may be obtained: (i) only directly from Vendor; or (ii) only through a Distributor; or (iii) by either of the foregoing means. Exhibit A sets forth the prices (including any discounts or Rebates) for purchases made directly from Vendor and/or through a Distributor, as applicable.

2.9.1 Direct Purchases. For purchases directly from Vendor, no minimum quantity or dollar amount shall apply to any order unless expressly stated in Exhibit B. Vendor shall issue a refund or credit, at Purchaser's option, for any overcharge/overpayment to Purchaser no later than [***] days following discovery or notice thereof. In the event of an undercharge, Purchaser shall have no obligation to pay Vendor the amount of such undercharge, nor shall Vendor have the right to set-off the undercharge against any refund due for an overcharge/overpayment, unless the undercharge was an error discovered and re-invoiced within [***] days after the date of the original invoice. Vendor shall provide to each Purchaser at least quarterly statements listing unapplied credits, and upon request by a Purchaser, shall promptly refund the amount of the unapplied credits.

2.9.2 Purchases through Distributors. For purchases through Distributors, prices shall be either net to Distributor or net to Purchaser as specified in Exhibit A. Vendor shall provide Product pricing and related information to Distributors that is consistent with Exhibit A (and any amendments) and corresponding pricing files for EDI and Internet e-commerce transactions. HMS shall also be permitted to provide such Product pricing and related information to Distributors. Vendor bears total responsibility for obtaining Purchaser-specific purchase information from Distributors so that Vendor accurately pays and reports Rebates (if any). Vendor will not change its financial arrangements with any Distributor in any manner that could result in an increase in the prices charged by that Distributor to Purchasers for Products under this Agreement.

2.10 Effective Date and Firm Pricing. The obligation of Vendor to make Products and/or Services available under this Agreement shall commence as of the Effective Date. The prices set forth in Exhibit A shall be fixed and firm effective from the Effective Date through the Expiration Date.

2.11 Vendor Products

- 2.11.1 Current Products. Vendor represents and warrants that, as of the Effective Date, Exhibit A contains all products offered by Vendor in the United States within a Product category covered by this Agreement. Upon receipt of notice from HMS that Vendor it is not in compliance with this Section 2.11.1, Vendor will have [***] days to execute an amendment to add the product to Exhibit A at a price point or discount comparable to other Products under this Agreement. If Vendor fails or declines to add the product within such [***] day period, then HMS, in its sole discretion, may immediately terminate this Agreement.
- 2.11.2 Product Discontinuation. Vendor shall provide HMS at least [***] notice prior to discontinuation of any Product. Subject to Section 2.12, replacement products, if any, which have characteristics and specifications at least equal to that of the replaced Product and shall be offered at a price not greater than that of the replaced Product.
- 2.11.3 New Products. Vendor must provide [***] notice to HMS prior to offering for sale to Facilities any new product (that is not a New Technology Product subject to Section 2.11.4) in the Product category covered by this Agreement. During this period, Vendor must complete any product documentation requested by HMS and amend Exhibit A to add such product at a mutually-agreed price. If Vendor offers any new product to Facilities prior to such amendment, Vendor agrees that Facilities will pay the price on Exhibit A for the most comparable Product.
- 2.11.4 New Technology Products. If a New Technology Product within a Product category covered by this Agreement becomes available from any supplier including Vendor, HMS may evaluate and contract with such supplier to make the New Technology Product available to Facilities without constituting a breach of this Agreement. If requested by HMS, Vendor shall negotiate in good faith to amend Exhibit A to add such product at a price point or discount comparable to those applicable to Products under this Agreement. Vendor shall also negotiate in good faith to amend Exhibit A to equitably reduce the pricing for any current Products affected by the release of the New Technology Product.
- 2.12 Performance Requirements. Vendor represents and warrants that it will not change a Product in a manner that would materially affect its specifications or functionality without the prior written consent of HMS. If Vendor fails to obtain such consent for any such change, then:

- 2.12.1 Contracted pricing for the identified Product(s) will not be increased under any circumstances;
- 2.12.2 Each Purchaser shall have the right to procure products comparable to the identified Product(s) from another source without any penalty and will continue to be in compliance with this Agreement and any Purchaser-Specific Agreements under this Agreement; and
- 2.12.3 HMS has the right to either: (a) remove the identified Product(s) from this Agreement; or (b) reduce the award basis and contract with an alternative supplier for the applicable product category.

2.13 Technology Refresh; Replacement Parts.

- 2.13.1 Useful Life. Vendor represents and warrants that it will continue to support and provide Services to repair, upgrade and maintain those Products that are Equipment for a minimum of [***] from installation of such Product ("Useful Life").
- 2.13.2 Product Replacement Parts. Vendor represents and warrants that all Products and replacement parts needed to upgrade, repair or maintain full functionality of such Products, including any Equipment, shall be available for not fewer than [***] following the expiration of the warranty period set forth in Exhibit B Vendor must warrant replacement parts for at least [***].
- 2.13.3 Operating System Current. Vendor represents and warrants that any Product that contains a Windows operating system is a Windows 7 or newer operating system.
- 2.13.4 Operating System Changes; No Cost. Vendor represents and warrants that if the operating system that supports the Software is acquired from a third party, that operating system is a current operating system of that third party, fully supported by that third party, capable of being Updated and Upgraded for the Useful Life of the Product. Further Vendor represents and warrants that any and all operating system Upgrades and Updates to every Product that contains Software will be made available to Purchaser and provided at no cost to Purchaser for the Useful Life of the Product.
- 2.13.5 Survival of Technology Refresh Commitment. The provisions of this Section 2.13 (Technology Refresh; Replacement Parts) survive: (a) the Purchaser discontinuing purchases of the Equipment or associated Products; (b) Vendor discontinuing the sale of the Equipment or associated Products; and (c) the expiration or termination of this Agreement for any reason.
- 2.13.6 Additional definitions for this Section. "Software" shall be defined as Vendor's object code that is embedded in Equipment. "Update(s)" is any enhancement, modification, alteration, improvement, correction, revision, and other changes to the Software, including but not limited to Updates

made after the Effective Date which Vendor generally makes available for the Software at no additional fee. "Upgrade(s)" is any addition to the Equipment or Software by Vendor that adds new material functional capabilities and feature enhancements is not an error correction or an Update or part thereof and is sold or licensed separately, and not included in the annual service annual or purchase price of the Equipment sold herein.

3 Rebates, Reporting, Prices, Payments

- 3.1 Rebates. Vendor shall pay Rebates based on purchases of Products and/or Services by Purchasers in the amounts stated in Exhibit A, if any. If a percentage is listed, then the Rebate shall be determined by multiplying the stated percentage by the dollar amount actually paid by the Purchaser for Products and Services purchased under this Agreement, excluding any added freight charges, taxes, any Distributor markup (if applicable), and net of any refunds or credits on Product returns. Rebates shall be paid to HMS for payment by HMS to Purchasers. The payment of Rebates is intended to be in compliance with the exception to the Medicaid and Medicare Anti-Kickback Statute set forth at 42 U.S.C. § 1320a-7b(b)(3)(A) and the "safe harbor" regulations set forth in 42 C.F.R. § 1001.952(h). With each Rebate payment, Vendor shall provide an electronic report that contains sufficient detail to permit HMS to accurately allocate the appropriate amounts to each Purchaser.
- 3.2 If applicable under Exhibit A-Vendor acknowledges that failure to timely pay Rebates, or to submit accurate reports, will delay HMS's payment and/or reporting of Rebates to Facilities and Purchasers, thereby potentially causing them to be unable to accurately complete cost reports required under government-reimbursed healthcare programs.
- 3.3 Late Fees. If applicable under Exhibit A HMS shall have the right to charge, and Vendor agrees to pay, a late fee equal to [***] percent ([***]%) per month (or the maximum allowed by law, whichever is less) of the amount of any Rebates, or other fees not paid or refunded by Vendor in accordance with the payment terms stated in this Agreement. Any Purchaser shall have the right to charge, and Vendor agrees to pay, a late fee equal to [***] percent ([***]%) per month (or the maximum allowed by law, whichever is less) of the amount of any Purchaser overpayments not refunded by Vendor in accordance with the payment terms stated in Section 2.9.1. Such late fees shall also apply to other fees not paid or refunded by Vendor within [***] days of Vendor's receipt of the applicable invoice. The accrual of the late fee shall commence on the date the original payment was due.
- 3.4 Other Reports. If applicable-On or prior to the Effective Date, and thereafter upon request, Vendor shall provide HMS with electronic copies of: (i) the price list in Exhibit A; and (ii) Vendor's list prices for Products. On a quarterly basis, Vendor shall also provide to HMS the related product offerings reports per Exhibit B, which shall include all applicable GTIN, GLN and GSDN data as defined in Section 4.2 (GS1 GTIN Standards). Vendor shall also furnish, in an agreed-upon format, any additional reports reasonably requested by HMS related to Products provided to Purchasers under this Agreement.

4 EDI and E-Commerce

- 4.1 Electronic Ordering. For Products and Services available directly from Vendor (if any), Vendor shall provide, at no additional cost to Purchasers, a mechanism for purchase order placement, confirmation, change orders and invoices to be sent by EDI or by internet-based e-commerce system. Vendor will absorb any costs incurred by Vendor to provide or maintain such mechanism, including third party costs for data transfers. Vendor and the applicable Purchaser shall own all transaction data, and HMS shall have the right to access and retain such transaction data for performance of its group purchasing functions.
- 4.2 GS1 GTIN Standards. HMS and Vendor support implementation of Global Trade Item Numbers (“GTIN”) and GLNs in the health care industry as the standardized system for marking products with unique identifiers at all units of use, in an effort to improve the efficiency and visibility of clinical supply and demand chains. Vendor will assign a GTIN to identify each Product at all applicable levels of packaging and will provide the GTIN and GLN information and applicable Product attributes to HMS via the Global Data Synchronization Network (“GDSN”) using the services of a data pool provider. Upon HMS request, Vendor will participate in compliance testing to demonstrate that its data submissions conform to the GTIN and GLN requirements.

5 Price Warranty

- 5.1 Competitive Pricing. The prices, terms, and conditions under this Agreement must be as favorable or better than those offered by Vendor to any other similarly situated customer, excluding government entities. To the extent that Vendor is not in compliance with this Section 5.1 and Section 8.1, Vendor shall refund to each Purchaser the difference between the price Purchaser paid and the lower price for each applicable purchase. Within [***] days of determining that Vendor is not in compliance, HMS and Vendor shall amend this Agreement to provide at least as favorable prices, terms, and conditions to Purchasers.
- 5.2 Price Decreases. Vendor shall notify HMS if it offers any general, “across the board” price decreases for Products or Services to a substantial number of its customers and shall make such decreases available to Purchasers promptly and in like amounts or percentages, as applicable.
- 5.3 Invoice Errors. If an invoice does not match purchase order information: the purchase order number, Products, prices set forth in Exhibit A and other required information, then Purchaser shall have the right to reject the invoice and request resubmission by Vendor or Distributor, and the payment terms set forth in Exhibit B shall be tolled until an invoice with the correct purchase order information has been received by Purchaser.

6 Taxes

- 6.1 **Tax Collection.** Vendor shall be registered in all taxing jurisdictions where, as a seller of Products and/or Services under this Agreement, it is legally required to register. Vendor shall pay to the applicable taxing authority any federal, state, or local excise or other similar tax imposed on Vendor or for which Vendor is legally, contractually or otherwise responsible in connection with its sale or provision of Products and/or Services under this Agreement (including, without limitation, the medical device excise tax, as set forth in the Section 4191 of the Internal Revenue Code), without seeking any reimbursement from Purchasers. Vendor shall collect from each Purchaser and pay to the applicable taxing authority any federal, state or local sales or use tax imposed on a Purchaser or for which a Purchaser is legally responsible in connection with such Purchaser's purchase or acquisition of Products and/or Services under this Agreement. Invoices to Purchasers shall clearly and separately state the amount of such tax. If multiple items are listed on Vendor's invoice, taxability per item per applicable taxing jurisdiction must be indicated. Vendor shall promptly refund to Purchasers any overcharges of taxes collected by Vendor from Purchasers. Vendor shall pay all amounts assessed by any taxing authority as a result of Vendor's failure to comply with this Section 6.1.
- 6.2 **Product Information for Tax Reconciliation.** Upon request, Vendor shall provide reasonable assistance to HMS and each Purchaser to provide data and information in Vendor's possession to assist Purchaser's reconciliation of its item files to Vendor's files with regard to tax rates and taxability of Products and/or Services, including the provision of the following information, as applicable to Products:
- 6.2.1 Is the Product or package labeled in a manner that indicates that it is available only with a physician's prescription (i.e., is it a federal legend item)?
- 6.2.2 Is the item a kit, pack, or tray? If yes, list all items contained in the kit, pack, or tray and each item's approximate percentage of the cost.
- 6.2.3 Is the Product intended for single patient use?
- 6.2.4 Does the Product carry a National Drug Code ("NDC") label or serve as a generic equivalent for a product carrying an NDC label?
- 6.2.5 Is the Product medicated? If yes, what is the primary active ingredient?
- 6.3 **Tax Information.** Upon request, Vendor shall furnish to HMS and each Purchaser a copy of Vendor's registration certificate and number within each taxing jurisdiction prior to collecting such sales or use taxes. If a Purchaser is a tax-exempt entity, such Purchaser shall furnish Vendor with any documents necessary to demonstrate its tax-exempt status, and Vendor shall honor Purchaser's tax-exempt status as appropriate under applicable state law. Vendor shall also provide to each Purchaser Vendor's Federal Tax Identification number upon request.

7 Vendor Performance; Cancellation

- 7.1 Performance Warranty for Direct Purchases and Services. For purchases made directly from Vendor (if any), Vendor represents and warrants that it shall maintain sufficient inventory and transportation arrangements to comply with the delivery time and the Required Fill Rate stated in this Agreement. Further, for Services provided by Vendor, Vendor represents and warrants that it shall comply with the performance time, if any, stated in this Agreement or permitted Purchaser-Specific Agreement. In any instance where Vendor anticipates that it will not be able to comply with the delivery time and/or the Required Fill Rate for Products, or the performance time for Services, Vendor shall promptly attempt to resolve the issue to each affected Purchaser's reasonable satisfaction, which may include Purchaser's acceptance of alternative delivery or performance dates or, with respect to Products, the provision of an acceptable substitute from Vendor at the same or lower price as the unavailable Product.
- 7.2 No Breach of Award or Commitment. Neither HMS nor Purchaser shall be deemed to be in breach of this Agreement (including award status and any individual Purchaser-specific Agreement or other commitment terms) by entering into a contract for or purchasing replacements for Products that, due to Vendor's supply problems or Product Recall, Vendor or a Distributor is unable to provide Products as required by this Agreement.
- 7.3 Cancellation of Orders. Purchaser may cancel any order arising out of this Agreement in whole or in part, without liability, if: (i) Products have not been shipped or Services have not been provided as of the date of Vendor's receipt of notice of cancellation (unless Products are custom orders); (ii) Product deliveries are not made or Services not provided at the time and in the quantities specified; (iii) Products (or the possession and use thereof) or Services fail to comply with the terms of this Agreement or with any applicable law or regulation; or (iv) Products are subject to Recall. Also, Purchaser may immediately cancel any order where Vendor is in breach of the Warranty of Non-exclusion, as set forth in Section 14.9. To cancel, Purchaser shall give notice to Vendor in writing, and to the extent specified in such notice, Vendor shall immediately terminate deliveries or performance under the order.
- 7.4 Fill Rate Requirements. Vendor represents and warrants that it shall meet or exceed a [***] percent ([***]%) Fill Rate (unless a different Fill Rate is specified in Exhibit B) for each Product during the Term (the "Required Fill Rate"). Any failure by Vendor to maintain the Required Fill Rate for any Product (whether such Product is supplied directly to Purchasers or to a Distributor) that is not cured within [***] days following written notice from HMS shall be deemed a breach of this Agreement. In the event of such failure to cure, in addition to any other rights or remedies of HMS, HMS may convert the award status for such Product to an Optional Source Award with no change in pricing.

8 Shipping Terms for Direct Purchases

For purchases made directly from Vendor, shipping terms and freight payment responsibility shall be in accordance with this Section 8.0 and Exhibit B.

- 8.1 Freight Charges. If and to the extent freight charges are included in the Product's purchase price, Vendor represents and warrants that such charges will remain reasonable and market competitive. If freight charges are not included in the Product's purchase price, Vendor shall invoice Purchaser only the actual amount the carrier charges Vendor to ship such Product. Under no circumstances (including Section 8.3, Third Party Freight Management Service) may Vendor charge any fees related to delivery by Vendor Personnel, any processing or minimum order fees, or any other shipping or handling charges whatsoever.
- 8.2 Packing and Risk of Loss. Vendor assumes all responsibility for proper packing of Products for safe shipment to Purchaser and in accordance with carrier requirements and applicable laws and regulations. Products shall be shipped [***] unless expressly provided otherwise in Exhibit B.
- 8.3 Third Party Freight Management Service. If freight is not included in the Product's purchase price, Vendor shall ship the Products using a Purchaser-designated freight management service upon request by such Purchaser. Delivery terms shall be [***], bill Purchaser or Purchaser's designee, for payment by Purchaser to the carrier directly. If Vendor fails to ship Products through the designated carrier, Vendor shall reimburse Purchaser for the total freight charges incurred by Purchaser.
- 8.4 Inspection. Upon delivery Purchaser may reject Products that are damaged in shipment. Purchaser may hold any Product rejected for reasons described in this Agreement pending Vendor's instructions, or Purchaser, at Purchaser's option, may return such Products to Vendor at Vendor's expense, [***].

9 Representations and Warranties for Products and Services; Disclaimer of Liability

- 9.1 Product Warranties. Vendor represents and warrants to HMS and Purchasers that the Products when received by Purchaser:
 - 9.1.1 are new, unadulterated and not used, remanufactured or reconditioned (unless specified in the Purchaser's order);
 - 9.1.2 for a period of [***] from the date delivery are free from defects, whether patent or latent materials or workmanship;
 - 9.1.3 have packaging, labeling and inserts that conform to and comply with the requirements of all applicable industry, accreditation, commission and regulatory standards, and applicable federal, state and local laws, regulations and ordinances (including those of the Joint Commission and Medicare/Medicaid conditions of participation);

- 9.1.4 conform with statements in Vendor's Product inserts, advertising literature, user documentation, specifications, and written warranties for the Products;
- 9.1.5 are marked with an industry standard barcode for each unit of measure associated with each Product;
- 9.1.6 carry a safety mark, if required by OSHA, from a National Recognized Testing Laboratory ("NRTL") for use of electrical equipment in a public facility (as specified in the OSHA 29 C.F.R. Standards, Part 1910, Subpart S-Electrical, Sec 1910.399, including any amendments thereto);
- 9.1.7 are listed with Underwriters Laboratory ("UL") or a nationally recognized testing laboratory as suitable for use in a healthcare facility, if such listing is available for Products; if Products include medical electrical equipment, Products shall meet or exceed the requirements of either UL-544 or UL 60601-1 Medical Electrical Equipment, Part 1: General Requirements for Safety, as amended or superseded, or the then most current UL, National Fire Protection Association ("NFPA") 99, NFPA 70, FDA, or other applicable standard/code that addresses the safety and marking requirements of electrical medical devices (references to UL or NFPA code sections in this Section 9.1 shall also be deemed to apply to any amendments or superseding sections thereto);
- 9.1.8 if the Products are electrically powered, each Product is provided with a heavy-duty grade power cord that meets the requirements of UL-544, UL 60601-1, or NFPA 99 § 8-4.1 (and subsets) or the then most current UL, NFPA 99, NFPA 70, FDA, or other applicable standard/code that addresses the safety and marking requirements of electrical medical devices; the adapters and extension cords, if needed, for the use of this Product, meet the requirements of NFPA 99 § 8-4.1.2.5 or the then most current UL, NFPA 99, NFPA 70, FDA, or other applicable standard/code that addresses the safety and marking requirements of electrical medical devices; and to the extent other requirements of NFPA apply to any Product, whether or not specifically referenced in this Agreement, Products will comply with such applicable NFPA standards;
- 9.1.9 to the extent applicable, meet the requirements of NFPA 99 for Health Care Facilities, Chapter 8 or UL 544 or UL 2601-1 or the then most current UL, NFPA 99, NFPA 70, FDA, or other applicable standard/code that addresses the safety and marking requirements of electrical medical devices, with maximum leakage current not to exceed the values set forth in NFPA 99 § 7-5.1.3 or 7-5.2 or the then most current UL, NFPA 99, NFPA 70, FDA, or other applicable standard/code that addresses the safety and marking requirements of electrical medical devices, as applicable. (Actual leakage current test values for Products shall be furnished by Vendor at the request of HMS or any Purchaser);

- 9.1.10 if the Products are equipment intended for use in an operating room environment or other location with anesthetizing equipment, each Product is labeled in accordance with NFPA 99 § 9-2.1.8.3 or the then most current UL, NFPA 99, NFPA 70, FDA, or other applicable standard/code that addresses the safety and marking requirements of electrical medical devices; each Product label shall indicate whether it is suitable for use in anesthetizing locations under the requirements of NFPA 70 § 13-4.1 and 99 § 7-5.1 or the then most current UL, NFPA 99, NFPA 70, FDA, or other applicable standard/code that addresses the safety and marking requirements of electrical medical devices; if Product is intended to be used in locations where flammable anesthetics are used, the Product shall be marked in accordance with NFPA 70 § Article 505-9 or the then most current UL, NFPA 99, NFPA 70, FDA, or other applicable standard/code that addresses the safety and marking requirements of electrical medical devices;
- 9.1.11 if the Products are equipment, each Product is shipped with an operator or user manual (may be in compact disc form or downloaded from Vendor's website) that includes:
- 9.1.11.1 Illustrations that show locations of controls;
 - 9.1.11.2 Explanation of the function of each control;
 - 9.1.11.3 Illustrations of proper connection to the patient and other equipment;
 - 9.1.11.4 Step-by-step procedures for proper use of the appliance;
 - 9.1.11.5 Safety precautions (or considerations) in application and in servicing;
 - 9.1.11.6 Effects of probable malfunctions on patient and employee safety;
 - 9.1.11.7 Difficulties that might be encountered, and care to be taken if the Product is used on a patient at the same time as other electric devices;
 - 9.1.11.8 Circuit diagrams for the particular Product shipped;
 - 9.1.11.9 Functional description of the circuits in Product;
 - 9.1.11.10 Power requirements, heat dissipation, weight, dimensions, output current, output voltage and other pertinent data for the Product;

9.1.11.11 All other warnings and instructions necessary to operate the equipment safely, effectively, and efficiently; and

9.1.11.12 Troubleshooting guide;

9.1.12 if the Products are equipment, each Product contains:

9.1.12.1 Condensed operating instructions clearly and permanently displayed on the Product itself;

9.1.12.2 Nameplates, warning signs, condensed operating instructions, labels, etc. that are legible and will remain so for the expected life of the Product under the usual stringent hospital service cleaning conditions;

9.1.12.3 Labeling in compliance with the medical device labeling requirements under the applicable FDA rules, regulations, and guidelines; and

9.1.12.4 Labeling that provides all other warnings and instructions necessary to operate the equipment safely, effectively, and efficiently; and

9.1.13 are: (i) not “tracked devices” (as defined in 21 C.F.R. § 821.1, as such may be amended from time to time), unless Vendor provides the tracking requirements applicable to such Product in Exhibit B; and (ii) if any Product is a “tracked device,” the disclosures in Exhibit B regarding the applicable tracking requirements for such Product are true and accurate, provided however, the Participant is current in payment for service.

9.2 Product Failures. If any Product purchased under this Agreement fails to function in accordance with the warranties stated in this Agreement within the warranty period stated in Exhibit B, then Vendor shall promptly repair or replace the Product, at Purchaser’s option, at no additional cost to Purchaser. If the Product is an implanted medical device that is removed from a patient due to such failure to function, Purchaser shall have the additional option to require that Vendor refund the original purchase price, including any shipping fees and taxes paid by Purchaser. This warranty for the applicable Products will be null and void if (i) Purchaser or any person who is not directed by Vendor to perform such service attempts to modify, repair or service the Product itself (other than performing the maintenance described in the operator and technician manuals), or (ii) the Product is used in a manner not provided for in the documentation and Technical Specifications provided by Vendor for the Products unless otherwise directed by Vendor. If any Product is found to be defective due to defective materials and/or workmanship for the period of time set forth in Section 9.1.2, Vendor will, at its option, repair or replace the defective parts without charge.

- 9.3 NO IMPLIED WARRANTIES. VENDOR DISCLAIMS AND EXCLUDES ANY IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.
- 9.4 Good Title. Vendor represents and warrants to HMS and Purchasers that Vendor has good title to the Products supplied and that the Products are free and clear from all liens, claims and encumbrances.
- 9.5 Intellectual Property Rights.
- 9.5.1 Warranty of Non-Infringement. N/A
- 9.5.2 Infringement. Vendor agrees to indemnify HMS and Purchasers against any claim of infringement, misappropriation or alleged infringement or misappropriation of any patent, trademark, copyright, trade secret or other intellectual property right, resulting from the possession or use of the Products. If a Product is alleged to infringe or misappropriate or is believed by Vendor to infringe upon any copyright, patent or trademark, or misappropriate any trade secret of a third party, Vendor, at Vendor's sole expense, may elect to: (i) modify the Product so that such Product is non-infringing and functionally equivalent; (ii) replace the Product with a non-infringing product that is functionally equivalent; (iii) obtain the right for Purchasers to continue using the Product or (iv) if options (i) – (iii) are unavailable, Vendor will refund the purchase price, less reasonable depreciation, based on a straight line six year depreciation schedule.
- 9.5.3 No Additional Fees. If the Products and the use thereof are covered by any intellectual property rights of Vendor or its Affiliates, provided Purchaser has paid the purchase price for the Products, Purchaser shall have the right to use the Products in the manner intended by Vendor without paying any additional fees to Vendor or Vendor's Affiliates.
- 9.6 Services Warranties. Vendor represents and warrants to HMS and Purchasers that:
- 9.6.1 the Services conform with statements in Vendor's advertising literature, user documentation, specifications, and written warranties for the Services, including any project-specific Service warranties and any Services warranties stated herein;
- 9.6.2 the Services provided conform to the requirements of all applicable industry, accreditation, committee and regulatory standards and applicable federal, state and local laws, regulations and ordinances (including those of the Joint Commission and Medicare/Medicaid conditions of participation);
- 9.6.3 the Services shall be performed timely, in a workman-like manner, consistent with industry standards, and only by Vendor Personnel that have been sufficiently trained to perform assigned Services; and otherwise in conformance with any standards provided in any Exhibit to this Agreement;

- 9.6.4 Vendor shall obtain at its own cost any and all necessary consents, licenses, approvals, and permits required for the provision of Services;
- 9.6.5 Vendor will not employ or use any individual to perform Services who is not legally authorized to work in the United States; and
- 9.6.6 Vendor shall (and shall require that any Subcontractors shall) (i) retain exclusive responsibility for the payment of wages, salaries, benefits, taxes and/or other payments to, or in respect of, Vendor Personnel; (ii) remain the common law employer of Vendor Personnel; (iii) retain the authority to manage, direct and control the day-to-day work of Vendor Personnel; and (iv) inform Vendor Personnel in writing that they are not eligible to receive benefits offered to employees of customers of Vendor and/or Subcontractor (in a manner inclusive of HMS, any Purchaser and/or their respective Affiliates) and retain written confirmation of same.
- 9.7 Training. Vendor represents and warrants that if Vendor Personnel provide Product training to Purchaser employees or physicians: (i) the predominant purpose of the training is provide instruction on the use of the Products consistent with the Products specifications and intended use; (ii) the training is not for instruction on how to market the Products or procedures using the Products; (iii) the training is not intended to encourage investment in Vendor; (iv) the training is not for instruction on how to bill any Healthcare Program; and (v) the training has no substantial independent value to Purchaser employees or physicians.
- 9.8 Recalls. Vendor will promptly notify HMS upon becoming aware of any patient safety issue involving the Products or Services. If any Product or any of its components is subject to recall as that term is defined under 21 C.F.R. Part 7, or a voluntary recall by Vendor, or is subject to an FDA-initiated court action for removing or correcting violative, distributed products or components (any of the foregoing being referred to as a "Recall"), Vendor shall notify Purchasers and HMS within [***] after becoming aware of any Recall or after Vendor provides notice of the Recall to the FDA. Notices to HMS shall be sent by e-mail to:

[***]

Vendor will comply with any process mandated by the FDA, if applicable, to address such Recall with each Purchaser. If a Recall notice suggests or requires that a Product or any component of a Product be returned or otherwise removed from use, Purchasers shall have the right to return to Vendor or Distributor (if purchased from a Distributor) any such Products at Vendor's expense, including return shipping, and Vendor shall reimburse Purchaser for its original costs, including freight, in acquiring such Product, less reasonable depreciation: based on 6 year useful life of product. For any other Recall which provides Purchaser the

option of Vendor repair or replacement of the Product, if Vendor is unable to do so to Purchaser's satisfaction, Purchaser shall have the right to return the Product for reimbursement and refund at Vendor's expense as provided in the preceding sentence. To the extent such Recall precludes Vendor from supplying any Products or Services under this Agreement, any Purchaser compliance requirements or purchase requirements under this Agreement or any Purchaser-Specific Agreement shall not be effective for as long as Vendor is unable to supply such Products, and a Purchaser's pricing will not change for failure to meet the compliance or purchase requirements during the Vendor's inability to supply.

9.9 Business Continuity Plan. Vendor represents and warrants to HMS and Purchasers that it has and shall maintain a business continuity and disaster recovery plan to enable delivery of Products or Services upon the occurrence of any event or circumstance beyond Vendor's reasonable control, including without limitation acts of God, war or terrorist attack, pandemic, riot, fire, explosion, catastrophic weather event or natural disaster at its primary manufacturing and distribution locations, and agrees to review such plan with HMS upon request.

9.10 Liability Limitations; Mitigation.

9.10.1 Except for damages arising out of (i) either Party's [***] (ii) a Party's indemnification obligations under this Agreement, or (iii) a Party's or any Purchaser's breach of Section 11.0 (Confidentiality); the aggregate liability of either party to the other with respect to this Agreement shall not exceed [***] dollars (\$[***]). Neither Party nor any Purchaser shall be liable to the other for the other's [***].

9.10.2 Any reasonable costs and expenses incurred by HMS and any Purchasers to mitigate or lessen any damages or harm caused by any failure of Products or Services to comply with the warranties referenced in this Agreement shall be considered direct damages.

10 Indemnity

10.1 Vendor Indemnification. Vendor agrees to and does defend, indemnify and hold harmless HMS and each Purchaser, their respective Affiliates, successors, assigns, directors, officers, agents and employees ("HMS Indemnitees") from and against any and all liabilities, demands, losses, damages, costs, expenses, fines, amounts paid in settlements or judgments, and all other reasonable expenses and costs incident thereto, including reasonable attorneys' fees (collectively referred to as "Damages") arising out of or resulting from: (i) any claim, lawsuit, investigation, proceeding, regulatory action, or other cause of action, arising out of or in connection with Products or Services or the possession and/or use of the Products and/or Services, ("Injury"); (ii) the breach or alleged breach by Vendor of the representations, warranties or covenants contained in this Agreement or in materials furnished by Vendor or any Vendor Personnel; or (iii) any infringement, misappropriation or alleged infringement or misappropriation of any patent,

trademark, copyright, trade secret or other intellectual property right resulting from the purchase of Products and/or Purchasers' possession and use thereof, as well as from receipt of any Services provided under this Agreement.

- 10.2 Comparative Fault. If an Injury is caused by the negligence or fault of both Vendor (and/or any Vendor Personnel), on the one hand, and any of the HMS Indemnitees, on the other hand, the apportionment of said Damages shall be shared between Vendor and such HMS Indemnitees based upon the comparative degree of each other's negligence or fault, and each shall be responsible for its own defense and costs, including but not limited to the costs of defense, attorneys' fees, witnesses' fees and expenses incident thereto.
- 10.3 Indemnification Process. If any demand or claim is made or suit is commenced against an HMS Indemnitee for which Vendor has an indemnity obligation under this Section 10.0, written notice of such shall be provided to Vendor, Vendor shall undertake the defense of any such suit, and such HMS Indemnitee shall cooperate with Vendor in the defense of the demand, claim or suit to whatever reasonable extent Vendor requires and at Vendor's sole expense. Vendor shall have the right to compromise such claim at Vendor's expense for the benefit of such HMS Indemnitee, except that prior written consent of the HMS Indemnitee is required if such compromise would seek to obligate a HMS Indemnitee in any respect. Notwithstanding the foregoing, if Vendor fails to assume its obligation to defend, a HMS Indemnitee may do so to protect its interest and seek reimbursement from Vendor.
- 10.4 Reimbursement of Costs for Third Party Litigation. With respect to any litigation involving only one of the Parties or any of its Affiliates (the "Litigating Party"), if any subpoena or other legally binding request related to such litigation is served on the other Party (or on any Purchaser if Vendor or any of its Affiliates is the Litigating Party) (the "Subpoenaed Party") requesting copies of documents maintained by the Subpoenaed Party, the Litigating Party shall reimburse the Subpoenaed Party for its out-of-pocket costs associated with compliance with such request, including reasonable attorneys' fees.

11 Confidentiality

- 11.1 Confidentiality Obligations. During the Term and surviving its expiration or termination, both Parties will regard and preserve as confidential and not disclose publicly or to any third party (other than their respective Affiliates) the Confidential Information of the other Party, its Affiliates or any Purchaser. Subject to Section 11.2, each Party agrees to use the Confidential Information of the other Party, its Affiliates or any Purchaser solely for purposes of performing its obligations under this Agreement. All Confidential Information shall remain the property of the Disclosing Party.
- 11.2 Permitted Uses of Confidential Information. Notwithstanding the definition of Confidential Information or any provision to the contrary contained in this

Agreement: [***]. Any confidentiality agreement required by this Section 11.2 shall have terms that are at least as strict as those contained in Section 11.1 and this Section 11.2.

- 11.3 HIPAA Requirements. Vendor acknowledges that many Purchasers are “covered entities” and/or “business associates” as those terms are defined at 45 C.F.R. § 160.103. To the extent applicable to this Agreement, Vendor agrees to comply with the Health Information Technology for Economic and Clinical Health Act of 2009 (the “HITECH Act”), the Administrative Simplification Provisions of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320d *et seq.* (“HIPAA”) and any current and future regulations promulgated under either the HITECH Act or HIPAA, including without limitation the federal privacy regulations contained in 45 C.F.R. Parts 160 and 164 (the “Federal Privacy Regulations”), the federal security standards contained in 45 C.F.R. Parts 160 and 164 (the “Federal Security Regulations”), and the federal standards for electronic transactions contained in 45 C.F.R. Parts 160 and 162 (the “Federal Electronic Transactions Regulations”), all as may be amended and/or supplemented from time to time, all collectively referred to herein as the “HIPAA Requirements”. Vendor shall not use or further disclose any “Protected Health Information”, including “Electronic Protected Health Information” (as such terms are defined in the HIPAA Requirements) other than as permitted by the HIPAA Requirements and the terms of this Agreement. Vendor will make its internal practices, books, and records relating to the use and disclosure of Protected Health Information available to the Secretary of Health and Human Services (“HHS”) to the extent required for determining compliance with the HIPAA Requirements. Vendor agrees to enter into any further agreements as necessary to facilitate compliance with the HIPAA Requirements.
- 11.4 Data Use. Vendor shall not distribute, sell, market or commercialize data (whether or not deemed Confidential Information) made available by HMS or Purchasers or related to purchases by Purchasers, create derivative products or applications based on such data, or otherwise use such data in any manner not expressly permitted in this Agreement or permitted in writing by the Purchaser.

12 Insurance

Vendor shall maintain, at its own expense and in the minimum amounts specified in Exhibit B, commercial general liability insurance (including coverages for product liability, completed operations, contractual liability and personal injury liability) on an occurrence or claims-made basis covering Vendor for claims, lawsuits or damages arising out of its performance under this Agreement, and any negligent or otherwise wrongful acts or omissions by Vendor or any Vendor Personnel, with HMS listed as an additional insured. If such coverage is provided on a claims-made basis, such insurance shall continue throughout the Term, and upon the termination or expiration of this Agreement, or the expiration or cancellation of the insurance, Vendor shall: (i) renew the existing coverage, maintaining the expiring policy’s retroactive date; or (ii) purchase or arrange for the purchase of either an extended reporting endorsement (“Tail” coverage) from the prior

insurer, or “Prior Acts” coverage from the subsequent insurer, with a retroactive date on or prior to the Effective Date and, in either event, for a period of [***] following the termination or expiration of this Agreement. Vendor shall also maintain Automobile Liability insurance with limits of [***] dollars (\$[***]) per accident, Worker’s Compensation with statutory limits as applicable, and Employer’s Liability insurance with limits of [***] dollars (\$[***]). Vendor shall provide HMS with a copy of all certificates of insurance evidencing the existence of all coverage required under this Agreement upon request. Vendor shall provide HMS with no fewer than thirty (30) days prior written notice of a material reduction in the liability policies of Vendor. For avoidance of doubt, any insufficiency of Vendor’s insurance limits or denial of coverage by Vendor’s insurance carriers shall in no way limit Vendor’s liability for damages under this Agreement.

13 Termination of Agreement

- 13.1 Termination with Cause. In addition to any other termination rights set forth in this Agreement, Vendor and HMS each shall have the right to terminate this Agreement in its entirety or with respect to certain Products or Services for Cause, which is not cured within [***] days following receipt of written notice thereof specifying the Cause. Vendor and any Purchaser each shall have the right to terminate any of their respective obligations under this Agreement (or Purchaser-Specific Agreement, if any) as to the other for Cause, which is not cured within [***] days following receipt of written notice thereof specifying the Cause.
- 13.2 Termination without Cause. HMS shall have the right to terminate this Agreement in its entirety or with respect to certain Products or Services, without Cause and without any liability to Vendor for such termination, by providing at least [***] prior written notice to Vendor.
- 13.3 Change of Control. Except in the event of a “significant organizational transaction” (as defined in Section 19.3), HMS also shall have the right to terminate this Agreement in its entirety or with respect to certain Products or Services, by providing [***] days’ prior written notice to Vendor, upon the transfer, directly or indirectly, by sale, merger or otherwise, of: (i) substantially all of the assets of Vendor or its ultimate parent or any permitted assignee (upon assignment to such assignee); or (ii) fifty percent (50%) or more of the ownership interest of Vendor, its ultimate parent or any such permitted assignee.
- 13.4 Remedies. Subject to the provisions of Section 19.8, any termination by either Party, whether for breach or otherwise, shall be without prejudice to any claims for damages or other rights against the other Party, or between Vendor and any Purchaser, that preceded termination. No specific remedy set forth in this Agreement shall be in lieu of any other remedy to which a Party or any Purchaser may be entitled pursuant to this Agreement or otherwise at law or equity.
- 13.5 Effect of Expiration or Termination. Notwithstanding anything in this Agreement to the contrary, in the event that this Agreement expires or is terminated without a replacement agreement for Products and Services between the Parties, and any

separate agreement entered into directly by a Facility with Vendor remains in effect, the provisions of this Agreement shall survive and be deemed incorporated into such separate agreement, and shall remain in full force and effect until: (i) such Facility ceases being an Affiliate of HMS, or (ii) such separate agreement is terminated or expires.

- 13.6 Transition. The Parties agree that, upon request of HMS, the Expiration Date shall be extended for a period of [***] days if HMS, in its reasonable discretion, deems such extension necessary to assist Purchasers with a smooth transition from purchasing under this Agreement to purchasing under any other agreement. Notwithstanding the foregoing, no purchasing requirements or compliance level commitments shall be applicable during this transition period.
- 13.7 Effect of Expiration or Termination. Notwithstanding anything in this Agreement to the contrary, in the event that this Agreement expires or is terminated without a replacement agreement for Services between the Parties, and any separate agreement entered into directly by a Purchaser with Vendor remains in effect, the provisions of this Agreement shall survive and be deemed incorporated into such separate agreement, and shall remain in full force and effect until: (i) such Purchaser ceases being an Affiliate of HMS, or (ii) such separate agreement is terminated or expires.

14 Compliance Requirements; Books and Records; Credentialing;

- 14.1 Compliance with Applicable Law; Vendor Licensure. Each Party represents and warrants to the other Party (and in the case of Vendor, to the Purchasers as well) that each of its and its Affiliates' performance under this Agreement will at all times comply with all applicable federal, state and local laws, ordinances and regulations. Vendor represents and warrants to HMS and Purchasers that each of Vendor and its Affiliates has obtained and will obtain and maintain during the Term all licenses, permits and approvals required by applicable laws and regulations for each of its and its Affiliates' performance under this Agreement.
- 14.2 Child Labor and Human Trafficking. Vendor represents and warrants to HMS and Purchasers that Vendor, any Subcontractors, and its manufacturers of Products prohibit any form of human trafficking, child labor or other exploitation of children, in compliance with applicable labor and employment laws and standards, including the International Labour Organization's Minimum Age Convention (No. 138). Vendor further represents and warrants that it undertakes periodic inspections or reviews of any Subcontractors and manufacturers of Products to ensure compliance with the foregoing and disqualifies such Subcontractors and manufacturers determined to be non-compliant.
- 14.3 Conflict Minerals. Vendor agrees that it will comply with U.S. Securities and Exchange Commission disclosure rules and other regulations regarding "conflict minerals", including the Dodd-Frank Wall Street Reform and Consumer Protection Act, and that it will undertake periodic inspections of any Subcontractors and manufacturers of Products to ensure compliance with the foregoing.

14.4 Access to Vendor Records.

- 14.4.1 To the extent the requirements of 42 C.F.R. § 420.300 *et seq.* are applicable to the transactions contemplated by this Agreement, Vendor shall make available to the Secretary of HHS, the Comptroller General of the Government Accountability Office (“GAO”) and their authorized representatives, all contracts, books, documents and records relating to the nature and extent of charges under this Agreement until the expiration of [***] after Products and Services are furnished under this Agreement if Products or Services are of the type reimbursable under Medicare or any other government healthcare program.
- 14.4.2 If Vendor subcontracts with an organization “related” to Vendor to fulfill Vendor’s obligations under this Agreement, and if said subcontract is worth [***] dollars (\$[***]) or more over a [***] period, Vendor shall ensure that such subcontract contains a clause substantially identical to Section 14.4.1, which permits access by the HHS, GAO and their representatives to the “related” organization’s books and records.

14.5 Discount Laws and Regulations.

- 14.5.1 Vendor agrees to comply with 42 U.S.C. § 1320a-7b(b)(3)(A) and the “safe harbor” regulations regarding discounts or other reductions in price set forth at 42 C.F.R. § 1001.952(h).
- 14.5.2 Vendor shall include language in each invoice sufficient to advise Purchasers of whether or not such invoice reflects a Rebate or other reduction in price, or is net of any discounts, applicable to the Products and/or Services purchased.
- 14.5.3 When Vendor sends Purchasers invoices listing charges that include a capital cost component (e.g., equipment that must be either capitalized or reported as lease expense) and/or an operating cost component (e.g., services and/or supplies), Vendor shall separately list the prices, shipping fees and taxes applicable to equipment, supplies and services. The price for all capital component items must be reported on the invoice at the net price, with no discount or Rebate to be received separately or at a later point in time.

- 14.6 Government Contractor Requirements. HMS is not a federal government contractor; however, some of the Purchasers that will purchase from Vendor under this Agreement may be federal government contractors or subcontractors. If applicable, Vendor shall abide by the requirements of 41 C.F.R. §§ 60-1.4(a), 60300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with

disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Vendor may also be subject to the Executive Order 13496 and implementing regulations at 29 C.F.R. Part 471, Appendix A to Subpart A.

14.7 Audit Rights.

- 14.7.1 Right to Audit Vendor. HMS shall have the right to review Vendor's, documents and records (whether in hard copy, electronic or other form) that pertain directly to the accounts of HMS, Purchasers, and their Affiliates, Vendor's compliance with the terms of this Agreement, the amounts payable to Vendor under this Agreement, and Rebates payable by Vendor, if applicable for the Products and Services provided by Vendor hereunder. HMS shall exercise such right only during normal business hours and with reasonable advance notice to Vendor. The audit may be conducted by employees of HMS or its Affiliates (including contract employees) or by an external auditing firm selected by HMS.
- 14.7.2 Methodology. If applicable, the methodology for such audit may include sampling and extrapolation in accordance with standard statistical estimations. In connection with any such audit, Vendor shall provide an aging report, as well as a report containing the following data fields: COID, GLN, Customer Number, Facility/Customer Name, Street Address, City, State, Invoice Date, Invoice Number, PO Number, HMS Contract Number, Contract Name and Description, /Product/Item Number, Product/Item Description, Unit of Measure, Quantity Shipped, Unit Price, Extended Price, UOM Conversion Factor and UOM Type. HMS reserves the right to reasonably request, and Vendor agrees to provide, any additional data pertinent to the audit. At the request of HMS, the requested records shall be provided to HMS in electronic form.
- 14.7.3 Costs. The cost of the audit, including the cost of the auditors, shall be paid by HMS. HMS shall have no obligation to pay any costs incurred by Vendor or Vendor Personnel in cooperating with HMS in such audit.
- 14.7.4 Executive Summary and Payments. Upon completion of the audit, Vendor will be notified in writing of the results (an "Executive Summary"). If no response to the Executive Summary is received from Vendor within [***] days following its issuance, the Executive Summary shall be deemed accepted by Vendor, and HMS will issue an invoice to Vendor for any amounts due. Vendor shall pay HMS for proper application and allocation, the amount of any overcharges and unapplied credits (as to Purchasers) and underpayments (as to HMS) determined by the audit within [***] days from

receipt of an invoice from HMS; Vendor shall not use the overcharges or underpayments as a set-off in any fashion. Payment by Purchasers of negotiated prices for Products and/or Services that are less than those listed in Exhibit A shall not be considered to be undercharges and shall not be applied to reduce the amount of any overcharges by Vendor. The unpaid amount of any overcharges or underpayments shall be subject to a late payment fee as stated in Section 3.4.

- 14.7.5 Disputes; Settlement Exclusions. The Parties agree to use good faith efforts to resolve any dispute that may arise from any Executive Summary issued pursuant to Section 14.7.4. If HMS and Vendor enter into any settlement with respect to an audit conducted hereunder, each Purchaser shall have the right to be excluded from such settlement, provided that the pro rata portion of such settlement paid by Vendor that is allocable to such Purchaser is refunded by HMS.
- 14.8 Validation Reviews. Section 14.7 shall not be construed in any way to preclude or otherwise limit HMS or any Purchasers from conducting limited-in-scope reviews of charges by Vendor for purchases by such Purchasers under this Agreement and of Rebates, if applicable per Exhibit A, paid in connection with those purchases, to validate the accuracy thereof. HMS shall also have the right, at any time, to request from Vendor a copy of its list of Facilities to validate the accuracy thereof. Vendor shall correct any inaccuracies discovered by the foregoing reviews. For clarification purposes, such reviews will not be conducted at Vendor's premises or offices.
- 14.9 Warranty of Non-exclusion. Vendor represents and warrants to HMS, Purchasers and their Affiliates that Vendor and its directors, officers, and key employees: (i) are not currently excluded, debarred, or otherwise ineligible to participate in the federal health care programs as defined in 42 U.S.C. § 1320a-7b(f) or any state healthcare program (collectively, the "Healthcare Programs"); (ii) have not been convicted of a criminal offense related to the provision of healthcare items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the Healthcare Programs; and (iii) are not under investigation or otherwise aware of any circumstances which may result in Vendor being excluded from participation in the Healthcare Programs (collectively, the "Warranty of Non-exclusion"). Vendor's representations and warranties underlying the Warranty of Non-exclusion shall be ongoing during the Term, and Vendor shall immediately notify HMS of any change in the status of the representations and warranties set forth in this Section 14.9. Any breach of this Section 14.9 shall give HMS the right to terminate this Agreement immediately.
- 14.10 Background Checks. Vendor agrees to perform background checks on any Vendor Personnel who have access to, or may have access to, any Purchaser facility for the purpose of delivering, maintaining, servicing, or removing equipment and/or Products or participating in surgical procedures in which the Products are used, or for the purpose of providing Services, to ensure such Vendor Personnel: (i) are not

then-currently excluded, debarred or otherwise ineligible to participate in any Healthcare Program (as defined in Section 14.9); (ii) have not been convicted of a criminal offense related to the provision of healthcare items, products or services; (iii) have not been convicted of any felony or are not then-currently charged with any felony; (iv) as discovered through any background check or based upon Vendor's knowledge, have not been terminated from employment by any employer or contractor for theft, misappropriation of property, or any other potentially illegal or unethical acts; and (v) have the appropriate I-9 documentation. Vendor shall not use any Vendor Personnel that does not have the appropriate I-9 documentation to provide Products and/or Services to any Purchaser under this Agreement. Vendor shall obtain a Purchaser's prior written consent before using any Vendor Personnel failing to meet any of the criteria in (i) – (iv) above to provide Products and/or Services to any Purchaser under this Agreement or permitting any such Vendor Personnel to have access to any Purchaser facility. Any breach of this Section 14.10 shall give HMS the right to terminate this Agreement immediately.

14.11 Credentialing. Vendor represents and warrants the following to HMS and Purchasers:

- 14.11.1 **Purchaser Credentialing Requirements.** Vendor Personnel shall be in compliance with such Purchaser's credentialing, approval and other policies required to visit the premises of a Purchaser, as applicable, including paying all related fees and submitting all information required by Purchaser and/or Purchaser's credentialing verification organization in the required format and maintaining the accuracy of such information during the Term, which may include: (i) completed applications including scope of services requested; (ii) information required to conduct background investigations, including social security number(s); (iii) letters of compliance; (iv) current licensure and applicable certifications; (v) health requirements verification; (vi) certificate(s) of insurance; (vii) proof of Purchaser educational requirements completion; (viii) Vendor's job description; (ix) proof of HIPAA training; and (x) proof of operating room protocols training;
- 14.11.2 **Purchaser Network Access Requirements.** As a condition precedent to any Vendor Personnel gaining or utilizing access to any Purchaser's information technology systems or networks if required to perform Services, Vendor shall (i) execute, and ensure that all Vendor Personnel providing Services utilizing such access execute, the applicable network access agreement(s), in the form(s) provided by such Purchaser; and (ii) submit all information required by such Purchaser, including the information set forth in Section 14.11.1 hereof; and
- 14.11.3 **List of Vendor Personnel.** Vendor shall provide to each Purchaser, upon request in the requested format, a list of Vendor Personnel providing Services on the premises of such Purchaser, and shall maintain the accuracy of such list of Vendor Personnel during the Term.

- 14.12 Potential Conflicts. Vendor shall notify HMS and any applicable Facilities of any potential conflict of interest between Vendor Personnel selling Products and any such Facilities or their employees, representatives or independent contractors (including physicians) possibly involved in the purchasing decision process.
- 14.13 No Remuneration. Vendor represents and warrants to HMS and Purchasers that Vendor has not made, is not obligated to make, and will not make any payment or provide any remuneration or items of intrinsic value to any third party or to HMS, Purchasers or their directors, officers or employees in return for HMS entering into this Agreement or for any business transacted under this Agreement (excluding Rebates).
- 14.14 Industry Code of Conduct. Vendor represents and warrants that, in performing Vendor's obligations under this Agreement, it and Vendor Personnel shall comply with a code of conduct applicable to Vendor's industry.
- 14.15 Vendor Relations Policy. Vendor acknowledges that HMS has a Vendor Relations Policy relating to ethics and compliance issues between suppliers and HMS, and that it can access such policy through the internet at:

<http://hcaethics.com/ethics/policies/>

If Vendor becomes aware of any action by any HMS employee or representative that is not consistent with the provisions of Section 14.3 or of the Vendor Relations Policy referenced above, Vendor shall advise HMS's Compliance Officer (either by phone to [***], or in writing to HMS's principal place of business) or by calling Ethics Line at [***].

- 14.16 Physician Ownership Interests and Compensation Arrangements.
- 14.16.1 Physician Ownership Interests. Vendor represents and warrants that it is either (a) a publicly traded company with at least \$[***] in stockholders' equity at the end of its most recent fiscal year or on average during the previous three (3) fiscal years, or (b) no Physician or Immediate Family Member of a Physician has an Ownership Interest in Vendor or a business that is affiliated with Vendor unless the identity of such Physician has been previously disclosed in Vendor's Certification (defined in Section 14.16.3 below). For purposes of this Section 14.16 only, a business that is considered affiliated with Vendor includes, but is not limited to, a parent entity, subsidiary, or other entity controlling, controlled by, or under common control with Vendor, with control meaning the direct or indirect power to govern the management and policies of the entity or the power to approve the entity's transactions through a management agreement or otherwise.
- 14.16.2 Physician Compensation Arrangements. Vendor represents and warrants that, with respect to any and all current and future compensation arrangements between Vendor and a Physician, an Immediate Family

Member of a Physician, and any entity in which a Physician or an Immediate Family Member of a Physician has an ownership interest, such compensation arrangements:

- 14.16.2.1 constitute compensation consistent with fair market value for commercially reasonable and legitimate services under a signed written agreement;
 - 14.16.2.2 do not vary with, or otherwise take into account, the volume or value of referrals or other business generated by the Physician for or with any hospital, ASC or health care facility, regardless of whether said compensation otherwise satisfies the special rules set forth in 42 C.F.R § 411.354(d)(2) or (d)(3); and
 - 14.16.2.3 if in the form of consulting, product development, royalty agreement or similar arrangements, expressly exclude from the compensation or royalty payment any revenues Vendor receives by virtue of the use of any product, item or service in question by the following: (i) the Physician or any Immediate Family Member of a Physician; (ii) any practice group with which the Physician or any Immediate Family Member of a Physician is affiliated; (iii) any member, employee or consultant of a practice group of which the Physician or any Immediate Family Member of a Physician is affiliated; (iv) any hospital, ASC or health care facility with which the Physician is affiliated or has medical staff privileges; and (v) any individual or entity for which the Physician has any actual or potential ability to influence procurement decisions for goods, items or services.
- 14.16.3 Certification, Notice of Changes and Termination. Vendor has submitted a Physician Ownership & Compensation Certification ("Certification") to HMS and represents and warrants to the continued accuracy of the information provided therein. Vendor will submit a renewed and updated Certification upon request of HMS. Vendor will also provide HMS with [***] days' advance written notice prior to entering into any transaction inconsistent with the representations and warranties of Sections 14.16.1 and 14.16.2. Upon receipt of any such notice, HMS may immediately terminate this Agreement, without penalty or prejudice, by written notice to Vendor.
- 14.16.4 Definitions for Section 14.16. For purposes of this Section 14.16, the following terms have the following meanings. "Physician" means any person who is a doctor of medicine or osteopathy, a doctor of dental surgery or dental medicine, a doctor of podiatric medicine, a doctor of optometry, or chiropractor. "Immediate Family Member" of a person means that person's husband or wife; birth or adoptive parent, child, or sibling;

stepparent, stepchild, stepbrother, or stepsister; father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; grandparent or grandchild; grandparent's or grandchild's spouse. "Ownership Interest" means any direct or indirect ownership or investment interest whether through equity, debt or other means, including but not limited to stock, stock options, warrants, partnership shares, limited liability company memberships, as well as loans and bonds.

- 14.17 Warranty of Non-Sanction. Vendor represents and warrants that neither Vendor, nor its directors, officers, employees, agents or subcontractors, is (i) a "specially designated national" or blocked person under U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury; (ii) located, organized, or resident in Iran, Sudan, Syria, Cuba, North Korea or the Crimean region of Ukraine; or (iii) directly or indirectly owned or controlled by or acting on behalf of a person described in (i) or (ii) above.

15 Merger of Terms

- 15.1 Entire Agreement; Prior Agreement. This Agreement constitutes the entire agreement between the Parties and, as of the Effective Date, this Agreement replaces any existing agreement between HMS and Vendor for purchases of products and services comparable to the Products and/or Services (each such existing agreement, a "Prior Agreement"). This Agreement shall exclusively govern the purchases of Products and/or Services by Purchasers that occur during the Term. The provisions of any Prior Agreement shall continue to apply to the products purchased under the Prior Agreement prior to the Effective Date of this Agreement, except that HMS shall have the right, in its sole discretion, to apply the Audit Rights provisions set forth in the Prior Agreement or this Agreement to such purchases as applicable per Exhibit A.
- 15.2 Other Documents. The terms of any purchase order issued by a Purchaser shall not apply to purchases of Products and/or Services hereunder, except as necessary to designate specific Products and/or Services, quantities, /delivery dates, and other similar terms that may vary from order to order; the terms of this Agreement, to the extent applicable, shall be deemed incorporated into such purchase orders. The terms and conditions contained in any acceptance, invoice, bill of lading, or other documents supplied by Vendor are expressly rejected and superseded by this Agreement and shall not be included in any contract with a Purchaser. No commitment form, standardization incentive program acknowledgement, or any other document shall be required by Vendor to be signed by a Purchaser to purchase Products and/or Services under this Agreement, unless expressly stated in this Agreement or later approved in writing by HMS. Any change to such documents that are attached to this Agreement shall first be approved in writing by both Parties. If this Agreement requires Facilities to submit an electronic letter of commitment ("eLOC"), Vendor shall accept or reject each eLOC within ten (10) calendar days of each Facility's submission to HMS's web-based eLOC portal, and eLOCs that have not been rejected by Vendor within [***] days will be deemed accepted.

- 15.3 Conflicts. The terms of the body of this Agreement shall control in the event of any conflict between these terms and any Exhibit, Purchaser-Specific Agreement, and Vendor Product warranty (however provided), unless such document expressly states otherwise and has been approved in writing by HMS

16 Modifications of Terms

- 16.1 Amendments. This Agreement, as executed and approved, may only be modified by written amendment signed by the Parties expressly stating their intent to modify the terms of this Agreement, except with respect to transition period extension as set forth in Section 13.6 (Transition) and catalog number revisions as set forth in Section 16.2 (Informal Exhibit A Revisions).
- 16.2 Informal Exhibit A Revisions. The Parties may informally amend Exhibit A solely to revise catalog numbers for Products ("Exhibit A Revisions") by delivery of desired Exhibit A Revisions from one Party to the other Party and a return delivery of such other Party's consent to such Exhibit A Revisions, to become effective as agreed upon by the Parties.

17 Minority and Women Owned Business Enterprises

- 17.1 Contracting with MWBEs. In conjunction with HMS's efforts to involve MWBEs in its contracting process, HMS may enter into purchasing agreements with MWBEs that will enable Facilities to purchase supplies and/or equipment comparable to the Products under this Agreement. In such event, notwithstanding any other terms of this Agreement to the contrary, such agreement will not be deemed to be a breach of this Agreement by HMS, nor will any purchases by Facilities or their Affiliates from MWBEs (i) be deemed to be a breach of this Agreement or any Purchaser-Specific Agreement or (ii) count against any purchasing requirements of a particular tier or any other compliance level commitments.
- 17.2 Reporting of MWBE Activity. Vendor shall identify and report in writing to HMS at least semi-annually all MWBE activities in which it participates, specifically identifying such activities and purchases relating to Products and Services obtained under this Agreement ("MWBE Report"). The MWBE Report shall include the following information for each applicable reporting period: (i) a list of the each of Vendor's MWBE Subcontractors (if any); (ii) their specific MWBE designation (as defined in Section 1.19); (iii) any applicable HMS agreement number(s); (iv) the associated products or services provided; and (v) Vendor's direct and indirect spend with MWBEs individually and in the aggregate.

18 Environmental Disclosures; Reprocessing

- 18.1 Environmental Disclosures. Vendor acknowledges HMS's commitment to sourcing environmentally preferable products and Vendor shall, upon request of and in the format requested by HMS, submit written responses to HMS representing and warranting to the environmental attributes of Products and/or the Product

manufacturing process. In the event HMS determines that Vendor's responses are materially inaccurate with respect to one or more Products, HMS and Facilities shall have the right to contract with alternative sources for the affected Product(s).

- 18.2 Reprocessing. A Purchaser or any of its Affiliates may, if applicable, contract with Vendor or a third party to reprocess Products or products comparable to the Products.

19 Miscellaneous

- 19.1 Publicity. No advertisement or public announcement of the existence of this Agreement or the relationship created by this Agreement may be made by either Party, unless such Party is required by law to do so, or the Parties agree to do so. In such event, the text of any proposed announcement should be first submitted in writing to the other Party in accordance with Exhibit B (Vendor contact information).
- 19.2 Vendor Name and Logos. Vendor authorizes HMS to use Vendor's names and logos, as provided by Vendor to HMS, on HMS's proprietary public and non-public websites and other HMS publications for Facilities.
- 19.3 Assignment. Neither Party shall assign this Agreement, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Consent by either Party to such assignment in one instance shall not constitute consent by the Party to any other assignment. Any assignment without such prior written consent shall be void and have no effect. Notwithstanding the foregoing, the following shall not constitute an assignment for purposes of this Section 19.3: (i) the transfer, in whole or in part, of a Party's rights and obligations under this Agreement to an Affiliate of the transferring Party; provided such Affiliate shall possess the financial and legal wherewithal sufficient to fulfill the obligations of the transferring Party under this Agreement; or (ii) the transfer, in whole or in part, of a Party's rights and obligations under this Agreement in the event of a significant organizational transaction. For purposes of this Section 19.3, a "significant organizational transaction" means (a) a transaction such as, without limitation, a spin-off or sale of assets of a business, provided that the entity to which this Agreement is transferred was, in whole or in part, an Affiliate of the transferring Party immediately prior to such significant organizational transaction; or (b) an internal reorganization that results in the transferring Party being organized in one or more different legal entities or any other corporate form(s), whether through conversion, merger, or otherwise. Subject to the foregoing, all terms, conditions, covenants and agreements contained in this Agreement shall inure to the benefit of and be binding upon any successor and any permitted assignees of the respective Parties.
- 19.4 Subcontractors. Vendor may use Subcontractors in the performance of Vendor's obligations under this Agreement if the following additional conditions are met: (i) any Subcontractor shall satisfy the background check requirements set forth in

Section 14.10; and (ii) any Subcontractor must have signed Vendor's confidentiality agreement and/or business associate agreement (if applicable), in each case with terms at least as restrictive as those contained in this Agreement, prior to any involvement in the performance of Vendor's obligations under this Agreement. Vendor guarantees the proper classification of each Subcontractor and shall remain responsible for the full compliance by each Subcontractor of all duties and obligations that would otherwise apply to Vendor absent the use of such Subcontractor. Neither HMS nor any Purchaser shall have to assert or exhaust any remedies against any Subcontractor before asserting against Vendor or recovering from Vendor any Damages arising under any Injury or other claim, or exercising any indemnification or other rights under this Agreement.

- 19.5 Independent Contractor Relationship. The Parties agree that Vendor is an independent contractor and that this Agreement does not create any partnership, agency, employment, or joint venture relationship, or any right of either Party or its agents or employees to bind or obligate the other Party to any legal or financial obligation.
- 19.6 Governing Law and Venue.
- 19.6.1 Between the Parties. As between the Parties, this Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its principles of conflict of laws.
- 19.6.2 Between Vendor and a Purchaser. As between Vendor and any one Purchaser, this Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the state in which such Purchaser is located (or, if as to multiple Affiliate Purchasers, the state of Tennessee, without regard to its principles of conflict of laws).
- 19.7 Severability. If any provision of this Agreement should for any reason be held invalid, unenforceable or contrary to public policy, the remainder of the Agreement shall remain in full force and effect notwithstanding.
- 19.8 Survival of Terms; Beneficiaries. Any terms in this Agreement which by their nature must survive after the Term to give their intended effect shall be deemed to survive termination or expiration of this Agreement. Further, the representations and warranties provided in this Agreement shall run to HMS, Purchaser and their successors and permitted assigns, and their applicability during the Term shall survive the termination or expiration of this Agreement.
- 19.9 Waivers. The waiver of any provision of this Agreement or any right, power or remedy under this Agreement shall not be effective unless made in writing and signed by both Parties. No failure or delay by either Party in exercising any right, power or remedy with respect to any of its rights under this Agreement shall operate as a waiver thereof.

- 19.10 Headings; Interpretations. The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any provision hereof. In this Agreement, unless the context otherwise requires: (i) the term “days” means calendar days; and (ii) the term “including” shall mean, “including, without limitation.”
- 19.11 Notices. Notices under this Agreement shall all be in writing, shall be effective upon receipt and shall be sent to the designated recipients listed in Exhibit B by any of the following methods: (i) e-mail with return e-mail acknowledging receipt; (ii) United States Postal Service certified or registered mail with return receipt showing receipt; (iii) courier delivery service with proof of delivery; or (iv) personal delivery. Either Party may change the name and address of any of its designated recipients of notices by giving notice as provided for in this Agreement.
- 19.12 Counterparts; Execution. This Agreement and any amendments hereto may be executed by the Parties hereto by paper or electronic means, and individually or in any combination, in one or more counterparts, each of which shall be an original and all of which shall together constitute one and the same agreement.

[Signature Page Follows]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

IN WITNESS WHEREOF, the Parties indicate their acceptance of the terms of this Agreement by the signatures of their duly authorized representatives.

HCA Management Services, L.P.,
by HPG Enterprises, LLC, its general partner

Vendor: Outset Medical, Inc

HMS Signee: /s/ Fred Keller

Vendor Signee: /s/ Jamie Lewis

HMS Signee Name: Fred Keller

Vendor Signee Name: Jamie Lewis

HMS Signee Title: VP

Vendor Signee Title: SVP, Sales

HMS Signature Date: 4/30/2020

Vendor Signature Date: 5/1/2020

HCA Management Services, L.P.,
by HPG Enterprises, LLC, its general partner

HMS Signee: /s/ Ryan Compton

HMS Signee Name: Ryan Compton

HMS Signee Title: AVP

HMS Signature Date: 4/30/2020

Exhibits

The following Exhibits are part of the Agreement and are incorporated by reference.

- A. Products and Services with Prices
- B. Specific Purchasing Terms
- C. Facility List
- D. Order Agreement
- E. Software as a Service Terms and Conditions Exhibit
- F. Component Interoperability Exhibit
- G. Technology Enabled Equipment Exhibit

*Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.

AWARD/CONTRACT		1 THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING		PAGE OF PAGES 1 47	
2. CONTRACT (Proc. Inst. Ident.) NO. 75A50119C00077			3. EFFECTIVE DATE 09/30/2019		4. REQUISITION/PURCHASE REQUEST/PROJECT NO. OS248364		
5. ISSUED BY CODE		ASPR-BARDA		6. ADMINISTERED BY (If other than Item 5)		CODE	
ASPR-BARDA 200 Independence Ave., S.W. Room 640-G Washington DC 20201		SCD-C					
7. NAME AND ADDRESS OF CONTRACTOR (No., street, country, State and ZIP Code)				8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)			
OUTSET MEDICAL, INC 1261480 Attn: Jamie Lewis OUTSET MEDICAL, INC. 1830 BERING DR SAN JOSE CA 951124212				9. DISCOUNT FOR PROMPT PAYMENT			
CODE 1261480				FACILITY CODE		10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN	
11. SHIP TO/MARK FOR		CODE		OS		12. PAYMENT WILL BE MADE BY	
Office of the Secretary Office of the Secretary 200 Independence Ave. S.W. Washington DC 20201		PSC Program Support Center 7700 Wisconsin Ave Bethesda MD 20814		CODE		PSC	
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304 (c) () <input checked="" type="checkbox"/> 41 U.S.C 3304 (a) ()				14. ACCOUNTING AND APPROPRIATION DATA See Schedule			
15A. ITEM NO		15B. SUPPLIES/SERVICES		15C. QUANTITY		15D. UNIT	
		Continued				15E. UNIT PRICE	
						15F. AMOUNT	
15G. TOTAL AMOUNT OF CONTRACT						[\$***]	
16. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I – THE SCHEDULE				PART II – CONTRACT CLAUSES			
X	A	SOLICITATION/CONTRACT FORM	1	X	I	CONTRACT CLAUSES	22
X	B	SUPPLIES OR SERVICES AND PRICE/COSTS	4	PART III – LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
X	C	DESCRIPTIONS/SPECS./WORK STATEMENT	6	X	J	LIST OF ATTACHEMENTS	34
X	D	PACHAGING AND MARKING	10	PART IV – REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	11		K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
X	F	DELIVERIES OR PERFORMANCE	12		L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
X	G	CONTRACT ADMINISTRATION DATA	15		M	EVALUATION FACTORS FOR AWARD	
X	H	SPECIAL CONTRACT REQUIREMENTS	18				
CONTRACTING OFFICER WILL COMPLETE ITEM 17 (SEALED-BID OR NEGOTIATED PROCUREMENT) OR 18 (SEALED-BID PROCUREMENT) AS APPLICABLE							
17. CONTRACTOR' S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return _____1_____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. SEALED-BID AWARD (Contractor is not required to sign this document.) Your bid on Solicitation Number _____ _____, including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your bid, and (b) this award/contract. No further contractual document is necessary. (Block 18 should be checked only when awarding a sealed-bid contract.)			
19A. NAME AND TITLE OF SIGNER (Type or print) Jamie Lewis-SVP, Sales and Customer Experience				20A. NAME OF CONTRACTING OFFICER TASHA A. MCMILLIAN			

19B. NAME OF CONTRACTOR	19C. DATE SIGNED	20B. UNITED STATES OF AMERICA	20C. DATE SIGNED
	09-26-2019		09-27-2019
BY <u>/s/ Jamie Jewis</u> (Signature or person authorized to sign)		BY <u>/s/ Tasha A. Mcmillian-S</u> (signature of the Contracting officer)	

CONTINUATION SHEET		REFERENCE NO. OF DOCUMENT BEING CONTINUED			PAGE OF 2
		75A50119C00077			47
NAME OF OFFEROR OR CONTRACTOR					
OUTSET MEDICAL, INC 1261480					
ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
1	Tax ID Number : 20-0514392 DUNS Number: [***] ASPR Dialysis award to OutSet Medical Inc. Delivery: 09/30/2019 Period of Performance: 09-30-2019 to 09/29/2021				
	ASPR Dialysis award to OutSet Medical LLC Obligated Amount: \$2,047,653.00 Accounting Info: [***] Funded: \$[***]				[***]
2	ASPR Dialysis Award Obligated Amount: \$[***] Accounting Info: [***] Funded: \$[***]				[***]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

PART I – THE SCHEDULE	1
SECTION A –SOLICITATION/CONTRACT FORM	1
SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS	4
SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT	6
SECTION D - PACKAGING, MARKING AND SHIPPING	10
SECTION E - INSPECTION AND ACCEPTANCE	11
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SECTION J - LIST OF ATTACHMENTS	34

PART I – THE SCHEDULE

Section B – Supplies or Service and Cost/Price

ARTICLE B.1 BRIEF DESCRIPTION OF SUPPLIES OR SERVICES

The purpose of this contract is to address the needs of ASPR to support frail populations affected by natural and intentional disasters, and ensure that populations can be cared for in a manner that reduces the burden of transport, portable hemodialysis capabilities need to be incorporated into Federal Medical System and Disaster Medical Assistance Team caches.

ARTICLE B.2. TYPE OF CONTRACT AND ESTIMATED COST

- a. This award is a FIRM Fixed Price (FFP) type. The period of performance is a 24- month base period for a total of **24 months**.
- b. The estimated cost of this contract is if all options are exercised is \$[***].

B.3 CLIN STRUCTURE

The Government's CLIN structure is provided below.

Base Period 24 Months September 30, 2019 - September 29, 2021

CLIN 0001- Dialysis Systems New equipment, fully-operational, assembled, tested, and configured to include all associated cabling, plumbing and consumables. Lease of [***] systems. Leasing period of performance will be twenty-four (24) months.

QUANTITY - [***]

PN-1003001 - Tablo Hemodialysis System

CLIN 0002 – Shipping, Delivery and Acceptance The shipping, delivery and acceptance of all dialysis systems and operational materials within both CONUS and OCONUS areas.

CONUS - QUANTITY - [***]

OCONUS - QUANTITY - [***]

CLIN 0003 – Installation and Maintenance Installation and 24-month maintenance and support for hardware, software and related consumables

QUANTITY - [***]

CLIN 0004 - Consumables All required consumables to perform hemodialysis on up to [***] patients, assuming [***]-day per week clinical operation and [***] patients/system/day.

QUANTITY - [***]

PN-1000480 - Treatment Bundle – Tablo Cartridge and Straws

PN-0000831 - Bicarb Concentrate, 4 Gal

PN-0002630/832/833/631 - Acid Concentrate, 4 Gal (choice of 1K, 2K, 3K, or 4K)

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

CLIN 0005 –Consumable Shipping – All required shipping costs for consumables to perform hemodialysis on up to [***] patients simultaneously, assuming a [***]-day per week clinical operation and [***] patients/system/day within both CONUS and OCONUS areas.

CONUS - QUANTITY - [***]
OCONUS - QUANTITY - [***]

CLIN 0006 – Training - Training for healthcare providers and technical support staff within both CONUS and OCONUS areas. See above for Minimum Specifications.

CONUS - QUANTITY - [***]
OCONUS - QUANTITY - [***]

CLIN 0007 - Maintenance - Routine and field maintenance of dialysis systems.

QUANTITY - [***]

Performance Details

The required initial delivery is eight weeks after date of contract award. Early delivery is acceptable. Offerors must include all costs including shipping and handling, taxes, customs fees, and freight charges in proposals, if applicable.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

SECTION C – Description/Specification/Statement of Work

Background

The Office of the Principal Deputy Assistant Secretary (OPDAS) is responsible for responding to public health emergencies that affect the US and Territories. OPDAS is seeking to develop and procure solutions to perform hemodialysis on displaced patients currently being treated in outpatient or in-home settings.

ASPR requires commercially-available, FDA-approved dialysis platforms that can create dialysate from potable water sources, and ensure the safety of patients using the technology at home or in a temporary outpatient care facility. This effort will develop a support cache of systems and consumables, a training program, preventative maintenance for dialysis units in storage and in the field, and invest in R&D efforts for future commercial platforms to be adapted to deliver dialysis care in or near disaster zones. This will also allow transition of these patients to in-home dialysis care, helping to achieve the goals of the HHS Transforming Kidney Care Initiative.

Scope

This contract is for current FDA-approved, commercial dialysis platforms that can create their own dialysate from potable water sources, using standard 15A or 20A outlets to carry out hemodialysis treatments in temporary outpatient care facilities. ASPR is seeking to procure a support cache of systems and materials, preventative maintenance support, and training for ASPR Teams to deliver hemodialysis care in temporary outpatient centers.

Objective

The objective is to address the needs of ASPR to support frail populations affected by natural and intentional disasters, and ensure that populations can be cared for in a manner that reduces the burden of transport, portable hemodialysis capabilities need to be incorporated into Federal Medical System and Disaster Medical Assistance Team caches.

A typical response requires the relocation/airlift of approximately [***] dialysis outpatients and comes with significant cost burden to US Tax Payers.

*Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.

The table below lists the system minimum requirements for the portable dialysis capability build:

Function	Requirements	
Dialysis Treatment	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
Dialysate Production	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
Maintenance	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
[***]	[***]	[***]
	[***]	[***]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

Support [***]

Condition [***]

Base Period 24 Months September 30, 2019-September 29, 2021

CLIN 0001- Dialysis Systems New equipment, fully-operational, assembled, tested, and configured to include all associated cabling, plumbing and consumables. Lease of fifty (50) systems. Leasing period of performance will be twenty-four (24) months.

QUANTITY - [***] - Unit Price [***] / Total Price [***]

PN-1003001 - Tablo Hemodialysis System

*The total price is the sum of the monthly rate of the [***] systems for the 24-month base period*

CLIN 0002 – Shipping, Delivery and Acceptance The shipping, delivery and acceptance of all dialysis systems and operational materials within both CONUS and OCONUS areas.

CONUS - QUANTITY - [***] - Unit Price [***] / Total Price [***]

OCONUS - QUANTITY - [***] - Unit Price [***] / Total Price [***]

*The unit price above is for each of the [***] devices in CLIN 0001*

CLIN 0003 – Installation and Maintenance Installation and 24-month maintenance and support for hardware, software and related consumables

QUANTITY - [***] - Unit Price [***] / Total Price [***]

*The monthly rate is for installation and maintenance of all [***] units for the 24-month base period.*

CLIN 0004 - Consumables All required consumables to perform hemodialysis on up to [***] patients, assuming [***]-day per week clinical operation and [***] patients/system/day.

QUANTITY - [***] - Unit Price \$[***] / Total Price [***]

*Each treatment price of \$[***] includes the following:*

PN-1000480 - Treatment Bundle – Tablo Cartridge and Straws

PN-0000831 - Bicarb Concentrate, 4 Gal

PN-0002630/832/833/631 - Acid Concentrate, 4 Gal (choice of 1K, 2K, 3K, or 4K)

*The per patient rate of \$[***] includes [***] treatment bundles for each of the [***] patients requested.*

CLIN 0005 –Consumable Shipping – All required shipping costs for consumables to perform hemodialysis on up to [***] patients simultaneously, assuming a [***]-day per week clinical operation and [***] patients/system/day within both CONUS and OCONUS areas.

CONUS - QUANTITY - [***] - Unit Price \$[***] / Total Price \$[***]

OCONUS - QUANTITY - [***] - Unit Price \$[***] / Total Price \$[***]

*The per patient rate includes [***] treatment bundles for each of the [***] patients requested.*

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

CLIN 0006 – Training - Training for healthcare providers and technical support staff within both CONUS and OCONUS areas. See above for Minimum Specifications.

CONUS - QUANTITY - [***] - Unit Price \$[***] / Total Price \$[***]
OCONUS - QUANTITY - [***] - Unit Price \$[***] / Total Price \$[***]

*The unit price above will be billed monthly and covers on-site training [***] times per year for the 24-month base period.*

CLIN 0007 - Maintenance - Routine and field maintenance of dialysis systems.
QUANTITY - [***] - Unit Price \$[***] / Total Price \$[***]

*The unit price above will be billed monthly and covers on-site routine and field maintenance per the Minimum Specifications for all [***] units in CLIN 0001 at up to [***] USG-Controlled locations.*

GRAND TOTAL (BASE PLUS OPTION) PERIOD CONUS [*]**
GRAND TOTAL (BASE PLUS OPTION) PERIOD OCONUS [*]**

Performance Details

The required initial delivery is eight weeks after date of contract award. Early delivery is acceptable. Offerors must include all costs including shipping and handling, taxes, customs fees, and freight charges in proposals, if applicable.

SECTION D – PACKAGING, MARKING AND SHIPPING

ARTICLE D.1. POSTAGE AND FEES

All postage and fees related to submitting information, including forms, reports, etc., to the Contracting Officer or the Contracting Officer Representative shall be the responsibility of the Contractor. All items to be delivered under the contract shall be preserved, packaged, and packed in accordance with normal commercial practices to meet the packing requirements of the carrier and ensure safe delivery at the intended destination.

ARTICLE D.2. MARKING

All information submitted to the Contracting Officer or the Contracting Officer’s Representative under this contract shall be clearly marked to show the following information on the cover:

Name of the contractor
Contract Number
Consignee’s Name and Address
Title of the deliverables
Date of the Deliverables

ARTICLE D.3. GOVERNMENT ADDRESS

ASPR will inform the Contractor of the address where to ship any purchased equipment or supplies. Addresses may vary depending on where the items are needed.

Section E – Inspection and Acceptance

ARTICLE E.1. FEDERAL ACQUISITION REGULATION CLAUSES INCORPORATED BY REFERENCE

This section or other parts of this contract may incorporate one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address:

<https://www.acquisition.gov/far/>

FAR 52.246-2 – Inspection of Supplies – Fixed Price (August 1996)

FAR 52.246-4 — Inspection of Services- Fixed Price (August 1996)

Inspection and acceptance of the product, and documentation called for herein shall be accomplished by the Government COR. The COR will review, examine, and verify that all services and deliverables fulfill and are in compliance with the requirements and standards as stated in this contract. Technical inspection and acceptance will take place at:

Location to be Determined at time for award

Acceptance may be presumed unless otherwise indicated in writing by the Contracting Officer or the CO's duly authorized representative within 30 days of receipt.

ARTICLE E.2. CONTRACTOR'S PERFORMANCE

At the COR's discretion, he/she and the Contractor's program manager will meet to evaluate the manner in which the Contractor is performing in accordance with the contract requirements and standards such as: good workmanship, the Contractor's record of forecasting and controlling cost; the Contractor's adherence to contract schedule, Contractor's history of reasonable and cooperative behavior and commitment to customer satisfaction, and generally, the Contractor's business like concern for the interest of the customer. The Contracting Officer may attend these meetings. Formal performance reviews will be conducted at least annually on or about the anniversary date of the contract.

ARTICLE E.3. BASIS OF ACCEPTANCE

The Contractor's performance and the quality of services provided hereunder shall be subject to final inspection and acceptance by the Contracting Officer in conjunction with the Contracting Officer's Representative (COR). The Basis for Acceptance shall be compliance with the requirements set forth within the Statement of Work, Contractor's

Proposal and other terms and conditions of the Contract. Deliverable items rejected under the contract shall be corrected in accordance with the applicable clauses.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

SECTION F – DELIVERIES/PERFORMANCE

ARTICLE F.1. FAR 52.252-2 – Clauses Incorporated by Reference (JUN 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Full text may be accessed electronically at

<https://www.acquisition.gov/far/index.html>

FAR 52.242-15 STOP-WORK ORDER (AUG 1989)

FAR 52.242 -17 GOVERNMENT DELAY OF WORK (APR 1984)

FAR 52.247-34 F.O.B. DESTINATION (Nov 1991)

ARTICLE F.2. PERIOD OF PERFORMANCE

The period of performance for the base period shall be twenty-four (24) months from the beginning **September 30, 2019 through September 29, 2021.**

ARTICLE F.3. DELIVERABLES AND DELIVERY SCHEDULE

<u>Deliverable</u>	<u>Description</u>	<u>Acceptance Criteria</u>
Kick Off Meeting	[***]	[***]
Initial System Delivery - Base	[***]	[***]
Final System Delivery - Base	[***]	[***]
Initial Consumable Delivery - Base	[***]	[***]
Final Consumable	[***]	[***]
Delivery - Base	[***]	[***]
Training Development	[***]	[***]

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

Training Delivery	***	***
Routine Maintenance - Base	***	***
Field Maintenance - Base	***	***
Quarterly Reports	***	***
Special Technical Reports	***	***
Final Report	***	***

ARTICLE F.4. REPORTS/DELIVERABLES

Successful performance of the final contract shall be deemed to occur upon performance of the work described in SECTION C of this contract, and upon delivery and acceptance of the items described above in F.3.

The Contractor shall be responsible for submission of all reports and deliverables. The approved file formats for all deliverables shall be specified in the award document.

ARTICLE F.5. OBSERVANCE OF LEGAL HOLIDAYS

The Department of Health and Human Services observes the following days as holidays:

New Year's Day

Inauguration Day (Every 4 Years, Washington, DC only) Martin Luther King's birthday

President's Day Memorial Day Independence Day Labor Day Columbus Day Veteran's Day Thanksgiving Day Christmas Day

Any other day designated by Federal law, Executive Order, or Presidential Proclamation. When any such day falls on a Saturday, Friday is taken as the observation day. When the holiday falls on a Sunday, then Monday is the observation day. Observance of such days by Government personnel shall not be cause for additional period of performance or entitlement to compensation except as set forth in the contract. If the Contractor's personnel work on a holiday, no form of holiday or other premium compensation will be reimbursed either as a direct or indirect cost.

ARTICLE F.6 NOTICE TO THE GOVERNMENT OF DELAYS

In the event the Contractor encounters difficulty in meeting performance requirements, or when the contractor anticipates difficulty in complying with the contract delivery schedule or completion date, or whenever the Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately notify the Contracting Officer, and the COR, in writing, giving pertinent details, provided, however, that this data shall be informational only in character and that this provision shall not be construed as a waiver by the Government of any delivery schedule date, or any rights or remedies provided by law or under this contract.

SECTION G- CONTRACT ADMINISTRATION

ARTICLE G.1. CONTRACTING OFFICER (CO)

The Contracting Officer is:

Tasha McMillian
HHS/ASPR/ORM
O'Neil Office Building
200 C Street, SW
Washington, DC 20201

[***]

[***]

The Contracting Officer (CO) is the only individual who can legally commit the Government to the expenditure of public funds. No person other than the Contracting Officer can make any changes to the terms, conditions, general provisions or other stipulations of this contract. Any other commitment, either explicit or implied, is invalid.

The CO is the only person with authority to act as an agent of the Government under this contract. Only the Contracting Officer has authority to: (1) direct or negotiate any changes in the statement of work; (2) modify or extend the period of performance; (3) change the delivery schedule; (4) authorize reimbursement to the Contractor for any prices incurred during the performance of this contract; (5) obligate or de-obligate funds into the contract; or (6) otherwise change any terms and conditions of this contract.

No information, other than that which may be contained in an authorized modification to this contract duly issued by the Contracting Officer, which may be received from any person employed by the United States Government, or otherwise, shall be considered grounds for deviation from any stipulation of this contract.

ARTICLE G.2. CONTRACTING OFFICER'S REPRESENTATIVE (COR)

The Contracting Officer's Representative (COR) is:

Anthony Nanes
Logistics Management Specialist
Operational Logistics Branch
Division of Strategic National Stockpile
Office of the Assistant Secretary for Preparedness and Response
U.S. Department of Health and Human Services

[***]

As delegated by the CO, the COR is responsible for: (1) monitoring the Contractor's technical progress, including the surveillance and assessment of performance and recommending to the Contracting Officer changes in requirements; (2) assisting the CO in interpreting the statement of work and any other technical performance requirements; (3) performing technical evaluation as required; (4) performing technical inspections required by this contract; and (5) assisting in the resolution of technical problems encountered during performance.

ARTICLE G.3. CONTRACTOR POINT OF CONTACT

The Contractor's Point of Contact is:

Jamie Lewis
Vice President of Sales
830 Bering Drive San Jose, CA 95112
[***]
[***]

ARTICLE G.4. PAYMENT BY ELECTRONIC FUNDS TRANSFER

The Government shall use electronic funds transfer to the maximum extent possible when making payments under this contract.

ARTICLE G.5. INVOICE SUBMISSION

The Contractor shall deliver invoices electronically and simultaneously to: Program Support Center (PSC), the Contracting Officer Representative, and the Contracting Officer. Unless otherwise specified by the Contracting Officer, all invoices shall be addressed as follows:

The Contractor agrees to include, as a minimum, the following information on each invoice:

Contractor's Name & Address
Contractor's Banking Information (where payment is to be remitted)
Contractor's Tax Identification Number (TIN)
DUNS Number
Contract Number
Requisition Number
Invoice Number (HHS-001)
Invoice Date
Contract Line Item Number (CLIN)
Quantity
Unit Price & Extended Amount for each line item
Total Amount of Invoice (to include the accumulative total(s), the period of performance of the contract and the period of performance of the billing period)
Name, title and telephone number of person to be notified in the event of a defective invoice Payment Address, if different from the information in (b) (1).

The invoice shall be signed by a person authorized to bind the Contractor. The Contractor shall not submit an invoice prior to delivery of goods or services.

ARTICLE G.6. CONTRACT COMMUNICATIONS/CORRESPONDENCE

The Contractor shall identify all correspondence, reports, and other data pertinent to this contract by imprinting thereon the contract number from Page 1 of the contract.

ARTICLE G.7. STANDARDS OF CONDUCT

In performing this contract, Contractor personnel may be required to interact with high-level Government and non-government officials. The Contractor shall ensure that all its personnel conduct their work in a professional and responsible manner.

ARTICLE G.8. EVALUATION OF CONTRACTOR PERFORMANCE

Purpose: In accordance with FAR 42.1502, the Contractor's performance will be periodically evaluated by the government in order to provide current information for source selection purposes. These evaluations will therefore be marked "Source Selection Information."

Performance Evaluation Period: The Contractor's performance will be evaluated annually.

Evaluators: The performance evaluation will be completed jointly by the Contracting Officer's Representative and the Contracting Officer.

Performance Evaluation Factors: The Contractor's performance will be evaluated in accordance with SECTION M, Attachment #1, Contract Performance Evaluation Report and the Contractor Performance Assessment Reporting System (CPARS).

Contractor Review: A copy of the evaluation will be provided to the Contractor as soon as practicable after completion of the evaluation. The Contractor shall submit comments, rebutting statements, or additional information to the Contracting Officer within [***] days after receipt of the evaluation.

Resolving Disagreements between the Government and the Contractor: Disagreements between the parties regarding the evaluation will be reviewed at a level above the Contracting Officer. The ultimate conclusion on the performance evaluation is a decision of the contracting agency. Copies of the evaluation, Contractor's response, and review comments, if any, will be retained as part of the evaluation.

Release of Contractor Performance Evaluation Information: The completed evaluation will not be released to other than Government personnel and the Contractor whose performance is being evaluated.

Disclosure of such information could cause harm both to the commercial interest of the Government and to the competitive position of the contractor being evaluated, as well as impede the efficiency of Government operations.

Source Selection Information: Departments and agencies may share past performance information with other Government departments and agencies when requested to support future award decisions. The information may be provided through interview and/or by sending the evaluation and comment document to the requesting source selection official.

Retention Period: The agency will retain past performance information for a maximum period of [***] years after completion of contract performance for the purpose of providing source selection information for future contract awards.

SECTION H – SPECIAL CONTRACT REQUIREMENTS

ARTICLE H.1. CONFLICT OF INTEREST

The Contractor warrants that to the best of its knowledge and belief except as otherwise disclosed, no actual or apparent organizational or employee conflict of interest exists as defined below: a situation in which the nature of work under a Government contract and a Contractor's organization and any of its affiliate organizations or their successors in interest (hereinafter collectively referred to as the "Contractor"), financial, contractual or other interests are such that the appearance of the Contractor's objectivity in performing the contract work may be impaired, may otherwise result in a biased work product, or may result in the contractor being given an unfair competitive advantage; or a financial interest or relationship, professional or otherwise, of an employee, subcontractor employee, or consultant (hereinafter referred to as "employee") with an entity that may actually impair or have the appearance of impairing the objectivity of the employee in performing the contract work, or an employee has had, currently has, or is reasonably expected to have, official responsibilities with an outside organization, or some other financial interest or business affiliation, such that a reasonable person with knowledge of the relevant facts might question the employee's objectivity/impartiality in performing the contract.

For purposes of paragraphs a(i) - (a)(iii), the financial interests and business affiliations of the employee's spouse, minor children, and business partners are imputed to the employee.

The Contractor agrees that if changes in their organization or employees have occurred that give rise to the appearance of a conflict of interest since submission of their final proposal revision (FPR) and contract award or occur during the performance of this contract, it shall make an immediate and full disclosure to the Contracting Officer and Contracting Officer's Technical Representative (COR) in writing. Such disclosure should include a description of the circumstances, and a description of any action which the Contractor has taken or proposes to take to avoid, neutralize, or mitigate any actual or apparent conflict of interest.

The Contractor has an ongoing responsibility to notify the Government Contracting Officer and COR in writing if any actual or apparent conflict of interest arises during the period of performance of the contract. The written notification must provide details of the conflict of interest and any planned mitigation.

The Contractor agrees to immediately notify the Contracting Officer and the COR of (1) any actual or apparent personal conflict of interest with regard to any of its employees working on, having published, or having access to information regarding this contract, or (2) any such information regarding this contract, when such conflicts have been reported to the contractor.

The Contractor agrees to notify the Contracting Officer and COR prior to incurring costs for that employee's work when an employee may have a conflict of interest. In the event that the conflict of interest does not become known until after performance on the contract begins, the Contractor shall immediately notify the Contracting Officer and COR of the conflict of interest. The employee shall recuse himself/herself from work on this contract when an actual or apparent conflict has been identified until such time as it is determined that the conflict does not exist or it is resolved. The Contractor shall continue performance of this contract until notified by the Contracting Officer of the appropriate action to be taken.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

The provisions of this clause shall be included in all subcontracts and consulting agreements to avoid, neutralize, or mitigate actual or apparent conflicts of interest.

ARTICLE H.2. TASK ORDER/DELIVERY ORDER CONTRACT OMBUDSMAN

In accordance with FAR 16.505(b)(8), the following individual has been designated as the HHS/ASPR Ombudsman for task order and delivery order contracts:

Schuyler Eldridge
HHS/ASPR/MFHC
O'Neil Office Building
200 C Street, SW
Washington, DC 20201
[***]

ARTICLE H.3. CONFIDENTIALITY OF INFORMATION

Confidential information, as used in this article, means information or data of a personal nature about an individual, or proprietary information or data submitted by or pertaining to an institution or organization.

The Contracting Officer and the Contractor may, by mutual consent, identify elsewhere in this contract specific information and/or categories of information which the Government will furnish to the Contractor or that the Contractor is expected to generate which is confidential. Similarly, the Contracting Officer and the Contractor may, by mutual consent, identify such confidential information from time to time during the performance of the contract. Failure to agree will be settled pursuant to the "Disputes" clause.

If it is established elsewhere in this contract, that information to be utilized under this contract, or a portion thereof, is subject to the Privacy Act, the Contractor will follow the rules and procedures of disclosure set forth in the Privacy Act of 1974, 5 U.S.C. 552a, and implementing regulations and policies, with respect to systems of records determined to be subject to the Privacy Act.

Confidential information, as defined in this article, shall not be disclosed without the prior written consent of the individual, institution, or organization.

Whenever the Contractor is uncertain with regard to the proper handling of material under the contract, or if the material in question is subject to the Privacy Act or is confidential information subject to the provisions of this article, the Contractor should obtain a written determination from the Contracting Officer prior to any release, disclosure, dissemination, or publication.

Contracting Officer Determinations will reflect the result of internal coordination with appropriate program and legal officials.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

ARTICLE H.4. ACCESS TO DOCUMENTATION/DATA

The Government shall have physical and electronic access to all documentation and data generated under this contract, including: all data documenting Contractor performance, all data generated, all communications and correspondence with regulatory agencies and bodies to include all audit observations, inspection reports, milestone completion documents, and all Contractor commitments and responses. The Government shall acquire unlimited rights to all data funded under this contract.

ARTICLE H.5. IDENTIFICATION AND DISPOSITION OF DATA

HHS reserves the right to review any other data determined by HHS to be relevant to this contract.

ARTICLE H.6. DISSEMINATION OF INFORMATION

No information related to data obtained under this contract shall be released or publicized without the prior written consent of the COR and CO, whose approval shall not be unreasonably withheld, conditioned, or delayed, provided that no such consent is required to comply with any law, rule, regulation, court ruling or similar order; for submission to any government entity' for submission to any securities exchange on which the Contractor's (or its parent corporation's) securities may be listed for trading; or to third parties relating to securing, seeking, establishing or maintaining regulatory or other legal approvals or compliance, financing and capital raising activities, or mergers, acquisitions, or other business transactions.

ARTICLE H.7. DISSEMINATION OF FALSE OR DELIBERATELY MISLEADING INFORMATION

The Contractor shall not use contract funds to disseminate information that is deliberately false or misleading.

ARTICLE H.8. PUBLICATION AND PUBLICITY

The Contractor shall not release any reports, manuscripts, press releases, or abstracts about the work being performed under this contract without written notice in advance to the Government, for additional information see HHSAR 352.227-70 Publications and Publicity (Dec 2015).

Unless authorized in writing by the CO, the contractor shall not display the HHS logo including Operating Division or Staff Division logos on any publications.

The Contractor shall not reference the products(s) or services(s) awarded under this contract in commercial advertising, as defined in FAR 31.205-1, in any manner which states or implies HHS approval or endorsement of the product(s) or service(s) provided.

The Contractor shall include this clause in all subcontracts where the subcontractor may propose publishing the results of its work under the subcontract.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

ARTICLE H.9. REPORTING MATTERS INVOLVING FRAUD, WASTE, AND ABUSE

Anyone who becomes aware of the existence or apparent existence of fraud, waste and abuse in ASPR- funded programs is encouraged to report such matters to the HHS Inspector General’s Office in writing or on the Inspector General’s Hotline. The toll free number is **1-800-HHS-TIPS (1-800- 447-8477)**. All telephone calls will be handled confidentially. The mailing address is:

U.S. Department of Health and Human Services Office of Inspector General
ATTN: OIG HOTLINE OPERATIONS
P.O. Box 23489 Washington, DC 20026

ARTICLE H.10. PROHIBITION ON THE USE OF APPROPRIATED FUNDS FOR LOBBYING ACTIVITIES

The Contractor is hereby notified of the restrictions on the use of HHS funding for lobbying of Federal, State and Local legislative bodies.

Section 1352 of Title 10, United States Code (Public Law 101-121, effective 12/23/89), among other things, prohibits a recipient of a Federal contract, grant, loan, or cooperative agreement from using appropriated funds (other than profits from a federal contract) to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, grant, loan, or cooperative agreement. For additional information of prohibitions against lobbying activities, see FAR Subpart 3.8 – Limitations on the Payment of Funds to Influence Federal Transactions and FAR Clause 52.203-12 (Oct 2010).

In addition, the current HHS Appropriations Act provides that no part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes; for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support, or defeat legislation pending before the Congress, or any State or Local legislature except in presentation to the Congress; or any State or Local legislative body itself.

The current HHS Appropriations Act also provides that no part of any appropriation contained in this Act shall be used to pay the salary or expenses of any contract or grant recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress, or any State or Local legislature.

SECTION I – CONTRACT CLAUSES

ARTICLE I.1 FEDERAL ACQUISITION REGULATIONS (FAR) (48 CFR Chapter 1 CONTRACT CLAUSES)

FAR 52.252-2 Clauses Incorporated by Reference (Feb 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

Full text of the FAR clauses may be accessed electronically at:

<https://www.acquisition.gov/far/index.html>

FAR	52.204-6	April 2008	Data Universal Numbering System (DUNS) Number
FAR	52.204-7	July 2013	System for Award Management
FAR	52.204-13	Oct 2016	System for Award Management Maintenance
FAR	52.209-7	Jul 2013	Information Regarding Responsibility Matters
FAR	52.215-1	Jan 2004	Instructions to Offerors – Competitive Acquisitions
FAR	52.215-8	Oct 1997	Order of Precedence-Uniform Contract Format
FAR	52.215-16	Jun 2003	Facilities Capital Cost of Money
FAR	52.225-25	Aug 2018	Prohibition on Contracting with Entities Engaging in Sanctioned Activities Relating to Iran—Representation and Certification
FAR	52.232-38	Jul 2013	Submission of Electronic Funds Transfer Information with Offer
HHSAR	352.215-70	Dec 2015	Late Proposals and Revisions
HHSAR	352.203-70	Dec 2015	Anti-Lobbying
HHSAR	352.208-70	Dec 2015	Printing and Duplication
HHSAR	352.224-71	Dec 2015	Confidential Information

FAR 52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS—COMMERCIAL ITEMS (JAN 2018)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

(1) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).

(2) 52.209-10, Prohibition on Contracting with Inverted Domestic Corporations (Nov 2015).

(3) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).

(4) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004)(Public Laws 108-77 and 108-78 (19 U.S.C. 3805 note)).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

[Contracting Officer check as appropriate.]

☒ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (Sept 2006), with Alternate I (Oct 1995) (41 U.S.C. 4704 and 10 U.S.C. 2402).

☒ (2) 52.203-13, Contractor Code of Business Ethics and Conduct (Oct 2015) (41 U.S.C. 3509)).

☐ (3) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (June 2010) (Section 1553 of Pub. L. 111-5). (Applies to contracts funded by the American Recovery and Reinvestment Act of 2009.)

☒ (4) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (Oct 2016) (Pub. L. 109-282) (31 U.S.C. 6101 note).

☐ (5) [Reserved].

☐ (6) 52.204-14, Service Contract Reporting Requirements (Oct 2016) (Pub. L. 111-117, section 743 of Div. C).

☐ (7) 52.204-15, Service Contract Reporting Requirements for Indefinite-Delivery Contracts (Oct 2016) (Pub. L. 111-117, section 743 of Div. C).

☒ (8) 52.209-6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment. (Oct 2015) (31 U.S.C. 6101 note).

☐ (9) 52.209-9, Updates of Publicly Available Information Regarding Responsibility Matters (Jul 2013) (41 U.S.C. 2313).

☐ (10) [Reserved].

☐ (11)(i) 52.219-3, Notice of HUBZone Set-Aside or Sole-Source Award (Nov 2011) (15 U.S.C. 657a).

☐ (ii) Alternate I (Nov 2011) of 52.219-3.

☐ (12)(i) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (OCT 2014) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).

☐ (ii) Alternate I (JAN 2011) of 52.219-4.

☐ (13) [Reserved]

____ (14)(i) 52.219-6, Notice of Total Small Business Set-Aside (Nov 2011) (15 U.S.C. 644).

____ (ii) Alternate I (Nov 2011).

____ (iii) Alternate II (Nov 2011).

____ (15)(i) 52.219-7, Notice of Partial Small Business Set-Aside (June 2003) (15 U.S.C. 644).

____ (ii) Alternate I (Oct 1995) of 52.219-7.

____ (iii) Alternate II (Mar 2004) of 52.219-7.

X (16) 52.219-8, Utilization of Small Business Concerns (Nov 2016) (15 U.S.C. 637(d)(2) and (3)).

X (17)(i) 52.219-9, Small Business Subcontracting Plan (Jan 2017) (15 U.S.C. 637(d)(4)).

____ (ii) Alternate I (Nov 2016) of 52.219-9.

____ (iii) Alternate II (Nov 2016) of 52.219-9.

____ (iv) Alternate III (Nov 2016) of 52.219-9.

____ (v) Alternate IV (Nov 2016) of 52.219-9.

____ (18) 52.219-13, Notice of Set-Aside of Orders (Nov 2011) (15 U.S.C. 644(r)).

____ (19) 52.219-14, Limitations on Subcontracting (Jan 2017) (15 U.S.C. 637(a)(14)).

X (20) 52.219-16, Liquidated Damages—Subcontracting Plan (Jan 1999) (15 U.S.C. 637(d)(4)(F)(i)).

____ (21) 52.219-27, Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (Nov 2011) (15 U.S.C. 657 f).

X (22) 52.219-28, Post Award Small Business Program Representation (Jul 2013) (15 U.S.C. 632(a)(2)).

____ (23) 52.219-29, Notice of Set-Aside for, or Sole Source Award to, Economically Disadvantaged Women-Owned Small Business Concerns (Dec 2015) (15 U.S.C. 637(m)).

____ (24) 52.219-30, Notice of Set-Aside for, or Sole Source Award to, Women-Owned Small Business Concerns Eligible Under the Women-Owned Small Business Program (Dec 2015) (15 U.S.C. 637(m)).

X (25) 52.222-3, Convict Labor (June 2003) (E.O. 11755).

X (26) 52.222-19, Child Labor—Cooperation with Authorities and Remedies (Oct 2016) (E.O. 13126).

X (27) 52.222-21, Prohibition of Segregated Facilities (Apr 2015).

X (28) 52.222-26, Equal Opportunity (Sept 2016) (E.O. 11246).

X (29) 52.222-35, Equal Opportunity for Veterans (Oct 2015)(38 U.S.C. 4212).

X (30) 52.222-36, Equal Opportunity for Workers with Disabilities (Jul 2014) (29 U.S.C. 793).

X (31) 52.222-37, Employment Reports on Veterans (FEB 2016) (38 U.S.C. 4212).

X (32) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496).

X (33)(i) 52.222-50, Combating Trafficking in Persons (Mar 2015) (22 U.S.C. chapter 78 and E.O. 13627).

_____ (ii) Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627).

X (34) 52.222-54, Employment Eligibility Verification (OCT 2015). (Executive Order 12989). (Not applicable to the acquisition of commercially available off-the-shelf items or certain other types of commercial items as prescribed in 22.1803.)

X (35) 52.222-59, Compliance with Labor Laws (Executive Order 13673) (OCT 2016). (Applies at \$50 million for solicitations and resultant contracts issued from October 25, 2016 through April 24, 2017; applies at \$500,000 for solicitations and resultant contracts issued after April 24, 2017).

Note to paragraph (b)(35): By a court order issued on October 24, 2016, 52.222-59 is enjoined indefinitely as of the date of the order. The enjoined paragraph will become effective immediately if the court terminates the injunction. At that time, GSA, DoD and NASA will publish a document in the Federal Register advising the public of the termination of the injunction.

_____ (36) 52.222-60, Paycheck Transparency (Executive Order 13673) (OCT 2016).

_____ (37)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA– Designated Items (May 2008) (42 U.S.C. 6962(c)(3)(A)(ii)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

_____ (ii) Alternate I (May 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

_____ (38) 52.223-11, Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons (JUN 2016) (E.O. 13693).

_____ (39) 52.223-12, Maintenance, Service, Repair, or Disposal of Refrigeration Equipment and Air Conditioners (JUN 2016) (E.O. 13693).

_____ (40)(i) 52.223-13, Acquisition of EPEAT®-Registered Imaging Equipment (JUN 2014) (E.O.s 13423 and 13514).

_____ (ii) Alternate I (Oct 2015) of 52.223-13.

_____ (41)(i) 52.223-14, Acquisition of EPEAT®-Registered Televisions (JUN 2014) (E.O.s 13423 and 13514).

_____ (ii) Alternate I (Jun 2014) of 52.223-14.

X (42) 52.223-15, Energy Efficiency in Energy-Consuming Products (DEC 2007) (42 U.S.C. 8259b).

_____ (43)(i) 52.223-16, Acquisition of EPEAT®-Registered Personal Computer Products (OCT 2015) (E.O.s 13423 and 13514).

_____ (ii) Alternate I (Jun 2014) of 52.223-16.

X (44) 52.223-18, Encouraging Contractor Policies to Ban Text Messaging While Driving (AUG 2011) (E.O. 13513).

_____ (45) 52.223-20, Aerosols (JUN 2016) (E.O. 13693).

_____ (46) 52.223-21, Foams (JUN 2016) (E.O. 13693).

_____ (47)(i) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).

_____ (ii) Alternate I (JAN 2017) of 52.224-3.

____ (48) 52.225-1, Buy American—Supplies (May 2014) (41 U.S.C. chapter 83).

____ (49)(i) 52.225-3, Buy American—Free Trade Agreements—Israeli Trade Act (May 2014) (41 U.S.C. chapter 83, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, 19 U.S.C. 3805 note, 19 U.S.C. 4001 note, Pub. L. 103-182, 108-77, 108-78, 108-286, 108-302, 109-53, 109-169, 109-283, 110-138, 112-41, 112-42, and 112-43).

____ (ii) Alternate I (May 2014) of 52.225-3.

____ (iii) Alternate II (May 2014) of 52.225-3.

____ (iv) Alternate III (May 2014) of 52.225-3.

____ (50) 52.225-5, Trade Agreements (OCT 2016) (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).

 X (51) 52.225-13, Restrictions on Certain Foreign Purchases (June 2008) (E.O.'s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).

____ (52) 52.225-26, Contractors Performing Private Security Functions Outside the United States (Oct 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).

____ (53) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (Nov 2007) (42 U.S.C. 5150).

____ (54) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (Nov 2007) (42 U.S.C. 5150).

____ (55) 52.232-29, Terms for Financing of Purchases of Commercial Items (Feb 2002) (41 U.S.C. 4505, 10 U.S.C. 2307(f)).

____ (56) 52.232-30, Installment Payments for Commercial Items (Jan 2017) (41 U.S.C. 4505, 10 U.S.C. 2307(f)).

 X (57) 52.232-33, Payment by Electronic Funds Transfer—System for Award Management (Jul 2013) (31 U.S.C. 3332).

____ (58) 52.232-34, Payment by Electronic Funds Transfer—Other than System for Award Management (Jul 2013) (31 U.S.C. 3332).

____ (59) 52.232-36, Payment by Third Party (May 2014) (31 U.S.C. 3332).

____ (60) 52.239-1, Privacy or Security Safeguards (Aug 1996) (5 U.S.C. 552a).

____ (61) 52.242-5, Payments to Small Business Subcontractors (JAN 2017)(15 U.S.C. 637(d)(12)).

____ (62)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631).

____ (ii) Alternate I (Apr 2003) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

[Contracting Officer check as appropriate.]

____ (1) 52.222-17, Nondisplacement of Qualified Workers (May 2014)(E.O. 13495).

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

____ (2) 52.222-41, Service Contract Labor Standards (May 2014) (41 U.S.C. chapter 67).

____ (3) 52.222-42, Statement of Equivalent Rates for Federal Hires (May 2014) (29 U.S.C. 206 and 41 U.S.C. chapter 67).

____ (4) 52.222-43, Fair Labor Standards Act and Service Contract Labor Standards-Price Adjustment (Multiple Year and Option Contracts) (May 2014) (29 U.S.C. 206 and 41 U.S.C. chapter 67).

____ (5) 52.222-44, Fair Labor Standards Act and Service Contract Labor Standards—Price Adjustment (May 2014) (29 U.S.C. 206 and 41 U.S.C. chapter 67).

____ (6) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (May 2014) (41 U.S.C. chapter 67).

____ (7) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services—Requirements (May 2014) (41 U.S.C. chapter 67).

____ (8) 52.222-55, Minimum Wages Under Executive Order 13658 (Dec 2015).

____ (9) 52.222-62, Paid Sick Leave Under Executive Order 13706 (JAN 2017) (E.O. 13706).

____ (10) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (May 2014) (42 U.S.C. 1792).

____ (11) 52.237-11, Accepting and Dispensing of \$1 Coin (Sept 2008) (31 U.S.C. 5112(p)(1)).

(d) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records—Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Oct 2015) (41 U.S.C. 3509).

(ii) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (Jan 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).

(iii) 52.219-8, Utilization of Small Business Concerns (Nov 2016) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$700,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(iv) 52.222-17, Nondisplacement of Qualified Workers (May 2014) (E.O. 13495). Flow down required in accordance with paragraph (l) of FAR clause 52.222-17.

(v) 52.222-21, Prohibition of Segregated Facilities (Apr 2015)

(vi) 52.222-26, Equal Opportunity (Sept 2016) (E.O. 11246).

(vii) 52.222-35, Equal Opportunity for Veterans (Oct 2015) (38 U.S.C. 4212).

(viii) 52.222-36, Equal Opportunity for Workers with Disabilities (Jul 2014) (29 U.S.C. 793).

(ix) 52.222-37, Employment Reports on Veterans (Feb 2016) (38 U.S.C. 4212)

(x) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(xi) 52.222-41, Service Contract Labor Standards (May 2014) (41 U.S.C. chapter 67).

(xii) 52.222-50, Combating Trafficking in Persons (Mar 2015) (22 U.S.C. chapter 78 and E.O 13627). Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O 13627).

(xiii) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (May 2014) (41 U.S.C. chapter 67).

(xiv) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services-Requirements (May 2014) (41 U.S.C. chapter 67).

(xv) 52.222-54, Employment Eligibility Verification (OCT 2015) (E.O. 12989).

(xvi) 52.222-55, Minimum Wages Under Executive Order 13658 (Dec 2015).

(xvii) 52.222-59, Compliance with Labor Laws (Executive Order 13673) (OCT 2016) (Applies at \$50 million for solicitations and resultant contracts issued from October 25, 2016 through April 24, 2017; applies at \$500,000 for solicitations and resultant contracts issued after April 24, 2017).

Note to paragraph (e)(1)(xvii): By a court order issued on October 24, 2016, 52.222-59 is enjoined indefinitely as of the date of the order. The enjoined paragraph will become effective immediately if the court terminates the injunction. At that time, GSA, DoD and NASA will publish a document in the Federal Register advising the public of the termination of the injunction.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

(xviii) 52.222-60, Paycheck Transparency (Executive Order 13673) (OCT 2016)).

(xix) 52.222-62, Paid Sick Leave Under Executive Order 13706 (JAN 2017) (E.O. 13706).

(xx)(A) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).

(B) Alternate I (JAN 2017) of 52.224-3.

(xxi) 52.225-26, Contractors Performing Private Security Functions Outside the United States (Oct 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).

(xxii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (May 2014) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xxiii) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the Contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

FAR 52.204-14, Service Contract Reporting Requirements, (Oct 2016)

(a) *Definition.*

“First-tier subcontract” means a subcontract awarded directly by the Contractor for the purpose of acquiring supplies or services (including construction) for performance of a prime contract. It does not include the Contractor’s supplier agreements with vendors, such as long-term arrangements for materials or supplies that benefit multiple contracts and/or the costs of which are normally applied to a Contractor’s general and administrative expenses or indirect costs.

(b) The Contractor shall report, in accordance with paragraphs (c) and (d) of this clause, annually by October 31, for services performed under this contract during the preceding Government fiscal year (October 1-September 30).

(c) The Contractor shall report the following information:

- (1) Contract number and, as applicable, order number.
- (2) The total dollar amount invoiced for services performed during the previous Government fiscal year under the contract.
- (3) The number of Contractor direct labor hours expended on the services performed during the previous Government fiscal year.
- (4) Data reported by subcontractors under paragraph (f) of this clause.

(d) The information required in paragraph (c) of this clause shall be submitted via the internet at www.sam.gov. (See SAM User Guide). If the Contractor fails to submit the report in a timely manner, the contracting officer will exercise appropriate contractual remedies. In addition, the Contracting Officer will make the Contractor’s failure to comply with the reporting requirements a part of the Contractor’s performance information under FAR subpart 42.15.

(e) Agencies will review Contractor reported information for reasonableness and consistency with available contract information. In the event the agency believes that revisions to the Contractor reported information are warranted, the agency will notify the Contractor no later than November 15. By November 30, the Contractor shall revise the report or document its rationale for the agency.

(f)

- (1) The Contractor shall require each first-tier subcontractor providing services under this contract, with subcontract(s) each valued at or above the thresholds set forth in 4.1703(a)(2), to provide the following detailed information to the Contractor in sufficient time to submit the report:
 - (i) Subcontract number (including subcontractor name and unique entity identifier); and

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

(ii) The number of first-tier subcontractor direct-labor hours expended on the services performed during the previous Government fiscal year.

(2) The Contractor shall advise the subcontractor that the information will be made available to the public as required by section 743 of Division C of the Consolidated Appropriations Act, 2010.

52.204-15 – Service Contract Reporting Requirements for Indefinite-Delivery Contracts.

As prescribed in 4.1705(b), insert the following clause:

Service Contract Reporting Requirements for Indefinite-Delivery Contracts (Oct 2016)

(a) Definition.

“First-tier subcontract” means a subcontract awarded directly by the Contractor for the purpose of acquiring supplies or services (including construction) for performance of a prime contract. It does not include the Contractor’s supplier agreements with vendors, such as long-term arrangements for materials or supplies that benefit multiple contracts and/or the costs of which are normally applied to a Contractor’s general and administrative expenses or indirect costs.

(b) The Contractor shall report, in accordance with paragraphs (c) and (d) of this clause, annually by October 31, for services performed during the preceding Government fiscal year (October 1-September 30) under this contract for orders that exceed the thresholds established in 4.1703(a)(2).

(c) The Contractor shall report the following information:

- (1) Contract number and order number.
- (2) The total dollar amount invoiced for services performed during the previous Government fiscal year under the order.
- (3) The number of Contractor direct labor hours expended on the services performed during the previous Government fiscal year.
- (4) Data reported by subcontractors under paragraph (f) of this clause.

(d) The information required in paragraph (c) of this clause shall be submitted via the internet at www.sam.gov. (See SAM User Guide). If the Contractor fails to submit the report in a timely manner, the contracting officer will exercise appropriate contractual remedies. In addition, the Contracting Officer will make the Contractor’s failure to comply with the reporting requirements a part of the Contractor’s performance information under FAR subpart 42.15.

(e) Agencies will review Contractor reported information for reasonableness and consistency with available contract information. In the event the agency believes that revisions to the

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

Contractor reported information are warranted, the agency will notify the Contractor no later than November 15. By November 30, the Contractor shall revise the report or document its rationale for the agency.

(f)

(1) The Contractor shall require each first-tier subcontractor providing services under this contract, with subcontract(s) each valued at or above the thresholds set forth in 4.1703(a)(2), to provide the following detailed information to the Contractor in sufficient time to submit the report:

(i) Subcontract number (including subcontractor name and unique entity identifier), and

(ii) The number of first-tier subcontractor direct-labor hours expended on the services performed during the previous Government fiscal year.

(2) The Contractor shall advise the subcontractor that the information will be made available to the public as required by section 743 of Division C of the Consolidated Appropriations Act, 2010.

FAR 52.217-8 Option to Extend Services (Nov 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 15 days of the end of the period of performance.

FAR 52.217-9 Option to Extend the Term of the Contract (Mar 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 1 day provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 15 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 24 Months/2 Years.

FAR 52.232-40 Providing Accelerated Payments to Small Business Subcontractors (Dec 2013)

Upon receipt of accelerated payments from the Government, the Contractor shall make accelerated payments to its small business subcontractors under this contract, to the maximum

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extent practicable and prior to when such payment is otherwise required under the applicable contract or subcontract, after receipt of a proper invoice and all other required documentation from the small business subcontractor. The acceleration of payments under this clause does not provide any new rights under the Prompt Payment Act. Include the substance of this clause, including this paragraph (c), in all subcontracts with small business concerns, including subcontracts with small business concerns for the acquisition of commercial items.

FAR 52.233-2, Service of Protest (Sep 2006)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Tasha McMillian
Contracting Officer
HHS/OS/ASPR/ORM
O'Neil Office Building
200 C Street, SW
Washington, DC 20201

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

PART III – ATTACHMENTS

SECTION J – LIST ATTACHMENTS

The following documents are attached and incorporated in this contract:

1. Statement of Work, dated 09/19/2019, 4 pages.
2. Invoice/Financing Request Instructions and Contract Financial Reporting Instructions for Firm Fixed Price, 1 page.
3. Sample Invoice Form, 1 page.
4. Safety and Health, HHSAR Clause 352.223-70, dated 1/2006, 2 pages.

*Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		Page of Pages	
					1 8	
2. AMENDMENT/MODIFICATION NO.		3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (If applicable)	
P00001		05/09/2020	0S258784			
6. ISSUED BY CODE		AS PR-BARDA	7. ADMINISTERED BY (If other than Item 6)		Code	
AS PR-BARDA 200 Independence Ave., S.W. Room 640-G Washington DC 20201						
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)						
OUTSET MEDICAL, INC 1261480 Attn: Jamie Lewis OUTSET MEDICAL, INC. 1830 BERING DR SAN JOSE CA 951124212						
		9A. AMENDMENT OF SOLICITATION NO.				
		9B. DATED (SEE ITEM 11)				
		10A. MODIFICATION OF CONTRACT/ORDER NO. 75A50119C00077				
CODE 1261480		FACILITY CODE		10B. DATED (SEE ITEM 13) 09/26/2019		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS						
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.						
12. ACCOUNTING AND APPROPRIATION DATA (if required) Net Increase: [***] 2020.199SN20.26067						
13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIED THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.						
CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT					
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).					
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.243-1 Changes - Fixed Price					
	D. OTHER (Specify type of modification and authority)					
E. Important Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the Issuing office.						
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)						
Tax ID Number: 20-0514392 DUNS Number: [***] Appr. Yr.: 2020 CAN: 199SN20 Object Class: 26067 Period of Performance: 05/09/2020 to 09/29/2021 Add Item as follows: The purpose of this modification is to 1) revise CLIN 0005, CLIN 0006 and CLIN 0007 and 2) add a short term deployment contingency 3 Procurement of Patient Treatment Packages (PTP) [***] Continued... Except as provided herein, all terms and conditions of the document referenced in Item 9 A or 10A, as heretofore changed, remains unchanged and in full force and effect.						
15A. NAME AND TITLE OF SIGNER (Type or print)			16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)			
			TASHA A. MCMILLIAN			
15B. CONTRACTOR/OFFEROR		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA		16C. DATE SIGNED
(Signature of person authorized to sign)				(Signature of Contracting Officer)		

*Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.

CONTINUATION SHEET		REFERENCE NO. OF DOCUMENT BEING CONTINUED			Page of Pages	
		75A50119C00077 / P00001			2	8
NAME OF OFFEROR OR CONTRACTOR						
OUTSET MEDICAL, INC 1261480						
ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITIY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)	
4	Obligated Amount: [***]					
	Add Item 4 as follows:					
	Training for Healthcare Providers and Technical support Obligated Amount: [***]				[***]	
5	Add Item 5 as follows:					
	Field Maintenance Obligated Amount: [***]				[***]	
	Add Item 6 as follows:					
6	Short term deployment contingency Obligated Amount: [***]				[***]	

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ASPR awarded a contract in 2019 to Outset Medical with a base period of 24 months and no option periods. Due to the support of COVID-19 by the SNS, they've exhausted the quantities under CLINs 0005, 0006, and 0007. With the execution, the increased quantities will sustain the deployment of [***] Tablo Hemodialysis systems.

1. REVISE Section C Description/Specification/Statement of Work

CLIN 0005 – Consumable Shipping

All required shipping costs for consumables to perform hemodialysis on up to [***] patients simultaneously, assuming a [***]-day per week clinical operation and [***] patients/system/day within CONUS areas.

The per patient rate includes [***] treatment bundles for each of the [***] patients requested.

Procurement of [***] additional Patient Treatment Packages (PTP)

PN-100480-Treatment Bundle-Tablo Cartridge and Straws

PN-0000831-Bicarb Concentrated, 4 Gal

PN-0002630/832/833/631-Acid Concentrate, 4 Gal (choice of 1K, 2K, 3K)

Patient Treatment packages ([***] per PTP)

The shipping charges for the Patient Treatment Packages will be covered by FedEx under a separate contract

CONUS- QUANTITY — [***]

Total [*]**

CLIN 0006 – Training

Training for healthcare providers and technical support staff within CONUS areas.

Additional training for healthcare providers and technical support staff for up to [***] times a year within both CONUS and OCONUS areas. The training support is for an additional [***] deployment sites for a [***]-month period. This brings the total number of sites to [***] ([***] from the original award and [***] with the execution of this mod)

CONUS-QUANTITY - [***] - Unit Price [***] per month X [***] months

Total [*]**

CLIN 0007 – Maintenance

Routine and field maintenance of dialysis systems while devices are deployed and in use at an additional [***] commercially accessible locations for a [***]-month period. The maintenance support is for an additional [***] deployment sites for a [***]-month period. This brings the total number of sites to [***] ([***] from the original award and [***] with the execution of this mod)

QUANTITY - [***] - Unit Price [***] per month X [***] months

Total [*]**

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

Short Term Deployment Contingency

Contingency for incremental cost of short-term resource allocation. Additional cost for the contractor to procure personnel and resources to support this mission.

QUANTITY - [***] - Unit Price [***] per month X [***] months

Total [*]**

GRAND TOTAL

[***]

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REVISED REQUIREMENTS and SOW

The table below lists the system minimum requirements for the portable dialysis capability build:

Function	Requirements	
Dialysis Treatment	Blood Flow	[***]
	Maximum Ultrafiltration Rate	[***]
	Dialysate Flow	[***]
	Dialysate Preparation	[***]
	Potassium Settings	[***]
	Calcium Settings	[***]
	Sodium Settings	[***]
	Bicarbonate Settings	[***]
	Dialysis Temperature	[***]
	Dialyzers	[***]
	Consumables	[***]
	Saline Bolus	[***]
	Blood Pressure	[***]
Dialysate Production	Wireless Connectivity (OPTIONAL)	[***]
	Input Water Source	[***]
	Incoming Temperature Range	[***]
	Incoming Pressure Range	[***]
	Filtration	[***]
	Outputs Purified Water	[***]

Maintenance	Disinfection	[***]
	Filter Replacements	[***]
	Routine Maintenance	[***]
	Field Maintenance	[***]
Training	Curriculum Development	[***]
	Curriculum Delivery	[***]
Support	[***]	
Condition	[***]	

CLIN 0001 – Base — Dialysis systems. New equipment, fully-operational, assembled, tested, and configured to include all associated cabling, plumbing and consumables. Lease of [***] systems. Leasing period of performance will be twenty-four (24) months. See above for Minimum Specifications.

CLIN 0002 – Base — Installation and 24-month maintenance and support for hardware and software

CLIN 0003 – Base — System Shipping

CLIN 0004 – Base — Consumables — All required consumables to perform hemodialysis on up to [***] patients, assuming [***]-day per week clinical operation and [***] patients/system/day.

See above for Minimum Specifications.

CLIN 0005 – Base — Consumable Shipping —All required shipping costs for consumables to perform hemodialysis on up to [***] patients simultaneously, assuming a [***]-day per week clinical operation and [***] patients/system/day.

CLIN 0006 – Base — Training —Training for healthcare providers and technical support staff. See above for Minimum Specifications.

***Portions of this exhibit have been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.**

CLIN 0007 – Base — Maintenance — Routine and field maintenance of dialysis systems. See above for Minimum Specifications.

Revision with current modification:

CLIN 0005 – Request procurement of [***] additional Patient Treatment Packages (PTP).

PN-100480-Treatment Bundle-Tablo Cartridge and Straws

PN-0000831-Bicarb Concentrated, 4 Gal

PN-0002630/832/833/631-Acid Concentrate, 4 Gal (choice of 1K, 2K, 3K,)

Patient Treatment packages ([***] per PTP)

CLIN 0006 – Training — Additional training for healthcare providers and technical support staff for up to [***] times a year within both CONUS and OCONUS areas. The Training support is for an additional [***] deployment sites for a [***] months period.

CLIN 0007 – Maintenance - Routine and field maintenance of dialysis systems while devices are deployed and in use at an additional [***] commercially accessible locations for [***] months.

Minimum of [***] devices per location.

Short Term Deployment Contingency

Contingency for incremental cost of short-term resource allocation. Additional cost for the contractor to procure personnel and resources to support this mission.

Period of Performance	September 30, 2019 through September 29, 2021	UNCHANGED
Modification #0002	[***]	CHANGED
Ultimate Contract Value	[***]	CHANGED

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED